# GROW. SUSTAIN. LEAD


Indo Count Industries Limited
Annual Report 2025-26

# CONTENTS



https://www.indocount.com/Parents/financial-information

**Company Information & AGM Details**

| | |
|---|---|
| CIN | L72200PN1988PLC068972 |
| BSE Code | 521016 |
| NSE Symbol | ICIL |
| Dividend Recommended | 75% (₹1.50 per equity share of ₹2/- each) |
| 37th AGM through Video Conferencing/ OAVM | Date: 25th August, 2026<br>Time: 12:00 Noon (IST) |
| VC Platform & E-voting | NSDL |

# GROW

## FROM SPINNING ROOTS TO A GLOBAL HOME TEXTILES ENTERPRISE.

Indo Count's transformation from a single-product spinning enterprise into one of the world's foremost home textiles companies is a story written in deliberate phases, each building on the foundation laid by the one before.

Incorporated in 1988, the Company began at a modest facility in Gokul Shirgaon, Kolhapur, where yarn gave the early revenue and operational discipline provided the longer-lasting asset. The strategic pivot came in 2005 with the entry into home textiles, and the commissioning of the Kagal facility a year later, at an initial integrated capacity of 36 million metres, signalled the ambition that would define every subsequent chapter.

What followed was a sustained programme of organic expansion that progressively scaled bed linen capacity to 68 million metres and then to 108 million metres, while establishing subsidiaries, showrooms and design studios across the United States, the United Kingdom and the UAE. The launch of proprietary brands Boutique Living and Layers extended that reach into the Indian domestic market, ensuring that growth was never confined to a single geography or channel.

Strategic acquisitions sharpened the trajectory. The acquisition of GHCL's home textiles business at Bhilad in 2022 elevated total capacity to 153 million metres and consolidated Indo Count's position among the world's largest bed linen players. The purchase of Wamsutta, the iconic 180-year-old American heritage brand, in 2024 added a consumer-facing identity that manufacturing scale alone could never replicate, while licensing partnerships with Fieldcrest, Waverly, Jasper Conran, GAIAM, Tommy Hilfiger and Beautyrest broadened reach across consumer segments and price points.

The most recent phase carried the Company into an entirely new product category. The acquisitions of Fluvitex USA in Ohio and Modern Home Textiles in Arizona established an immediate presence in utility bedding, and the commissioning of a greenfield pillow facility at Kernersville, North Carolina, with commercial production commencing in 2026, more than doubled US pillow capacity to 31 million units and quilts/comforters of 1.5 million units annually, making the group among the top utility bedding business in the US.

**THE QUESTION WAS NEVER WHETHER INDO COUNT COULD GROW. IT WAS WHETHER IT COULD ENDURE WHAT GROWTH INEVITABLY INVITES.**

# SUSTAIN

## BUILT TO ENDURE. READY TO EMERGE STRONGER.

The truest measure of an enterprise is seldom taken in a year when everything goes right; it is taken in the years when very little does. Indo Count has faced three such reckonings in a single generation, and each time, the Company has responded with a discipline that turned disruption into a catalyst for structural improvement.

The first test arrived with the 2008 global recession, when deteriorating cash flows compelled the Company to enter the CDR mechanism. Indo Count treated the restructuring as a mandate for operational reinvention, surpassing the prescribed parameters and exiting four years ahead of schedule, laying the financial and cultural groundwork for everything that followed.

The second came with COVID-19 in 2020, when manufacturing shutdowns, collapsing institutional demand and fractured global supply chains tested every assumption the business had made about its own resilience. The Company adapted with speed, restoring operations progressively, reconfiguring its logistics network and capitalising on the decisive shift toward retail and e-commerce. By FY22, Indo Count had achieved a then-recorded revenue of ₹2,982 crore and emerged with a broader, more diversified customer base than the one it had entered the crisis with.

The third, and most severe, arrived in April 2025 when the United States imposed tariffs of 10% on Indian products, escalating to 50% by August. For a company that derives the majority of its core revenue from the American market, this was the sharpest external shock in a generation. Indo Count met it with resolve: every order was honoured, every shipment delivered, every customer relationship preserved. Calibrated product mix adjustments and strategic tariff sharing protected volumes and market share, while growth in new businesses largely offset the impact on revenues.

The tariff episode confirmed what two earlier crises had already suggested: resilience at Indo Count is a structural capability, built over decades through prudent financial management, operational agility and earned customer trust.

### A COMPANY THAT CAN ENDURE THIS COMPREHENSIVELY HAS EARNED THE RIGHT TO LEAD.


# LEAD | LEADERSHIP ACROSS CAPACITY, CATEGORIES AND MARKETS

Leadership in global home textiles is claimed by many and demonstrated by few, because the distance between scale and true market authority is measured in capabilities that take decades to assemble. Indo Count has assembled them.

With an annual home textile capacity of 153 million metres, an integrated manufacturing platform that spans cotton to finished product, and a commercial presence across more than fifty countries on five continents, the Company operates at a scale and breadth that places it among the foremost home textile enterprises in the world. In FY 2025-26, that platform delivered consolidated revenue of ₹4,211 crore and sales volume of 94.10 million metres, reflecting the depth of existing relationships and the expanding scope of the business itself.

That scope is expanding because Indo Count has chosen to lead across categories, and not solely within the one that built its reputation. Utility bedding, encompassing pillows, comforters, quilts, mattress pads and other filled products, has emerged as a significant growth pillar that complements the Company's established leadership in bed linen and broadens its proposition as a comprehensive bedding solutions provider. Investments and acquisitions in this segment have created a manufacturing and distribution infrastructure in the United States that few can match, positioning Indo Count to capture a meaningfully larger share of the American bedding market in the years ahead.

A growing portfolio of owned and licensed brands and a steadily expanding domestic presence through retail and e-commerce are adding revenue streams that carry higher margins, stronger consumer loyalty and reduced dependence on any single market or customer. With 153 million metres of capacity, an expanding utility bedding platform and a brand portfolio that spans heritage, lifestyle and value segments, the Company is positioned to pursue its next phase of growth from a foundation that is broader, deeper and more resilient than at any point in its history.

## SCALE BUILT THE PLATFORM. VISION WILL DECIDE WHAT GETS BUILT ON IT.

STATEMENT FROM **THE CHAIRMAN'S DESK**

# THE FISCAL YEAR 2025-26 PRESENTED COMPLEX CHALLENGES AND I AM PROUD OF THE COMPANY'S RESILIENT RESPONSE. WE PROTECTED EVERY CUSTOMER RELATIONSHIP, STRENGTHENED OUR FOUNDATION AND EMERGED READY FOR THE NEXT CHAPTER OF GROWTH.

DEAR **SHAREHOLDERS,**

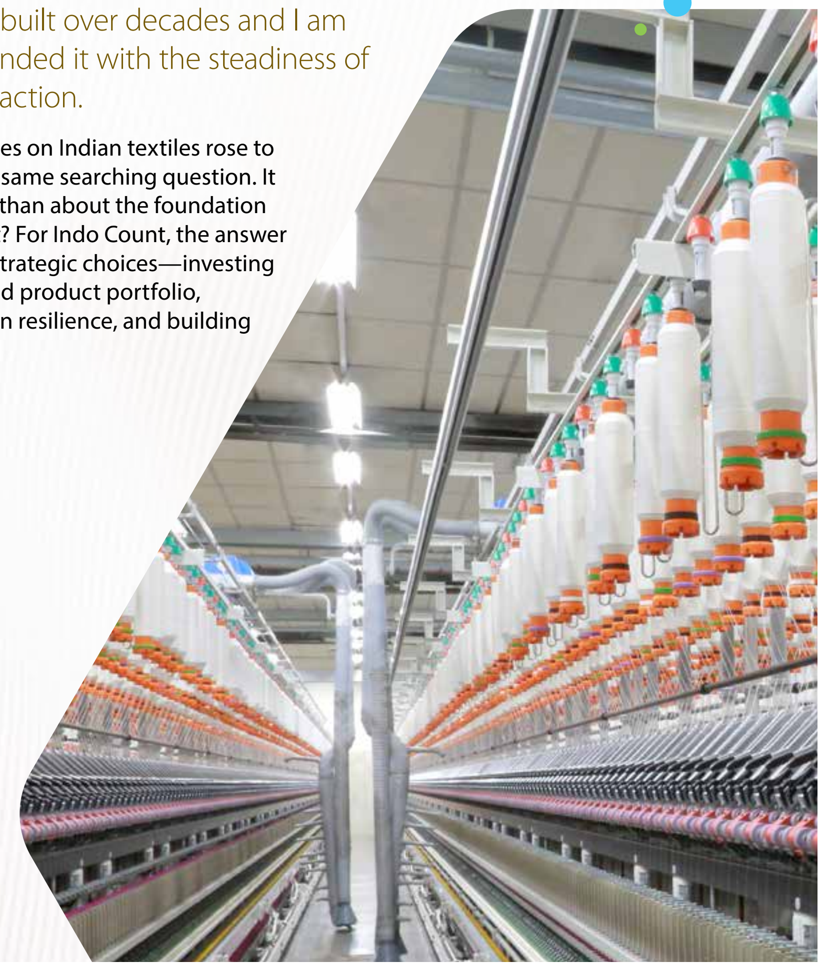
**EVERY** enterprise is shaped by the years that ask the most of it. The fiscal year 2025-26 was such a year for Indo Count. It tested the patience, the discipline and the relationships we have built over decades and I am pleased to report that your Company responded it with the steadiness of long preparation rather than the haste of reaction.

During last year, the tariffs imposed by the United States on Indian textiles rose to fifty per cent. Every exporter in our industry faced the same searching question. It was, at heart, a question less about the quarter ahead than about the foundation beneath us. How resilient is the business we have built? For Indo Count, the answer had already been written, patiently, over a decade of strategic choices—investing in manufacturing excellence, diversifying customer and product portfolio, strengthening brand presence, enhancing supply chain resilience, and building long-term partnerships with global retailers.

## The Choice We Made

The most telling outcome of the year lies in what did not happen. In the months when tariffs stood at their peak, your Company made a conscious choice. We chose to protect the relationships that are the true foundation of this business.

Through the most severe trade disruption our industry has known, we retained every single customer, and every order was fulfilled without cancellation. In holding firm, your Company moved further still from being merely a supplier towards becoming an indispensable partner. That is a standing no competitor can easily acquire and one which will benefit us for many years to come.



STATEMENT FROM **THE CHAIRMAN'S DESK**

## Standing Firm

I am pleased to share that our consolidated total income stood at ₹4,211 crore, steady against ₹4,191 crore in the previous year. That stability was hard-won, and it reflects a considered decision to protect our market share and our customer relationships rather than the volume.

Our balance sheet strengthened throughout the year, and mindful always of our duty to those who place their faith in us, the Board has recommended a final dividend of ₹1.50 per equity share. Your Company continues to be highly rated by ICRA and CAREEDGE at AA- with a Stable outlook, reflecting the durability of our business model.

It gives me particular satisfaction to report that, for the sixth consecutive year, Indo Count was awarded the TEXPROCIL Gold Trophy for the highest exports of bed sheets in the cotton made-ups category. Six years of the same recognition is no accident. It is the quiet result of a standard we refuse to lower.

## Navigating the Evolving Trade Landscape

The global home textile market is being redrawn before our eyes and I believe your Company is uniquely positioned to capitalize on this transformation. Consumers the world over are making more deliberate choices. They seek quality they can trust, sustainability they can verify, and brands they can believe in.

The very architecture of trade is being rewritten in our favour. The United Kingdom Free Trade Agreement will remove a 12% import duty that had long disadvantaged Indian exporters relative to their duty-free competitors. It restores our parity in a market where our relationships already run deep. The European Union agreement, which we expect to be concluded by the close of the calendar year, opens to us, on duty-free terms, a home textile market on a scale comparable to that of the United States.

These follow the level footing we already enjoy in Australia, Japan, New Zealand and the Middle East. A further advantage lies in the details of American trade rules, under which finished goods containing more than twenty per cent United States cotton content receive proportionate relief from tariffs. This protects our position in precisely the premium segment where we lead.

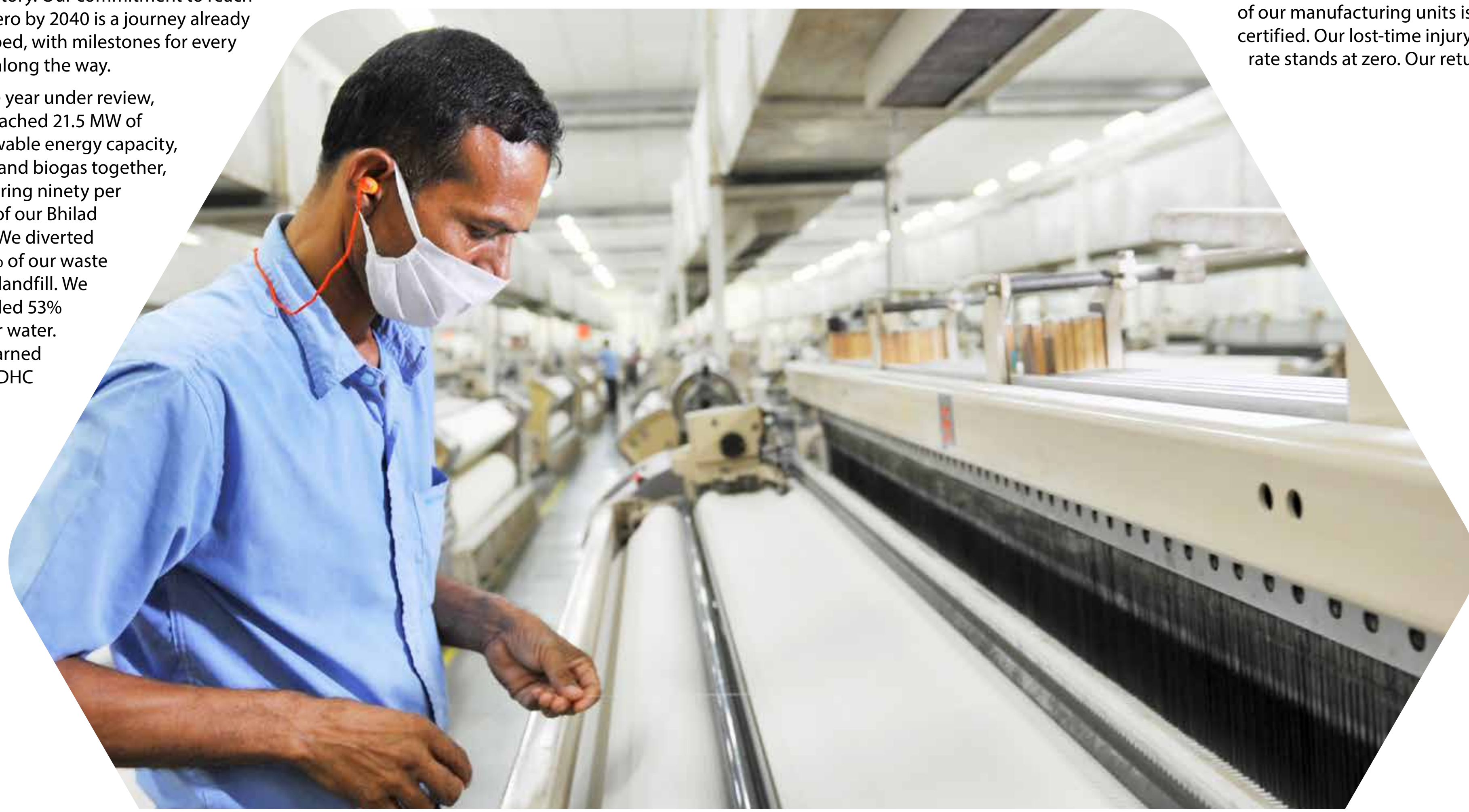
## Commitment to the Environment and Sustainability

Sustainability, at Indo Count, is not a chapter set apart from the rest of this report. It is the very reason your Company is built the way it is.

Our Business Plan 2030, a framework of six pillars, maps every environmental and social commitment we make against the United Nations Sustainable Development Goals and the Science-Based Targets initiative (SBTi). Our targets to reduce Scope 1 and Scope 2 emissions by 33% by 2030 and Scope 3 emissions by approximately 15% have been fully validated by the SBTi and aligned with a well-below 2-degree trajectory. Our commitment to reach net zero by 2040 is a journey already mapped, with milestones for every year along the way.

In the year under review, we reached 21.5 MW of renewable energy capacity, solar and biogas together, powering ninety per cent of our Bhilad unit. We diverted 78.7% of our waste from landfill. We recycled 53% of our water. We earned the ZDHC Progressive Level Certification for our chemical management. We have raised our ambition further, to reach fully preferred and sustainable fibres by 2030 through our Projects Gagan, Avani and Prithvi. And in our **Pure Earth collection,** dyed with plant extracts drawn from agricultural waste such as almond shells, beetroot and bitter oranges, sustainability finds expression in the product itself. The proposed Zero Liquid Discharge facility at Bhilad will be a significant environmental investment in our history.

These efforts have been generously recognised. Our S&P Global ESG score rose sharply from 45 to 78 over the last two years, well above the global industry average of 35 within the Textiles, Apparel & Luxury Goods sector, placing your Company in the Top 3 percentile in the world within our sector. We hold a CDP rating of B. For the fifth consecutive year, we were honoured as a Giga Guru under Project Gigaton for reducing more than 42,900 metric tonnes of greenhouse gases across our supply chain. And in February 2026, we received the CITI Textile Sustainability Award for Excellence in Waste Reduction and Circular Innovation Leadership.



## Making an Impact through Social Responsibility

I have shared many numbers with you in this letter. The one closest to my heart, however, appears in neither our financial statements nor our sustainability report. It is this. Nearly 29,000 farmers across 1,27,000 acres are able to farm better today, earning more and living differently because of Indo Count's sustainable agriculture programmes.

Through our High-Density Planting System, we have tripled the planting density to 29,500 plants per acre and lifted yields from 450 to 1,250 kilograms per hectare across 12,000 hectares. In doing so, we have secured the resilience of our raw material at its very source, while raising the incomes of the families who grow our cotton. Dilip Thakre, in Akola, is a living testimony to what this means. By 2030, we aim to extend this programme to 75,000 farmers across 2,90,000 acres.

Through a CSR investment of ₹7.29 crore in FY26, we reached more than 100,000 patients with mobile health vans across 120 villages in Maharashtra and Gujarat; supported 81,200 students through e-learning and smart televisions in 138 schools; and provided clean drinking water to over 100,000 people each year. Our longer ambition, to touch 12,00,000 lives by 2030, reflects what I believe a company of Indo Count's reach is duty-bound to deliver.

To our employees, the people who make all else possible, our promise is one of safety, dignity and growth. Every one of our manufacturing units is ISO 45001 certified. Our lost-time injury frequency rate stands at zero. Our return-to-work rate after parental leave is a full 100%, as is our training coverage across every cadre. We are patiently building a workplace in which every employee has a voice, a sense of ownership and room to grow. A confident and capable workforce is far more than a good culture. It is our most enduring advantage.

## Looking Ahead

Our ambition is to double our revenues toward a run rate of approximately ₹8,000 crore by 2028. The foundations are in place. The investments have been made. Our brands are gaining momentum. The trade agreements are opening new geographies precisely when we are ready for them. And the balance sheet is strong enough to fund whatever the next chapter requires.

The world around us is in motion all at once. Trade routes, climate systems, consumer values and market structures are all shifting together. Those who grow without sustaining will not hold their lead for long. Those who sustain without growing will not endure long enough to matter. We intend, with patience and with purpose, to do both for a very long time to come.

## A Note of Gratitude

My sincere thanks, finally, to our dedicated team, our partners, our farming communities and you, our shareholders. Your trust is the foundation upon which everything we build must stand.

**GROW. SUSTAIN. LEAD. ALWAYS...**

**Anil Kumar Jain**
***Executive Chairman***

MESSAGE FROM **THE VICE CHAIRMAN**

# NEW BUSINESSES GREW FROM 2% OF OUR REVENUE IN FY23 TO 19% IN FY26. THAT IS NOT INCREMENTAL PROGRESS. THAT IS A COMPANY BEING REBUILT WHILE IT RUNS.

DEAR **SHAREHOLDERS,**

IT is a privilege to address you for the first time as Executive Vice Chairman through the pages of this Annual Report. I do so in a year that tested every part of our operational framework and I am glad to report that the framework held successfully. FY25-26 was a year of deliberate trade-offs. Every number I share with you carries the imprint of a decision made under pressure and I would rather explain each one plainly than leave any of you to fill in the gaps.

### The Challenges We Navigated

Business remained subdued and highly volatile through the year as the U.S. tariff situation evolved. Tariffs moved from 10% to 25%, to 50%, and then back to 10%, each shift requiring your Company to recalibrate its approach in real time. The 25% penalty on Russian oil imports put us at a disadvantaged position compared to our competitors across the world. We chose to share part of this tariff and penalty impact with our customers on a case-by-case basis, absorbing what was necessary to protect long-term relationships and market share.

Beyond the tariff itself, the year carried several compounding pressures. The initial incubation costs of establishing our new business initiatives, weighed on margins. And the softness in the core business, a direct consequence of the tariff uncertainty, led to under-absorption of fixed costs across our manufacturing base. The impact of these factors was partially offset through improved cost efficiency and operational optimisation measures that our teams executed with discipline.

## Financial & Business Performance

Consolidated total income held at ₹4,211 crore. Total sales volume was 94.1 million metres, reflecting the decision to prioritise customer retention.

Our core business, comprising bed linen, sheets, fashion bedding and institutional bedding, recorded a revenue of ₹3,419 crore. The United States accounted for approximately 70% of core revenue. At the same time, markets beyond the United States, including the UK, Europe, Australia, Japan, New Zealand and the Middle East, now contribute approximately 30%, a diversification that proved its value this year.

Our new businesses, spanning utility bedding and the U.S. brand business, contributed ₹792 crore. This is double the prior year and represents an annualised run rate above USD 100 million. To place this in perspective, new businesses accounted for just 2% of our revenue in FY23. In FY26, that share reached 19%. In the space of three years, your Company has built an entirely new revenue vertical that is approaching a fifth of total income.

EBITDA stood at ₹461 crore, with a margin of 11%. A significant portion of the margin compression came from the incubation costs of our new businesses, costs that conclude this year. The balance came from the tariff and penalty costs we chose to absorb and from the under-absorption of fixed costs during the period of subdued core demand. Profit after tax was ₹127 crore, with the steeper decline reflecting additional depreciation and interest associated with newly commissioned U.S. manufacturing capacity.

The total branded business, combining core business brands, utility bedding brands and the U.S. brand business, now accounts for 20% of total revenue. Our e-commerce business, including the domestic channel, contributes 12%. These are structural shifts in the quality of our revenue and they will compound as the portfolio matures.

Total capital expenditure during the year was ₹202 crore. Net debt reduced to ₹760 crore, bringing our net debt-to-equity ratio to 0.32 times. The working capital cycle shortened to 121 days from 132. In 2025 we launched **Wamsutta** (our legacy U.S. brand) on D2C platform and established our first and largest overseas green field manufacturing facility in North Carolina for utility bedding.

## Indo Count 2.0: The Transformation

This year, we formally reclassified our operations into a core business and new businesses. I want to take you through each, because the transformation is no longer a plan. It is a set of operational realities.

The core business remains the bedrock: bed linen, sheets, fashion bedding and institutional bedding manufactured at our vertically integrated facilities in Kolhapur (Maharashtra, India) and Bhilad (Gujrat, India), serving our customers across more than fifty countries. It is a business built on manufacturing excellence, deep customer relationships and a quality standard validated by six consecutive TEXPROCIL Gold Trophies. The task ahead is to grow its revenues toward ₹4,000 crore in FY27, recover margins as tariff-related discounts unwind and accelerate the geographic diversification into markets opened by the UK & EU Free Trade Agreements.

The new businesses are where the company is being reimagined. Our utility bedding operations now span three owned manufacturing facilities in the United States - Columbus (Ohio), Phoenix (Arizona), and Kernersville (North Carolina).

The Kernersville facility commenced commercial production in January 2026 and is the largest of the three, adding 18 million pillows in annual capacity and bringing our combined U.S. pillow manufacturing capacity to 31 million units, alongside 1.5 million quilts. These facilities provide coverage across the East Coast, Midwest and West Coast.

MESSAGE FROM **THE VICE CHAIRMAN**

### Brand Development and Distribution

We relaunched Wamsutta as a Direct-to-Consumer brand during the year. It reached all 50 U.S. states within 45 days of launch. Wamsutta is the fully owned international brand in our portfolio, and its D2C platform gives us an unmediated relationship with the American consumer for the first time.

We signed Tommy Hilfiger for utility bedding products during the year, taking our total count of licensed brands to six: Fieldcrest, Waverly, GAIAM, Jasper Conran, Beautyrest and Tommy Hilfiger. Each brand occupies a distinct position in the consumer's mind and a distinct tier on the retailer's shelf. Together, they equip us with a well-balanced portfolio that enables us to meet the diverse branding and merchandising needs of our retail partners.

Closer to home, our domestic brands, Boutique Living and Layers, added 700 new counters in a single quarter, entered the bath and gifting segments and now reach across 2,000 touchpoints. The domestic business contributes 2.25% of revenue today. It is a young business, and we are candid about its scale. But it is built on the right foundations. This two-brand architecture includes premium and value brands, an omni-channel distribution model and a dedicated team with independent product development and marketing functions. Over three to five years, we expect it to become a meaningful contributor to the Company's revenue.

### The Year Ahead and Beyond

As we look ahead, our focus is on building upon the strong foundations we have created and translating our capabilities into the next phase of sustainable growth. Having strengthened our core home textile business, expanded our global footprint, broadened our product and brand portfolio, and enhanced our manufacturing and operational capabilities, we are now focused on driving greater scale, agility and efficiency across the organisation. With India's growing economic engagement with major global economies and the gradual implementation of Free Trade Agreements (FTAs), the Company expects to make steady progress towards its key mission of doubling its revenues by 2028, supported by adequate investments in bed linen and utility bedding capacities.

We have planned ₹250 crore in capital expenditure over the next 12 to 18 months, three-quarters of it will be funded by internal accruals. Of this, ₹95 crore is for the Zero Liquid Discharge facility at our Bhilad unit, ₹85 crore for the spinning brownfield expansion and modernisation and ₹70 crore for maintenance capex. Every rupee is committed with a clear return in view.

With this trend continuing, we believe India's home textile industry stands to benefit from greater global integration, and Indo Count, with its scale, diversified presence and strong customer relationships, is well positioned to capitalise on these emerging opportunities.

As we move forward, we will continue to pursue growth with operational discipline while maintaining our focus on innovation, sustainability, quality and consumer-centricity. Backed by our integrated capabilities, expanding portfolio of owned and licensed brands, global reach and committed team, we remain confident in strengthening Indo Count's position as a leading global home textile company and creating sustainable long-term value for all our stakeholders.

### A Final Word

Indo Count's journey reflects its evolution from a strong manufacturing-led enterprise into a brand-led, geographically diversified and sustainability-focused global home textiles company. At the heart of this transformation remains a robust manufacturing backbone that reinforces the Company's commitment to quality and reliability for its customers, while supporting sustainable long-term value creation for its shareholders and stakeholders.

The year ahead is where the hard work of the last three years begins to show in the numbers. I look forward to reporting that progress to you.

My thanks to our teams in India and across the world, all stakeholders and to you for your continued trust and confidence in Indo Count.

**Mohit Jain**
***Executive Vice Chairman***

ABOUT **THE COMPANY**

# REDEFINING GLOBAL HOME TEXTILES WITH COMFORT AND INNOVATION

Established in 1988, Indo Count has consistently translated its vision into reality, evolving over nearly four decades into one of the world's leading home textile manufacturers.

Headquartered in Mumbai, India, the Company operates state-of-the-art manufacturing facilities in Kolhapur, Maharashtra, and Bhilad, Gujarat. Equipped with cutting-edge technology, these facilities produce an extensive range of premium bed sheets, bed linen, quilts, and other bedding solutions that meet the highest standards of quality and craftsmanship.

Driven by a passion for innovation and excellence, Indo Count has built a comprehensive product portfolio catering to diverse customer segments. Its offerings include premium sheet sets, fashion bedding, utility bedding, and institutional bedding, designed to meet evolving consumer preferences across global markets.

Customer satisfaction remains at the heart of the Company's operations. This commitment is reflected in its certifications from globally recognised quality agencies and its strong omnichannel presence across its portfolio of owned and licensed brands.

Under the visionary leadership of Mr. Anil Kumar Jain, Executive Chairman, and Mr. Mohit Jain, Executive Vice Chairman, Indo Count is guided by a highly experienced and passionate management team that drives the Company's strategic growth and day-to-day operations with a focus on innovation, operational excellence, and long-term value creation.

## A Watermark to our Commitment

### ENVIRONMENT

**OEKO-TEX STeP Certificate**
By the International Association for Research and Testing in the Field of Textile and Leather Ecology

**ISO 14001:2015**
Environmental Management System

**ISO 45001:2018**
Occupational Health and Safety Management System

**Green Building Certification**
By LEED (Leadership in Energy and Environmental Design) Green Building Council, USA

### QUALITY

**ISO 9001:2015**
Quality Management System

**ISO/IEC 17025:2017**
By National Accreditation Board for Testing and Calibration Laboratories (NABL) Certification for Kagal facility, Kolhapur

**OEKO-TEX STANDARD 100**
This certification verifies that products are free from harmful substances, ensuring they are safe for consumers

**US COTTON TRUST PROTOCOL**
This certification demonstrates commitment to sustainable and ethical cotton farming practices

## CORE PRINCIPLES

**Quality & comfort**
Crafting solutions that elevate comfort and promote well-being

**Customer commitment**
Delivering superior craftsmanship and service to exceed expectations

**Sustainability & Stability**
Driving a resilient, eco-conscious future in home textiles through responsible practices and innovation

### Our business at a glance

A diversified home textiles platform combining manufacturing excellence, category expansion and brand ownership to create sustainable long-term value.

| | | | |
|---|---|---|---|
| ₹4,211 CR<br>Consolidated revenues | 94.1 MN.MTRS<br>Fabric volume | 7<br>Manufacturing locations (India+USA) | 6<br>Licensed international brands |
| 29,000+<br>Farmers supported | 78/100<br>S&P global ESG score | 6<br>Consecutive TEXPROCIL Gold Trophies for export | TOP 3 PERCENTILE<br>Globally in ESG |
| 6,500+<br>Team size (Direct/Indirect) | ₹3429 CR<br>Capital Employed (As on March 31, 2026) | ₹4,947.40 CR<br>Market capitalization (As on March 31, 2026) | AA-<br>Credit ratings from both ICRA (Stable) & CAREEDGE (Stable) |

## Strengthening Our Domestic Presence

While Indo Count continues to expand its global footprint, the Indian market remains an important area of opportunity for the Company. Through its homegrown brands, Boutique Living and Layers, Indo Count is steadily strengthening its presence in the domestic home textiles market.

The brands offer a diverse range of thoughtfully designed home textile products that blend quality, comfort, functionality and contemporary aesthetics to meet the evolving preferences of Indian consumers. Supported by Indo Count's manufacturing expertise, product innovation and understanding of global trends, the Company continues to enhance its offerings and expand the reach of its brands across India.

As consumer aspirations and demand for quality home and lifestyle products continue to evolve, Indo Count remains focused on building a stronger domestic franchise and bringing globally benchmarked home textile experiences to Indian households.

## Our Manufacturing Presence & Global Reach

Strategically located state-of-the-art manufacturing facilities designed for scale, agility and technological excellence.

**INDIA (4 Domestic Facilities)**

**TOTAL CAPACITY: 153 million metres of bed linen**

**GOKUL SHIRGAON**
**(Kolhapur, Maharashtra)**

Established in 1991 as Indo Count's foundational spinning factory, this Maharashtra-based facility operates as a core textile manufacturing unit, crucially supporting the company's vertically integrated production and the supply chain.

**KAGAL**
**(MIDC Kagal- Kolhapur, Maharashtra)**

Commissioned in 2006, this state-of-the-art home textile facility features a world-class bed linen and fashion bedding unit. Alongside other Kolhapur units, it contributes to an impressive 108 million meters of annual production capacity.

**ALTE**
**(Hatkanangale, Kolhapur, Maharashtra)**

In 2022, the Company amalgamated its subsidiary as part of its expansion strategy, integrating the Alte facility (acquired in 2007) into its manufacturing network. This strategic integration enabled more efficient utilisation of spinning capacity, strengthened operational synergies, and enhanced support for the Company's core home textile business.

**BHILAD**
**(Umbergaon, Valsad District, Gujarat)**

Acquired in 2022, this major home textile plant in Gujarat boasts an annual capacity of 45 million meters. Impressively, renewable energy sources already power ninety percent of its daily operations.

## Expanding Our Global Presence

Indo Count has built a strong global footprint in the home textiles industry, serving customers across more than 50 countries. With subsidiaries and operations across key international markets, including the United States, the United Kingdom and the UAE, the Company continues to deepen its market presence and strengthen its ability to serve customers across geographies. The United States remains a key market for Indo Count and an important part of its global growth strategy. The Company's manufacturing facilities in Phoenix, Arizona, Groveport, Ohio and greenfield facility in Kernersville, North Carolina have strengthened its local manufacturing and distribution capabilities, bringing it closer to customers and enhancing supply chain responsiveness.


**UNITED STATES** (3 International Facilities)

**TOTAL CAPACITY:** 31 million pillows & 1.50 million quilts


**FLUVITEX USA, COLUMBUS** (Ohio)

Acquired from Fluvitex in 2024, this strategic facility specializes in utility bedding manufacturing. It actively supplies the American market with an impressive annual capacity of 5 million pillows and 1.5 million quilts


**MODERN HOME TEXTILES, PHOENIX** (Arizona)

Acquired from Modern Home Textiles in 2024, this American manufacturing plant specifically focuses on manufacturing pillows, with an annual production capacity of about 8 million pillows.

**INDO COUNT GLOBAL EAST, INC. KERNERSVILLE** (North Carolina)

This greenfield manufacturing facility, newly commissioned in 2026, drastically scaled Indo Count's utility bedding footprint, adding a massive production capacity of 18 million pillows annually to directly serve the United States market.

# AWARDS IN FY26


**TEXPROCIL Export Award**

For the "Highest Exports of Bed Sheets/Bed Linen in the Cotton Made-ups category". The award was presented by the Honourable Finance Minister, Smt. Nirmala Sitharaman, at a ceremony held on May 25, 2026.





**Silver Feather Award (6th Edition)**
This recognized Indo Count's structured CSR initiatives focused on education, vocational training, and skill enhancement.


**Best Education Support Initiative of the Year (Corporate Foundation)**
Acknowledging the company's sustained commitment to advancing education through its impactful CSR programs.

**BRAND** REVIVAL

WAMSUTTA. EST. 1846

# WAMSUTTA: A STRATEGIC BRAND REVIVAL ANCHORED IN LEGACY AND MODERNITY

The acquisition of Wamsutta, a heritage brand established in 1846 with enduring consumer recognition across North America, marks a pivotal strategic investment in our premium portfolio. By integrating Wamsutta's legacy of over 175 years into our brand ecosystem, we reinforce our positioning in the high-value home fashion segment while aligning with global benchmarks for quality and brand equity.

This move unlocks new avenues for volume scalability and robust margin enhancement by:

Portfolio Premiumisation: Transitioning into the premium tier catalyses elevated price points, improved brand perception, and optimised product mix, contributing to higher blended margins.

**Channel Diversification:** Expanding distribution from traditional B2B into B2C and D2C frameworks enables margin recovery and better control over pricing, engagement, and inventory cycles.

**Category Expansion:** Beyond bed linens, our broader offering of towels, rugs, window treatments, and table linens creates cross-selling opportunities and deepens share of wallet within high-growth home segments.

**Market Repositioning:** The brand's relaunch in North America revitalises its consumer relevance, fuels organic volume growth, and reinforces customer loyalty—ultimately translating into repeat purchases and long-term profitability.

With a fortified presence in premium retail markets and alignment with leading US brands, Wamsutta's integration is set to drive sustainable growth, margin expansion, and strategic value creation across global consumer channels.


WAMSUTTA MILLS EST. 1846 AMERICAN ORIGINAL

# INDO COUNT'S DIVERSIFIED BRAND AND LICENSE PORTFOLIO

**IN HOUSE BRANDS**

| | | | | |
|---|---|---|---|---|
| beyond FLANNEL | Supreme Elegance | Eventide | GRAND ESTATE | MALABAR HILL HOME |
| whole comfort | Pure earth | SLEEP/RX | HOTEL Signature Sateen | Layers |
| BOUTIQUE LIVING | LINEN CLOSET | REKOOP NEXT LEVEL SUSTAINABILITY | WHOLISTIC Whole Health Sleep Better | KIDS CORNER |
| COLOR SENSE | HEIRLOOMS of INDIA | THE COTTON EXCHANGE | Purity HOME | relcop |

**LICENSED BRANDS**

| | | |
|---|---|---|
| TOMMY HILFIGER | Beautyrest | JASPER CONRAN LONDON |
| FIELDCREST LUXURY EST 1893 | WAVERLY | GAIAM |

# INDO COUNT'S TECHNOLOGY BANK

| | | | | |
|---|---|---|---|---|
| aero BALANCE | AeroSateen | AllerCot ever fresh | ALOE THERAPY | AvoSoft |
| DISTINCT DORM | DryMax COMPLETE COMFORT | ProShield shield & clear | Signature Sateen | TRUE GRIP STAYS IN PLACE |
| TRUE TRACE TRACEABILITY REDEFINED | INFINITY Cotton | AIREOLUX | Platinum Touch | COOL FLX |
| AIRO SOFT | WEAVESTRY | FITLUXE | FABFIT The world's most adaptable fit technology | TRI-LUX |

**VALUE CREATION** MODEL

# CREATING LASTING VALUE FOR PEOPLE, PLANET AND SHAREHOLDERS

Our integrated business model converts strategic inputs into long-term economic, social and environmental outcomes.

## FOUNDATIONS OF VALUE CREATION

### MANUFACTURED CAPITAL
- Indian facilities : 4
- American facilities : 3
- Showroom/ Design studios : 3
- Warehouses : 11

### FINANCIAL CAPITAL (CONSOLIDATED)
- Networth : ₹2,355 crore
- Net debt : ₹760 crore
- Capex : ₹202 crore

### INTELLECTUAL CAPITAL
- Continuous research and development (R&D) activities
- Proprietary product development capabilities
- Digital core systems (SAP S/4HANA Cloud) and data-driven operational platforms

### HUMAN CAPITAL
- Number of employees (Direct/Indirect) : 6,000+
- Average training hours per employee per year : 9.23 hours
- Skill upgradation of employees : 2099 hours
- Total safety training hours for the employees : 100%

### SOCIAL & RELATIONSHIP CAPITAL
- Brand partnerships : 6
- Multi-brand outlets- India : 2,000
- New retail counters added : 700
- CSR expenditure : ₹7.29 crore

### NATURAL CAPITAL
- Cotton procured : 1,29,85,265 MT
- Water withdrawn : 26,47,343 KL
- Energy consumed : 23,07,253.95GJ/MWh
- Sustainable farming : 1,27,000 acres

## VALUE CREATION ENGINE

Vision | Mission | Core principles

### UNDERSTAND
Consumer insights
Market intelligence
Trend analysis

### INNOVATE
Product development
Design capabilities
Category expansion
Premiumisation
Brand strategy

### SOURCE
Cotton procurement
Sustainable sourcing
Supplier partnerships

### MANUFACTURE
Integrated operations
Quality assurance
Operational excellence

### BRAND & MARKET
Owned brands
Licensed brands
Heritage brand
Retail & D2C

### FULFIL
Warehousing
Distribution
E-commerce fulfilment
Customer service

## VALUE DELIVERED

### MANUFACTURED CAPITAL
- Bed linen sales volume : 94.1 million metres
- Core business utilization capacity : 60-65%
- New business (2 existing US utility bedding facility) 60-65%

### FINANCIAL CAPITAL (CONSOLIDATED)
- Total Income : ₹4,211 crore
- EBITDA : ₹461 crore
- Profit After Tax (PAT) : ₹127 crore

### INTELLECTUAL CAPITAL
- 16+ domestic and international brands
- HFPA Home Excellence Award for business expansion and innovation

### HUMAN CAPITAL
- Zero workplace accidents
- Enhanced skillsets of the employees

### SOCIAL & RELATIONSHIP CAPITAL
- Patients treated : 1,00,000+
- Students benefited : 81,200+
- Provided clean drinking water : 1,00,000+ people
- Recognition : Silver Feather Award for Education & Skill Development Excellence
- India Social Impact Award for Best Education Support Initiative of the Year

### NATURAL CAPITAL
- Farmers impacted : 29,000+
- GHG emission reduction : 42,900 MT
- S&P Global ESG Score of : 78
- Global ranking in ESG performance : Top 3 percentile
- Recognition : National-level honours from CITI (Confederation of Indian Textile Industry) for Excellence in Waste Reduction and Circular Innovation Leadership

## LASTING IMPACT

### MANUFACTURED CAPITAL
- Enhanced manufacturing scale and operational efficiency
- Faster customer fulfilment and improved supply chain responsiveness
- Stronger market proximity and resilience

### FINANCIAL CAPITAL
- Sustainable revenue growth
- Consistent profitability and cash generation
- Long-term shareholder value creation
- Strategic investments to support future growth
- Effective risk management and financial governance

### INTELLECTUAL CAPITAL
- Stronger brand equity and consumer preference
- Increased product innovation and premiumisation
- Enhanced competitive differentiation

### HUMAN CAPITAL
- Skilled, engaged and future-ready workforce
- Improved safety, productivity and retention
- Stronger leadership and organisational capabilities
- Continuous learning and capability development
- Enhanced employee engagement and well-being

### SOCIAL & RELATIONSHIP CAPITAL
- Deeper customer penetration and stakeholder trust
- Improved farmer livelihoods and agricultural productivity
- Stronger community impact and shared value creation

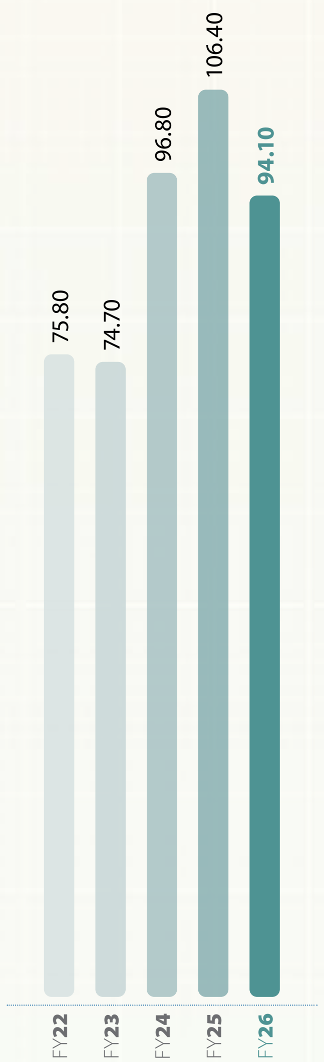
### NATURAL CAPITAL
- Reduced environmental footprint
- Improved resource efficiency and circularity
- Progress towards net-zero emissions and biodiversity conservation

KEY PERFORMANCE **INDICATORS**

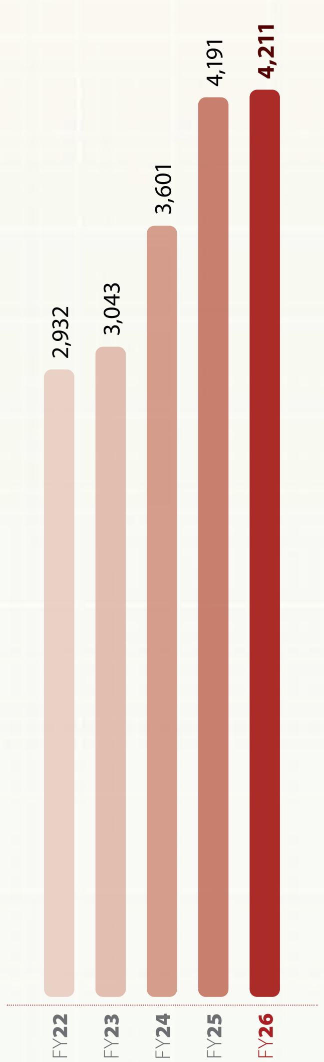
# MEASURING GROWTH. SUSTAINING LEAD.

**The numbers that tell the story of our execution, progress and value creation journey.**

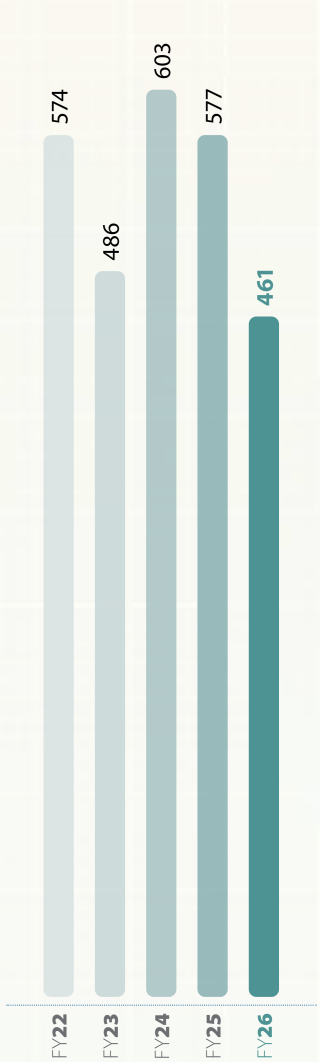
Sales volume
*(in million metres)*



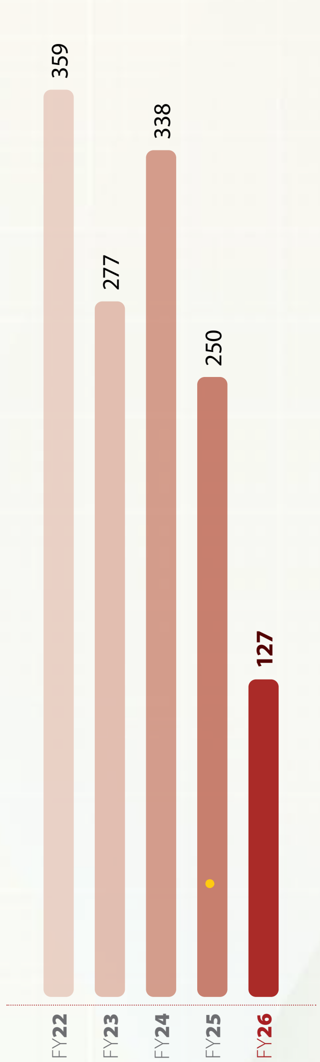

Total income
*(in ₹ crore)*



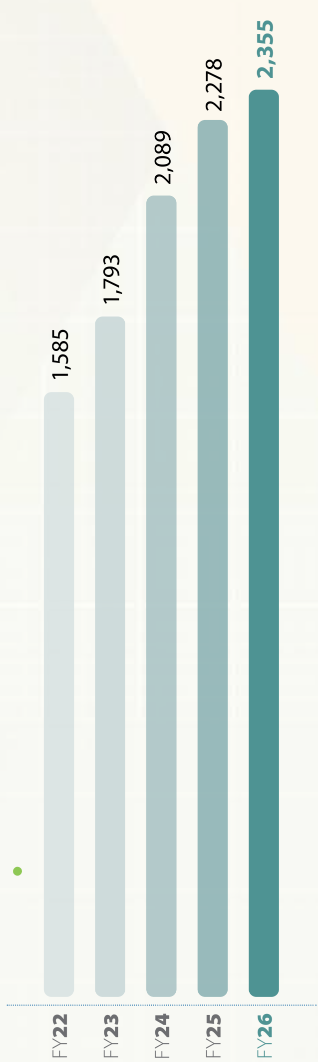

EBITDA
*(in ₹ crore)*



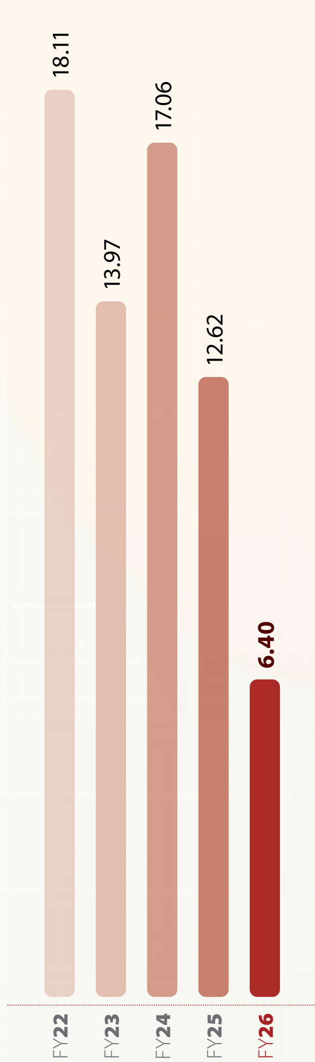

Profit After Tax (PAT)
*(in ₹ crore)*



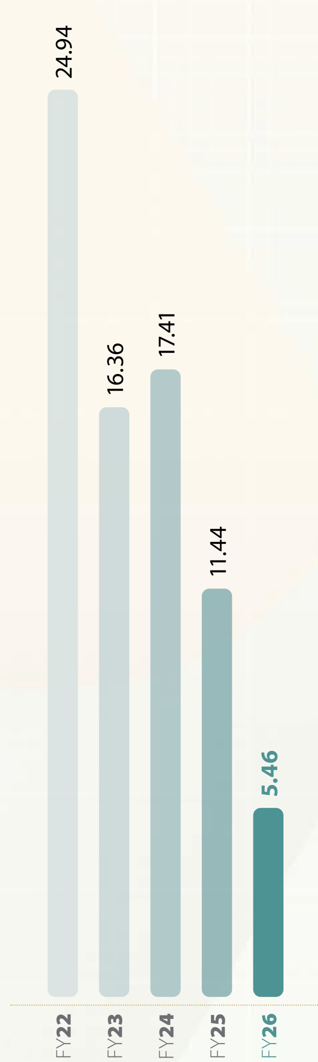

Net worth
*(in ₹ crore)*



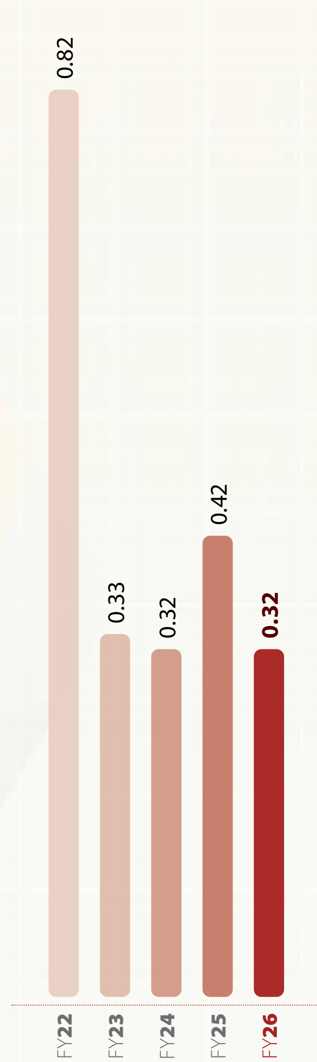

Earnings Per Share (EPS)
*(in ₹)*




Return on Equity
*(in %)*



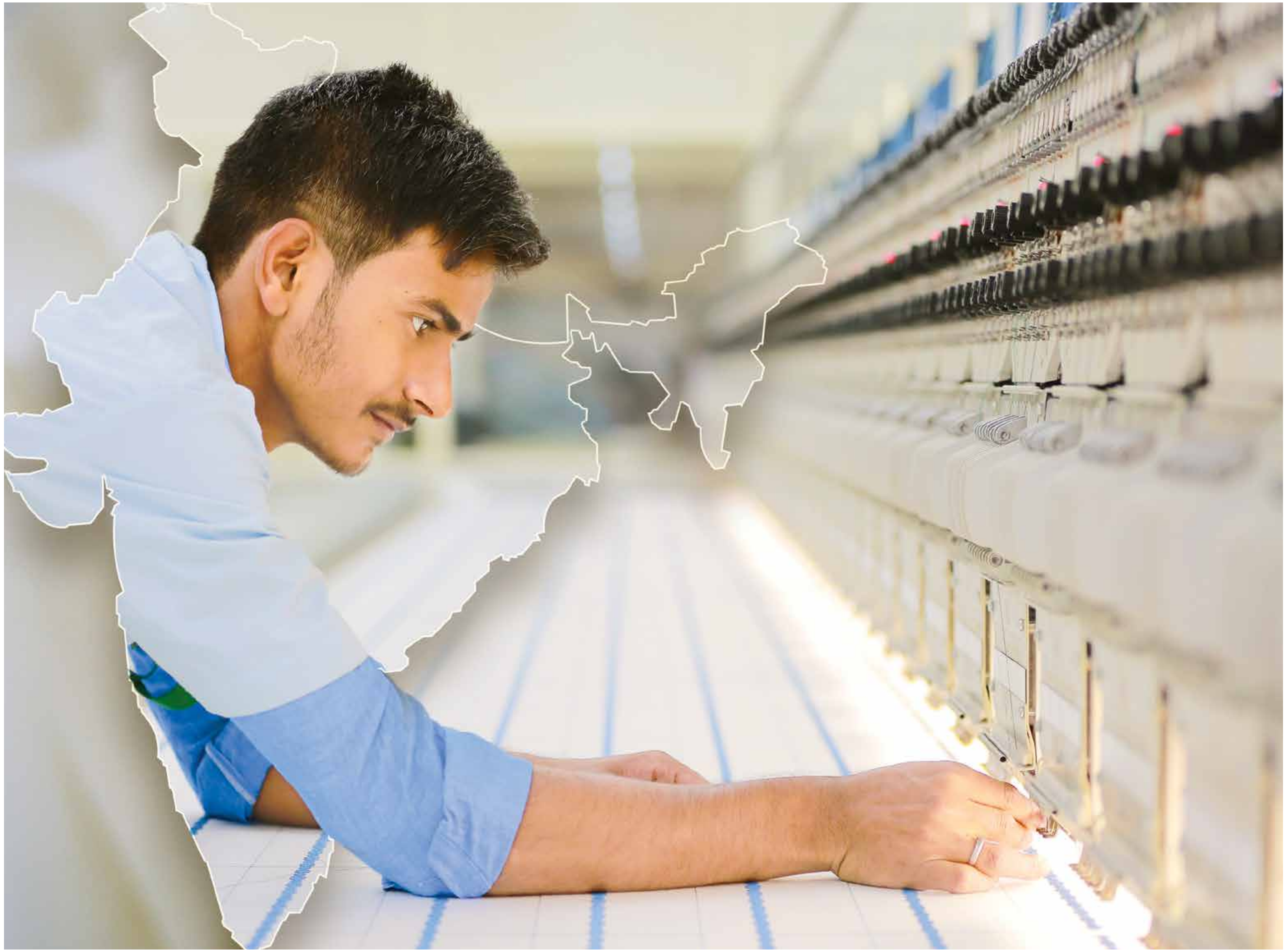

Net Debt to Equity
*(X)*



**DOMESTIC RETAIL** BUSINESS

# GROWING A STRONGER PRESENCE AT HOME

**Two brands. 2,000 touchpoints. 2.25% of revenue today. A material contributor tomorrow.**



Indo Count built its reputation by dressing beds over the world. The domestic retail business is the bet that the same capability, the same quality and the same brand-building discipline can dress homes in India.

The opportunity is plain. India's organised home textiles market remains a fraction of its potential. Rising incomes, rapid urbanisation and a generation of consumers who expect branded quality in every category, from their wardrobe to their bedroom, are creating demand conditions that did not exist a decade ago. E-commerce has further accelerated this shift, bringing branded home textiles within reach of consumers in cities and towns where organised retail has yet to arrive. Indo Count's domestic business was built to meet that shift and FY26 was the year it began to show what it can become.

The numbers are still early, and we state them plainly. The domestic retail business contributes approximately 2.25 per cent of the company's total revenue today. That is modest. Rather than chase top-line growth at the cost of profitability, the Company has chosen to build the right foundations first: the right brands, the right channels, the right team and the right unit economics.

In a single quarter of FY26, Boutique Living and Layers together added 700 new retail counters, bringing the total domestic touchpoints past 2,000 across multi-brand outlets, large-format retailers, e-commerce marketplaces and the Company's own Direct-to-Consumer platforms. This will ensure extensive retail reach, enhanced brand visibility, and easy accessibility for consumers.

Both brands entered the bath and gifting segments during the year, broadening their product offerings beyond bedding for the first time and entering adjacent categories with significant headroom. Over the next three to five years, the Company expects the domestic business to scale from its current base into a meaningful contributor to overall revenue.

A dedicated team manages the domestic portfolio independently of the export business, with its own product development, merchandising, marketing and consumer engagement functions. This separation is intentional. The Indian consumer shops differently, responds to different design cues and expects a different value equation than the American or European buyer. Serving them well requires a business designed around the consumer, rather than an export operation repurposed for the domestic shelf.

To strengthen relationships with the Company's trade partners and accelerate retail expansion, the Company has organised the Annual All India Retailers' Meet in August 2025, showcasing the latest product launches and seasonal collections. The event enabled direct engagement with leading distributors and retailers across India, reinforced business partnerships, and further strengthened our nationwide retail presence.

DOMESTIC RETAIL BUSINESS

BOUTIQUE LIVING

**Boutique Living:** ***Bringing luxury home***

Every global brand journey begins with a simple question. For Indo Count, the question was whether a company known for manufacturing excellence could create a brand that Indian consumers choose because they aspire to own it, rather than simply because it is available.

***The answer was Boutique Living.***

Positioned at the premium end of the domestic market, Boutique Living occupies the space between mass-market offerings and expensive imported labels, a space that is growing faster than either end as India's urban middle class trades up in the home.

The brand offers bed sheets, comforters, bedding ensembles, dohars and a newly launched range of bath and gifting products, allowing consumers to build coordinated, elevated living spaces from a single trusted source. Every collection is designed in-house, drawing on Indo Count's global trend intelligence and deep understanding of fabric construction, colour and finish. The design cycle moves at a speed required for retail business in India, refreshing collections to stay ahead of seasonal and lifestyle trends rather than carrying static ranges year on year.

The brand reaches consumers through an omni-channel network that spans multi-brand retail outlets, large-format retail stores, leading e-commerce marketplaces and its own Direct-to-Consumer platform.

Influencer-led campaigns, curated digital content and participation in major trade events, including Bharat Tex, India's largest textile trade fair, have strengthened both consumer awareness and retailer confidence. Momentum in FY26 was led by the 700-counter expansion in a single quarter, a pace that signals pull from both sides of the counter, the retailer seeking a differentiated premium offering and the consumer seeking a brand they can trust.

Boutique Living is more than a retail brand. It is a testament to Indo Count's ability to build a distinctive consumer brand from India, backed by world-class home textile expertise.

**DOMESTIC RETAIL** BUSINESS

# Layers®

**Layers:** ***Aspirations within reach***

Not every consumer is seeking luxury. Many are seeking something equally meaningful: a home that reflects their personality and style without stretching their budget. Layers was created for precisely this consumer: India's rapidly growing base of aspirational, value-conscious households entering the branded home textiles category for the first time.

Built on the belief that considered design should be accessible to everyone, Layers bridges the gap between affordability and aspiration. Its tagline, "Dress Up Your Home" captures the promise simply. The product range spans bed sheets, comforters, coordinated bedding sets, dohars and bath textiles, each designed to transform everyday living spaces into expressions of individual taste.

Product development draws on Indo Count's global textile expertise, incorporating functional innovations such as antimicrobial and anti-fungal finishes that cater to the health-conscious Indian household. The price architecture is calibrated to deliver perceptible quality above the unbranded alternatives that dominate the mass market, without crossing into the premium territory where Boutique Living sits.

Layers mirrors Boutique Living's omni-channel approach but skews its distribution toward value retail chains, high-traffic e-commerce platforms and emerging-market towns where organised home textile penetration remains low and the headroom for a trusted brand is greatest.

The brand's FY26 expansion was part of the same 700-counter, 2,000-touchpoint push that lifted the entire domestic portfolio. Its entry into the bath segment creates a product adjacency: the same consumer who bought a Layers bed sheet can discover matching bath textiles under the same brand, deepening engagement and increasing basket size without requiring new customer acquisition.

Together, Boutique Living and Layers give Indo Count a two-brand architecture that covers premium and value without cannibalising either. One aspires upward. The other makes aspiration accessible. Both carry the parent company's sustainability credentials and are positioned to ride the same structural tailwind: India's inevitable shift from unbranded to branded in the home.

# ENVIRONMENT, SOCIAL & GOVERNANCE

GROW

SUSTAIN

LEAD

ENVIRONMENT, SOCIAL & GOVERNANCE

## Growth that depletes is borrowed time. Growth that sustains is an earned advantage. At Indo Count, ESG is the bridge between the two.

In FY 2025-26, the Company expanded capacity, in utility bedding, entered new product categories and relaunched an iconic American heritage brand - Wamsutta. It did so while deepening its environmental commitments, strengthening community impact and raising governance standards.

The objective is clear: grow responsibly, sustain every resource that enables that growth and lead by setting benchmarks that the industry follows.

This section presents the full scope of Indo Count's ESG performance across the year: from decarbonising operations and closing the loop on waste, to empowering 29,000+ farmers and building a governance architecture fit for global scrutiny.

### ESG at a glance: FY25-26

| Parameter | FY26 |
|---|---|
| S&P global ESG score | 78/100 (Top 3 percentile globally in the Textiles, Apparel, Luxury Goods sector)) |
| CDP rating | B |
| Renewable energy capacity | 21.5 MW (Solar + Biogas) |
| Operations on renewables | 90% of Bhilad unit |
| Cumulative GHG reduction | 42,900+ metric tons |
| Waste diversion rate | 78.7% |
| Water recycled and reused | 53% |
| Freshwater intake reduction | 25% |
| Sustainable packaging | 85% |
| Higg index vFEM score | 92 |
| Farmers supported | 29,900 across 1,27,000 acres |
| Trees planted (Cumulative) | 49,500+ |
| CSR expenditure | ₹7.29 crore |
| Giga Guru Recognition | 5th consecutive year |
| LTIFR (Employees) | Zero |
| Fatalities | Zero |
| Sedex audit coverage | 100% of manufacturing facilities |

## Truly Sustainable Responsibility (TSR) by 2030: The Sustainability roadmap

Indo Count's sustainability journey is guided by a single long-term ambition: net-zero greenhouse gas emissions by 2040. TSR by 2030 is the structured roadmap toward that destination. It aligns the Company's environmental and social agenda with nine United Nations Sustainable Development Goals (SDGs) and the Science Based Targets initiative (SBTi).

The plan is built on six interconnected pillars. Each is linked to specific SDGs, supported by measurable targets and designed to create lasting impact while advancing the Company's transition toward a low-carbon future.


ENVIRONMENTAL

# ENVIRONMENTAL: PRESERVING OUR PLANET FOR TOMORROW

Expanding capacity without expanding the environmental footprint. That is the discipline at the heart of Indo Count's environmental agenda. Every commitment is measured against science-based targets. Every initiative is tracked toward the Company's net-zero destination.

## Climate and Energy

Climate action at Indo Count is anchored in three priorities: transitioning to renewable energy, reducing greenhouse gas emissions across all scopes and aligning every target with the rigour of the Science Based Targets initiative.

### *Renewable Energy Transition*

Indo Count has expanded its renewable energy capacity to 21.5 MW, combining solar and biogas installations. This represents a significant scale-up from the earlier 9.3 MW base. At the Bhilad facility, 90% of operations are powered by renewable energy.

The Company continues to direct capital toward further expansion of its renewable energy infrastructure.

### *Emissions Reduction*

The Company has cumulatively reduced greenhouse gas emissions by over 42,900 metric tons. This sustained performance earned Indo Count the "Giga Guru" designation under Walmart's Project Gigaton for the fifth consecutive year. Project Gigaton is a global supply chain initiative targeting a reduction of 1 billion metric tons of GHG emissions by 2030. Indo Count's consistent recognition signals its standing as a leading contributor to this effort.

### *Science-Based Targets Initiative (SBTi) Alignment*

The SBTi's Target Validation Team has fully validated Indo Count's climate targets. The Company's Scope 1 & 2 targets are aligned with a well-below 2°C trajectory, consistent with the Paris Agreement.

| Scope | Target by FY30 |
|---|---|
| Scope 1 & 2 (Direct operations & Purchased energy) | **33% absolute reduction from baseline year** |
| Scope 3 (Value chain) | **14.8% (~15%) absolute reduction from FY18 base year** |

A comprehensive emissions baseline has been established across direct operations (Scope 1), purchased energy (Scope 2) and key value chain activities (Scope 3). Progress is tracked in accordance with internationally accepted greenhouse gas accounting methodologies.

### *Carbon Disclosure Project (CDP)*

Indo Count has earned a 'B' rating on the Carbon Disclosure Project, surpassing the average 'C' score for companies across Asia and globally. The rating reflects the Company's commitment to transparent climate disclosure and coordinated action on emissions reduction. The Company continues to strengthen its environmental stewardship through improved energy efficiency, responsible resource management, and initiatives aimed at reducing its carbon footprint.

### *Operational Energy Efficiency*

The Company improved energy efficiency by reusing hot water from the soft flow process, resulting in an estimated annual saving of 350 MT of coal and the avoidance of approximately 640 MT of $CO_2$ emissions. Additionally, by optimizing operating temperatures across its processing machines, the Company expects to save around 1,050 MT of coal annually and avoid nearly 1,920 MT of $CO_2$ emissions each year. These initiatives reflect the Company's commitment to sustainable manufacturing through efficient energy and resource management.

## ENVIRONMENTAL

***Water Stewardship***

Water is central to textile manufacturing. Indo Count treats it as a precious resource to be conserved, recycled and responsibly managed through Zero Liquid Discharge (ZLD) systems.

53% of water consumed across operations is recycled and reused. Advanced ETP & Reverse Osmosis (RO) systems have reduced freshwater intake by 25%. The Company has set a target to reduce freshwater consumption from the current 25% to ZLD by 2030.

The Zero Liquid Discharge (ZLD) project is a phased initiative targeted for completion by 2030. The proposed Bhilad ZLD facility carries an estimated capital outlay of approximately ₹95 crore, scheduled for FY27. At the Kolhapur plant, the ETP provides tertiary treatment, and the facility holds consent to discharge up to 25% of processed treated water to the local Common Effluent Treatment Plant (CETP).

Indo Count was previously honoured with the CII 18th National Award for Excellence in Water Management in the "Within the Fence" category, recognising the maturity of its water conservation framework.

***Waste & Circularity***

Indo Count generated a total of 15,685.18 metric tons of waste during the year. Of this, 10,119.90 MT was reused and 2,230.70 MT was recycled, bringing the total recovered waste to 12,350.60 MT. The waste diversion rate stands at 78.7%.

Indo Count was also previously honored with the CITI Textile Sustainability Award for "Excellence in Waste Reduction and Circular Innovation Leadership," affirming the Company's trajectory toward a more circular approach to resource management.

***Waste Streams and Management***

Non-hazardous waste (fabric, yarn, paper, metal): Recycled and reused within production cycles or sold to third-party recyclers for upcycling. E-waste is transported to authorised recyclers. Plastics are either recycled or being phased out in favour of sustainable alternatives. Dye sludge and hazardous waste (2,922.11 MT in FY25) are managed through authorised disposal facilities, including MEPL (Maharashtra Enviro Power Limited) in Pune and BEIL Infrastructure Limited in Bharuch.

***Chemical Management and ZDHC***

Indo Count holds the ZDHC Progressive Level Certification, affirming strict adherence to global best practices in wastewater treatment and chemical management. The Company ensures compliance with REACH, OEKO-TEX (STeP) and GOTS guidelines, maintaining a comprehensive Restricted Substances List (RSL). The transition to biodegradable finishing agents and eco-friendly dyes is underway, exemplified by the Pure Earth collection, which exclusively uses plant-based dyes extracted from agricultural residues such as almond shells, beetroot and bitter oranges.

***Packaging***

Indo Count is phasing out PVC polybags across operations in favour of self-fabric bags and FSC-certified paper packaging. Approximately 85% of packaging material is now sourced sustainably.

***Sustainable Sourcing: From Field to Fabric***

Indo Count's sourcing strategy is built on a commitment to transition to 100% preferred and sustainable fibres by 2030. The Company actively sources and incorporates cotton sourced under the Better Cotton Initiative, along with organic cotton, regenerative cotton and TENCEL™ Lyocell fibres, into its product portfolio.

***Traceability & Assurance***

Two global platforms underpin Indo Count's traceability framework. The U.S. Cotton Trust Protocol, of which the Company is an official member, provides verified assurances to brands and retailers on responsible cotton sourcing. The THESIS Platform by The Sustainability Consortium uses science-based KPIs to identify and manage environmental and social hotspots across the value chain. Indo Count has achieved the 2nd rank in the THESIS survey.

***Eco-Friendly Product Innovation: Pure Earth***

The Pure Earth collection represents Indo Count's foray into circular product design. The collection uses plant-based dyes derived from agricultural waste, including almond shells, beetroot and bitter oranges. It advances the Company's broader vision of building a responsible, closed-loop supply chain.

***Biodiversity: Putting down roots***

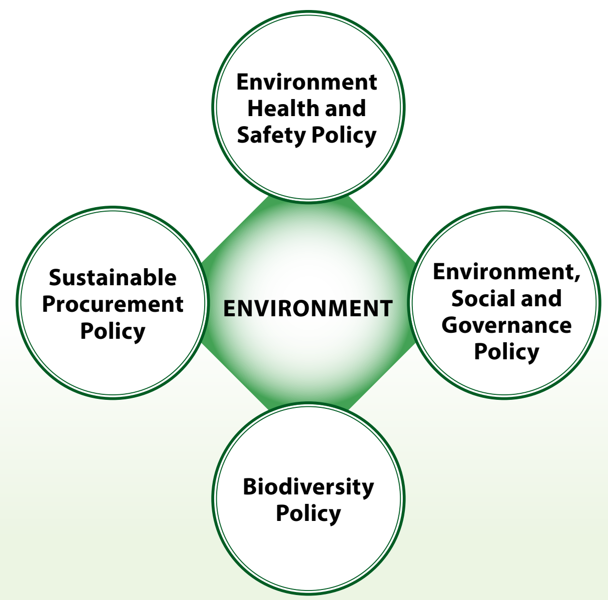
Indo Count has reached a cumulative total of 49,000+ planted trees, having added 5000+ new trees during FY26 to a previous base of over 44,000. The Company uses the high-density Miyawaki method to nurture flora and fauna endemic to the region.

The plantations cover 11 acres of land. A major 5-acre project in Kagal, Kolhapur, transformed an MIDC wasteland into a thriving forest containing 20,000 trees. Additional plantations are located in the villages of Bhilad and Borlai.

The existing plantations sequester approximately 500+ tons of carbon annually, reducing local pollution and urban heat while creating habitats for regional biodiversity.

***Policies that support environment:***

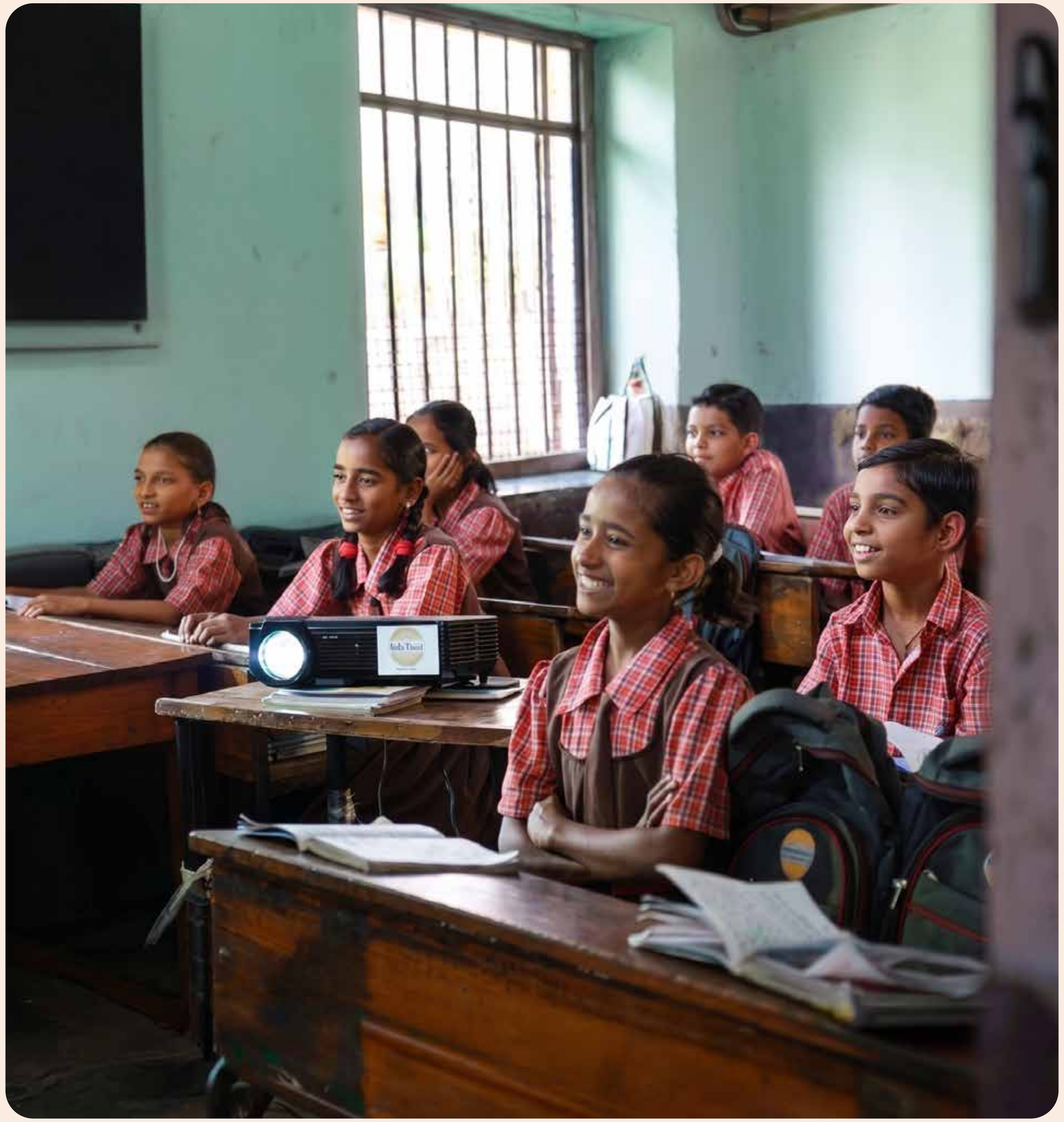
Environmental stewardship is integral to our sustainability strategy, with a focus on optimising resource efficiency, reducing emissions, and meeting evolving regulatory and customer expectations across our operations. The key policies are as follows:



SOCIAL

# SOCIAL: GROWING WITH PEOPLE AND COMMUNITIES

At Indo Count, creating lasting value extends beyond business performance to enriching the lives of the communities we serve. In FY25-26, the Company deepened its commitment to enhancing the livelihoods, health and education of the communities it operates in.



***Creating Shared Value***

At Indo Count, community engagement goes beyond standard Schedule VII compliance. The Company applies Michael Porter's framework of Creating Shared Value (CSV), where corporate competitiveness and community well-being are mutually dependent. Every community programme is designed to generate measurable social value (improved livelihoods, health and education).

***Scale and Ambition***

Building on its impact on 8,85,000+ individuals in FY26 the Company has set progressive targets: 9,50,000 lives by 2027 and 12,00,000 lives by 2030. These initiatives are localised around Indo Count's manufacturing clusters in Hatkanangale, Kagal, and Gokul Shirgaon in Kolhapur, Maharashtra, and in Bhilad, Gujarat

***FY 2025–26 Programme Impact***

Total CSR contribution for the year: ₹7.29 crore.

| Programme | Impact |
|---|---|
| Healthcare | Mobile health vans treating 1,00,000+ patients across villages in Kolhapur and Bhilad. Dialysis infrastructure supplied to government hospitals. TB-eradication drive curing 600+ patients. |
| Education | E-learning facilities installed in 138 schools, benefiting 51,400 students, out of which 65 schools were equipped with smart TVs, reaching 30,000 students. |
| Water and Sanitation | 1,00,000+ people provided clean water annually. Public and school toilets constructed. |
| Women's Empowerment | Local women trained for textile industry employment. Seventeen Anganwadi centres renovated. |
| Sports and Inclusion | State-of-the-art gymnasium constructed in Kolhapur's Divisional Sports Complex. Indian Deaf Cricket Association women's tournaments sponsored. |



## SOCIAL

### *Growing with the Farmer*

Indo Count's farmer programmes are a core component of its raw material strategy and risk management framework. By empowering cotton farmers to adopt sustainable practices, the Company builds a compliant, traceable and resilient supply chain. These programmes deliver dual benefits- creating meaningful social impact for farmers while strengthening supply chain security for the business.

In FY 2025–26, the Company supported more than 29,000 farmers across 1,27,000+ acres through three targeted initiatives.

| Project | Focus | Reach in FY26 | Geography |
|---|---|---|---|
| Project Gagan (BCI) | Better Cotton Initiative: responsible cultivation, judicious use of water, pesticides and fertilisers | 26,382 farmers across 1,12,448 acres | 5 districts in Maharashtra, including Chandrapur |
| Project Avani (Organic) | Organic cotton: biodiversity conservation, natural resource management, social infrastructure for farming communities | 1,967 farmers across 6,602 acres | Yavatmal, Maharashtra |
| Project Prithvi (Regenerative) | Regenerative agriculture: soil and water conservation, GHG emissions reduction, partnership with local ginners | 1,619 farmers across 8,077 acres | Botad and Amreli, Gujarat |

### *High-Density Planting System (HDPS)*

A major technological intervention is the High-Density Planting System. Developed through a Centre of Excellence in partnership with the Maharashtra Government and Dr PDKV College of Agriculture, HDPS trains farmers to increase plant density from 11,000 to over 29,500 plants per acre.

An HDPS Hub has been established in Akola, bringing over 12,000 hectares under cultivation. Farmers in Chandrapur using Project Gagan recorded a 35.5% increase in cotton yield. Across the HDPS programme, yields have risen from the national average of 450 kg/hectare to 1,250 kg/hectare, a nearly threefold increase.

### *2030 Targets*

Indo Count targets expanding its sustainable agriculture footprint to 75,000 farmers and 2,90,000 acres by 2030. Each project feeds directly into the Company's goal of sourcing 100% preferred and sustainable fibres. Project Gagan builds the supply chain for BCI Cotton. Project Avani develops the organic cotton pipeline. Project Prithvi secures the regenerative cotton supply chain.

***Case Study:***
*Dilip Thakre, Akola, Maharashtra*

***Before:*** *Dilip relied on conventional farming methods, achieving a plant density of 11,000 plants per acre and yields of approximately 450 kg/hectare.*

***After:*** *Partnering with Indo Count's Centre of Excellence and adopting HDPS, Dilip cultivated 29,400 plants per acre and achieved yields of 1,250 kg/hectare. His success validated the system's potential and inspired widespread adoption across 12,000 hectares in the Akola district.*





### *Empowering Performance Through People*

Indo Count's workforce is the engine of its operational excellence. The Company invests in its people through structured learning, robust safety systems, progressive diversity policies and an unwavering commitment to human rights.

### *Health and Safety*

All manufacturing facilities are accredited to ISO 45001:2018 for Occupational Health and Safety. The Company maintains a target of zero fatalities across all operations. In FY26, the Lost Time Injury Frequency Rate (LTIFR) was zero for both employees and workers, with zero fatalities recorded.

Safety systems undergo rigorous internal audits, third-party client audits and inspections by certified professionals for critical equipment, including boilers and electrical systems.

### *Diversity and Inclusion*

Indo Count's Equal Opportunity Policy eliminates discrimination based on gender, caste, community, race or sexual orientation. Women hold 12.5% of managerial positions and the Company is actively working to enhance gender diversity across its leadership and other teams.

Most of the permanent facilities are accessible to differently-abled individuals in compliance with the Rights of Persons with Disabilities Act, 2016. The Company actively employs differently-abled workers and staff. A 100% return-to-work rate was recorded for both male and female employees following parental leave.

### *Learning and Development*

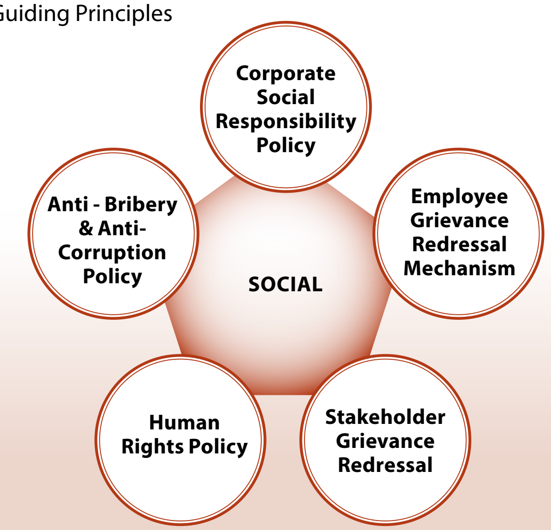
100% of employees and workers receive training. Programmes span areas such as first aid chemical handling, technical work instructions, advanced Excel, customer engagement and stress management. Regular skill enhancement initiatives, leadership development programmes and functional training ensure that employees remain equipped to meet evolving business requirements.

### *Human Rights*

Indo Count's Human Rights Policy is aligned with International Labour Organisation (ILO) principles and the United Nations Guiding Principles (UNGPs). Human rights requirements are mandatory in all business agreements and supplier contracts. Suppliers must ensure voluntary work, fair wages and a zero-tolerance approach to child and forced labour.

100% of manufacturing facilities are annually audited by Sedex Global, providing independent oversight and assurance.

***Policies that support social:*** Our social responsibility framework is supported by a comprehensive set of policies that promote employee well-being, diversity and inclusion, ethical conduct, human rights, workplace safety, and community engagement across the organisation. The key policies are as follows:



GOVERNANCE

# GOVERNANCE: LEADING WITH INTEGRITY AND TRANSPARENCY

Governance at Indo Count is the architecture that holds the ESG agenda together. Transparent board oversight, rigorous risk management, ethical business conduct and internationally benchmarked disclosures ensure that every decision is accountable, auditable and aligned with long-term stakeholder value.

***Board and Policy Structure***

The Board comprises an optimal mix of Executive and Non-Executive Directors, including an Independent Woman Director. The Company proactively reviews its Strategic Risk Management Policy to ensure alignment with evolving regulatory requirements.

***Ethics and Compliance***

***Anti-Bribery and Anti-Corruption***

Indo Count enforces a zero-tolerance Anti-Bribery and Anti-Corruption Policy covering money laundering, acceptance of gifts and conflicts of interest.

***Whistleblower Protection***

A secure Vigil Mechanism provides a confidential channel for employees to report unethical practices, fraud or Code of Conduct violations. The mechanism includes safeguards against retaliation and direct access to the Chairman of the Audit Committee.

***Prevention of Sexual Harassment (POSH)***

The Company provides 100% training coverage on POSH for all employees and workers. An active Internal Committee oversees the policy. The Company had zero sexual harassment and workplace discrimination complaints during the year..

***Code of Conduct***

A comprehensive Code of Conduct framework guides employee behaviour across ethics, compliance, workplace conduct, anti-corruption, confidentiality and stakeholder engagement. Regular communication, awareness programmes and training reinforce adherence across the organisation.

***Risk Management***

The Board provides oversight of key ESG risks, including climate change, water stress and supply chain sustainability. These risks are periodically reviewed for their potential impact on operations, sourcing, compliance and long-term value creation. Management regularly updates the Board on progress against sustainability targets, mitigation initiatives and emerging regulatory developments.

***Reporting Framework***

Indo Count's sustainability disclosures are guided by the Business Responsibility and Sustainability Reporting (BRSR) framework prescribed by SEBI. The reporting approach is further aligned with the UN SDGs, the United Nations Global Compact (UNGC), the Science Based Targets initiative (SBTi) and the principles of responsible business conduct. Transparent and consistent reporting enables stakeholders to assess the Company's ESG performance, progress against targets and long-term value creation.

***Industry Recognitions***

Indo Count's ESG performance is validated by leading global rating agencies and industry bodies.

| Recognition | Detail |
|---|---|
| S&P Global ESG Score | 78/100. Top 3 percentile globally in the textile and apparel sector. Industry average: 35. |
| Carbon Disclosure Project (CDP) | B rating. Surpasses the average C score for Asia and globally. |
| Project Gigaton (Walmart) | Giga Guru for the 5th consecutive year. 42,900+ MT of GHG mitigated. |
| CITI Textile Sustainability Award | Excellence in Waste Reduction and Circular Innovation Leadership (February 2026). |
| Higg Index vFEM | Score of 92 (third-party verified Facility Environmental Module). |
| THESIS Survey | 2nd Rank in the THESIS sustainability survey. |
| ZDHC | Progressive Level Certification for chemical management and wastewater treatment. |
| Sedex Global | 100% of manufacturing facilities annually audited. |

***The Road Ahead***

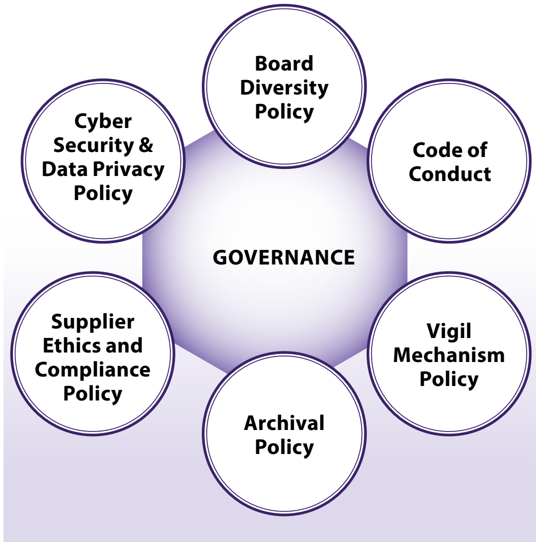
Indo Count's ESG trajectory is clear. Net-zero by 2040. 100% preferred fibre sourcing by 2030. Zero Liquid Discharge at Bhilad by 2030. These are targets with timelines, budgets and accountability structures.

The Company will continue to invest in renewable energy expansion, circular economy innovation and responsible supply chain development. The Company strives to uphold consistent ESG standards across all its product categories, brands and markets, reinforcing its commitment to responsible and sustainable growth.

Grow by building capacity and entering new markets. Sustain by protecting every resource that enables that growth. Lead by setting benchmarks that the industry follows. That is Indo Count's ESG commitment. Measured. Accountable. Unyielding.

***Policies that support governance:***

The Company has established a robust policy framework to uphold high standards of corporate governance, ethical conduct, and regulatory compliance. The key policies are as follows:



*Board Snapshot*

Board Independence (%)

- 63% – Independent Directors
- 37% – Non-Independent Directors

*Board Experience (%)*

- 62% – More than 30 years
- 38% – 15–30 years

*Board Demographics*

- 55 years – Median Directors' age
- 89% – Average attendance rate at Board meetings
- 4.8 years – Average tenure of Independent Directors

*Board Committees*

Board Committees aid in discharging duties by providing valuable insights, enhancing governance policies, and submitting periodic reports to the Board of Directors.

| Committee | Chairperson | Members | Independence |
|---|---|---|---|
| Board of Directors | Chaired by Executive Director | 8 | 63% |
| Audit Committee | Chaired by Independent Director | 5 | 80% |
| Nomination and Remuneration Committee | Chaired by Independent Director | 4 | 75% |
| Risk Management Committee | Chaired by Independent Director | 5 | 40% |
| ESG & Corporate Social Responsibility Committee | Chaired by Independent Director | 4 | 50% |
| Stakeholders' Relationship Committee | Chaired by Independent Director | 3 | 33% |

**Communication Framework with the Statutory Auditors**

Pursuant to the National Financial Reporting Authority ("NFRA") Circular dated 7 January 2026, the Company has adopted a formal communication framework to ensure structured and transparent engagement between the Those Charged with Governance ("TCWG") and the Statutory Auditors.

The key features of the framework are as follows:

- The Audit Committee has been designated as the Those Charged with Governance.
- The Whole-time Director shall act as the "Nodal Person" on behalf of the Board and coordinate communication between the Statutory Auditors and the TCWG.
- At the beginning of each financial year, the Statutory Auditors and the Chief Financial Officer shall jointly agree on the form, timing and broad content of communications. The Statutory Auditors shall ensure compliance with the applicable Standards on Auditing.
- The Nodal Officer shall communicate significant matters discussed with the Statutory Auditors to the TCWG, and such discussions shall be appropriately recorded in the minutes of the Audit Committee and/or the Board, as applicable.

In line with this framework, TCWG met with the Statutory Auditors at the beginning of the financial year and, inter-alia, discussed the audit scope, materiality and independence, accounting, auditing and reporting matters, internal financial controls, and certain nonrecurring audit matters. Further, the Statutory Auditors presented their overall audit conclusions to TCWG and confirmed that the financial statements are consistent with the underlying books of account, comply with the applicable accounting standards and disclosure requirements, and present a true and fair view of the state of affairs of the Company.





# RISK MANAGEMENT

**Our Risk Management Philosophy**

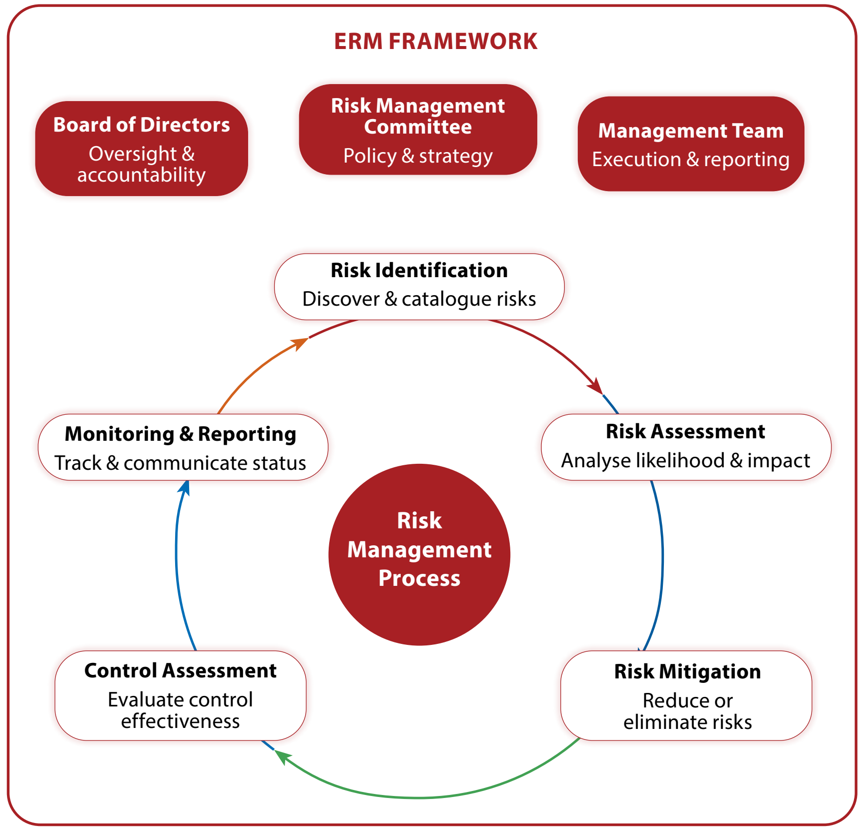
Indo Count operates at the intersection of global trade, commodity markets, consumer sentiment and environmental responsibility. Each of these domains carries inherent uncertainty. Our philosophy is that risk, managed well, is the price of ambition, and that a company which avoids all risk avoids all growth. The purpose of our risk management architecture is therefore to ensure that we take the right risks, at the right scale, with full visibility and adequate safeguards.

FY 2025-26 tested this philosophy under extreme conditions. When US tariffs on Indian textiles rose to 50% within a single year, the Company made a deliberate choice to absorb a measured share of the cost rather than pass it to customers or retreat from the market. That choice was possible only because our risk framework had already diversified our geographic revenue base, established tariff-immune US manufacturing, and built a balance sheet strong enough to fund the decision. The outcome, zero customer attrition and no order cancellations through the most severe trade disruption our industry has known, validated the framework in practice rather than in theory.

Our risk management is governed by the Board-level Risk Management Committee, oversees key business risks and reviews the effectiveness of the Company's risk management framework, including processes for risk identification, mitigation, and timely response to evolving risk exposures.

The Committee works in close coordination with the executive leadership team to ensure that risk considerations are integrated into key strategic, operational and investment decisions. Risk ownership is assigned to functional heads, who are responsible for identifying, assessing and mitigating risks within their respective areas of responsibility.

The Company continuously monitors changes in the external environment, including macroeconomic conditions, trade and tariff developments, geopolitical events, foreign exchange movements and global supply chain disruptions. These risks are managed through a structured Enterprise Risk Management (ERM) framework, which evaluates risks based on their likelihood and potential impact, assigns clear ownership for mitigation measures, and monitors the implementation of action plans to ensure timely and effective risk management.



| Risk relevant to us | Mitigation Measures |
|---|---|
| **Competition** | The Company's strategy to stay competitive involves continuous monitoring of market trends and expansion into new categories and product lines to maintain competitiveness and reduce dependence on any single product segment. The focus is on cost-efficient innovation, product differentiation, and sustainability to offer competitively priced products. The Company also pursues inorganic growth opportunities that align with our core capabilities and generate meaningful synergies to drive sustainable growth. |
| **Concentration** | We mitigate concentration risks by diversifying our customer and supplier base and expanding into new geographies, thereby creating a more balanced growth profile, rather than relying on a limited number of customers/suppliers. |
| **Capacity** | The Company is actively exploring new markets to expand its order book and further optimize plant utilization. |
| **ESG** | Our strategy is to integrate sustainability initiatives that mitigate environmental impact into our corporate strategy and reporting framework, while establishing measurable goals for sustainability, ethics, and compliance. We continuously monitor regulatory developments to ensure adherence to applicable regulations and maintain ongoing engagement with all stakeholders. In addition, the ESG & CSR Committee, oversees ESG strategy and guides management in implementing environmental and governance initiatives. |
| **Cyber Security** | The Company has implemented an Endpoint Detection and Response (EDR) solution to continuously monitor endpoint devices and detect, prevent, and respond to cyber threats such as ransomware and malware. The Company also maintains comprehensive global cyber liability insurance to mitigate potential financial losses arising from data breaches, ransomware incidents, and other cyberattacks. |
| | In addition, the Company conducts regular security audits to strengthen its overall cybersecurity posture and reduce operational risks. The Company is also actively working towards compliance with the Digital Personal Data Protection Act, 2023 (DPDP Act), and is taking appropriate measures to align its data protection and privacy practices with the applicable regulatory requirements. |
| **System** | The Company regularly upgrades and tests its systems to ensure operational reliability. In addition, redundancy and failover mechanisms have been implemented to minimize service disruptions, while users are provided with periodic training and critical workflows are comprehensively documented to support business continuity and effective risk management. |
| **Commodity** | The Company has developed alternative sourcing channels to ensure the uninterrupted availability of raw materials and mitigate supply chain disruptions. It also maintains strong relationships with vendors to facilitate the timely procurement of raw materials, while continuously monitoring domestic and international cotton price trends, production forecasts, and market arrivals to make informed and timely purchasing decisions. |
| **Foreign Exchange** | The Company continuously monitors its exposure to foreign currency fluctuations and global market conditions to enable timely corrective actions and minimize potential financial impacts. In addition, appropriate hedging strategies are employed to manage foreign exchange risks and reduce the impact of currency volatility on business operations and financial performance. |
| **Global Geopolitical and Trade Disruption** | The Company mitigates trade and geopolitical risks through continuous monitoring of global policy developments, strategic diversification of sourcing locations, and maintenance of a flexible supply chain framework. The Company also optimizes logistics, plans for tariff and freight cost increases, and diversifies markets to strengthen supply chain resilience. |

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. Anil Kumar Jain**
*Executive Chairman*

**Mr. Mohit Jain**
*Executive Vice-Chairman*

**Mr. Kamal Mitra**
*Whole-time Director*

### Independent Directors

**Mr. Siddharth Mehta**
*Lead Independent Director*

**Dr. Sanjay Kumar Panda**

**Mr. Akash Kagliwal**

**Mr. L. Viswanathan**

**Mrs. Ambika Sharma**

### Key Managerial Personnel

**Mr. K. Muralidharan**
*Group Chief Financial Officer*

**Mr. Manish Bhatia**
*Chief Financial Officer*

**Mr. Satnam Saini**
*Company Secretary*

### Statutory Auditors

**M/s. Price Waterhouse**
*Chartered Accountants LLP*

### Registered Office

Office No. 1, Plot No. 266,
Village Alte Kumbhoj Road,
Taluka Hatkanangale,
District Kolhapur- 416109,
Maharashtra, India.

## COMMITTEE OF THE BOARD

**Audit Committee**
Mr. L Viswanathan
Mr. Siddharth Mehta
Mr. Akash Kagliwal
Mrs. Ambika Sharma
Mr. Kamal Mitra

**Nomination & Remuneration Committee**
Mr. Siddharth Mehta
Dr. Sanjay Kumar Panda
Mrs. Ambika Sharma
Mr. Anil Kumar Jain

**Stakeholder Relationship Committee**
Dr. Sanjay Kumar Panda
Mr. Anil Kumar Jain
Mr. Kamal Mitra

**ESG & Corporate Social Responsibility Committee**
Dr. Sanjay Kumar Panda
Mrs. Ambika Sharma
Mr. Anil Kumar Jain
Mr. Kamal Mitra

**Risk Management Committee**
Mr. Siddharth Mehta
Mr. Akash Kagliwal
Mr. Kamal Mitra
Mr. K Muralidharan
Mr. Manish Bhatia

## PLANT LOCATIONS

**India**

**Gokul Shirgaon :**
D-1, MIDC, Gokul Shirgaon,
Kolhapur-416234,
Maharashtra, India.

**Kagal :**
Plot No. T-3 & T-4, Five Star,
MIDC Kagal-Hatkanangale,
Kolhapur - 416216,
Maharashtra, India

**Alte :**
Office No. 1, Plot No. 266,
Village Alte Kumbhoj Road,
Taluka Hatkanangale,
District Kolhapur - 416109,
Maharashtra, India.

**Bhilad :**
191/192 Mahala Falia,
Village - Bhilad,
Taluka –Umbergaon,
District – Valsad,
Gujarat-396105, India.

**USA**

**Kernersville :**
1625, Piedmont Commerce Drive,
Kernersville, NC 27284, USA.

**Arizona :**
4949, West Buckeye Road,
Phoenix, Arizona, AZ 85043, USA.

**Ohio :**
6510, Pontius Road, Groveport,
Ohio, OH 43125, USA.

## BANKERS & LENDERS

Union Bank of India
HDFC Bank Limited
Axis Bank Limited
Bank of Baroda
EXIM Bank
HSBC Bank
Citi Bank, N.A.
JPMorgan Chase Bank, N.A.


# MANAGEMENT DISCUSSION & ANALYSIS

## Global Economy
Global growth in 2025 is estimated at 3.3%, reflecting a balance between policy headwinds and strong investment momentum. Global private consumption reached approximately $60.3 trillion, growing 3.4% year-on-year, albeit a moderation from 4.3% growth in 2024, indicating a gradual normalisation of demand. Inflation remained elevated but manageable at 4.1%, with consumption supported by stable labour markets and resilient spending among middle- to high-income households.

## Currency Movements and Financial Conditions
Currency markets witnessed notable volatility, with the U.S. dollar (DXY index) declining by 10% in 2025, marking its weakest first-half performance in over five decades. This movement was driven by slower U.S. growth expectations, rising fiscal deficits, and shifting global capital flows, despite relatively stable interest rate policies. Financial conditions remained broadly accommodative, supporting liquidity and investment activity across markets.

## Geopolitical and Trade Environment
The global outlook for 2026 is significantly affected by escalating geopolitical tensions and trade disruptions, which are increasing market volatility and slowing growth. Prolonged conflicts, notably the Russia–Ukraine War, continue to pressure energy markets through sustained sanctions on Russia, while rising tensions in the Middle East disrupt oil supply chains, driving crude prices higher.

Simultaneously, renewed aggressive tariff policies by the U.S., targeting major partners such as China, Mexico, and Canada, have prompted retaliatory measures, suppressed global trade growth to approximately 1.5%, and weakened the U.S. Dollar by diminishing investor confidence. In response, the European Union has accelerated its free trade initiatives, securing agreements with multiple countries to diversify trade flows and offset the impact of U.S. protectionism, thereby supporting moderate Eurozone growth amid ongoing external challenges.


## Industrial Activity and Cost Trends
Manufacturing activity remained resilient, driven by strong demand in technology-intensive sectors such as semiconductors, electronics, and AI infrastructure. Asian economies continued to lead export growth in these segments. While input cost pressures persisted during the year, expectations of easing in commodity and energy prices supported industrial stability.

## Labour Market Stability
Global labour markets remained stable, with unemployment holding at around 5% in 2025. Despite initial concerns arising from trade uncertainties and tariff actions, partial policy adjustments helped sustain employment levels, thereby supporting consumption and economic resilience.

## Global Debt and Capital Markets
Global borrowing levels reached unprecedented highs, with OECD sovereign borrowing at $17 trillion in 2025 and outstanding sovereign bond debt in advanced economies climbing to nearly $61 trillion, with public debt exceeding 80% of GDP in many cases. Emerging market sovereign debt also crossed $12 trillion, reflecting increased reliance on debt markets, particularly for refinancing requirements estimated at $13.5 trillion during the year.

## Outlook
The global economy is expected to maintain stability, with growth projected at 3.3% in 2026 and 3.2% in 2027. Advanced economies are expected to grow at 1.8% in 2026 and 1.7% in 2027, while emerging markets are projected to grow at 4.2% and 4.1%, respectively. Inflation is anticipated to moderate from 4.1% in 2025 to 3.8% in 2026 and 3.4% in 2027, supported by easing demand and lower energy prices. Trade growth is expected to soften to 2.6% in 2026 before recovering to 3.1% in 2027, while commodity and energy prices are projected to decline by around 7% in 2026, easing cost pressures. However, elevated global debt levels, geopolitical risks, protectionism and trade uncertainties remain key challenges, even as continued investments in technology and AI support long-term productivity and growth.

### Impact on the Company
These macroeconomic and geopolitical factors have directly influenced the Company's performance and strategic direction. Geographic diversification has accelerated, with non-U.S. markets which accounts for approximately 30% of core revenues, is expected to grow by 20% during FY 26-27 supported by growing trade partnerships. Recent trade agreements with the U.K. and EU are expected to enhance long-term visibility, and strengthen order flow.

## The US Economy

The U.S. economy demonstrated resilience in 2025. According to the IMF, GDP expanded by 2.1%, supported by fiscal stimulus, an accommodative monetary policy stance, and sustained investment in advanced technologies, including artificial intelligence and digital infrastructure. Consumer spending remained the principal engine of growth, with Real Personal Consumption Expenditure moderating marginally to 2.4%, underpinned by stable incomes and accumulated household wealth. The Federal Reserve eased policy with a cumulative 75-basis-point cut in the federal funds rate. At the same time, higher tariffs added to near-term inflationary pressure even as they offered targeted support to domestic industries.

That said, sectoral indicators pointed to emerging headwinds. The ISM Manufacturing PMI remained below the 50-mark for most of the year, weighed down by elevated input costs, softer employment, and subdued capital investment. The labour market also moderated, with unemployment rising to 4.1%, the participation rate easing to 62.3%, and the employment-to-population ratio declining to 59.7% — its lowest reading since early 2022. While consumption and broader macroeconomic fundamentals held firm, industrial activity and employment gradually decelerated.

## Outlook

The U.S. economy is projected to grow by 2.4% in 2026 and 2.0% in 2027. An expansionary fiscal stance and easing monetary conditions are expected to lower borrowing costs and revive investment momentum though Middle East conflict risks remain large. Continued advancements in technology, particularly AI, will support productivity and business expansion, though the pace of technology-led growth is likely to moderate.

Counterbalancing this, constrained labour force growth — owing to lower immigration — and a gradual softening in private consumption could temper domestic demand. Inflation is expected to converge with the Federal Reserve's 2% target by 2027, paving the way for further monetary easing. However, rising real neutral interest rates, driven by robust investment demand, may limit the extent of rate cuts. Public debt, projected to rise from 101% of GDP in 2026 to an estimated 120% by 2036, remains a structural concern, despite ongoing productivity gains from technological innovation.

### Impact on the Company

The U.S. economy, which accounts for approximately 70% of the Company's market exposure, is a key driver of performance. Stable growth and resilient consumer demand support sales. Retail expansion and strong e-commerce penetration (over 20% of sales) provide structural support for growth.

Tariff volatility, pressured margins, leading to cost-sharing measures and ~100 bps EBITDA contraction.

The Company is also leveraging the U.S. market to advance its "Indo Count 2.0" strategy, scaling its branded portfolio and targeting robust growth in utility bedding business.

## The European Economy

The European Union economy is projected to expand by 1.4% in 2025, led by resilient consumer spending amid stable labour markets and rising real wages. Euro area inflation moderated to 2.1%, broadly aligned with the medium-term 2% target, supported by a measured monetary policy stance. While the US and UK have entered a rate-cutting cycle, the euro area is expected to hold policy rates steady in the near term. On the trade front, progress on the India–EU and India–UK Free Trade Agreements is set to widen market access and strengthen export competitiveness, particularly for the textile sector.

Private consumption registered a gradual recovery, with household real consumption rising 0.3% in the euro area and 0.5% across the EU, reversing the contraction seen earlier in the year. Higher disposable incomes and a modest decline in household saving rates underpinned the improvement.

Industrial output, however, remained subdued, weighed down by elevated energy costs linked to the Ukraine conflict and the euro's real appreciation, which weakened export competitiveness. Stable natural gas prices — supported by softer demand and effective EU storage policies — offered partial relief to industry. The EU retained its position as a leading global textile market, with imports exceeding USD 260 billion, on par with the US, reflecting durable demand despite the broader macroeconomic backdrop.

## Outlook

Euro area growth is forecast at a moderate 1.3% in 2026 and 1.4% in 2027, supported by public spending and resilient performance in markets such as Spain and Ireland. Among the key economies, Germany is projected to grow by 1.1%, France by 1.0%, Italy by 0.7%, and Spain by 2.3%. The UK is expected to expand by 1.3% in 2026 and 1.5% in 2027, while Emerging Europe is set to rebound with growth of 2.3% and 2.4%, respectively.

The 2026 outlook remains subdued, reflecting softer labour markets and muted consumption. That said, strategic investments in digital infrastructure and green energy are expected to strengthen medium-term resilience. Fiscal policy is likely to remain neutral in 2026 before turning more expansionary in 2027, driven by higher defence and infrastructure spending, providing further impetus to growth.

### Impact on the Company

Landmark trade agreements such as the India–European Union Free Trade Agreement and India–UK Free Comprehensive Economic and Trade Agreement are expected to eliminate tariffs and significantly enhance competitiveness, for export of Indian products, enabling the company to tap into the European home textile market.

Strategically, Europe plays a significant role in diversifying the company's revenue base beyond the U.S., with non-U.S. markets already contributing around 30% of core revenue.

## The Indian Economy

India entered FY2026 with strong economic momentum, underpinned by stable fundamentals, coordinated policy support, and broad-based sectoral growth. Despite global headwinds, the economy delivered a resilient performance, supported by robust domestic demand, historically low inflation, and a strengthened external position.

Real GDP is estimated to have grown 7.6% in FY2026, revised upward from the earlier 7.4% advance estimate, against 6.5% in FY2025 — making India the fastest-growing major economy for the fourth consecutive year. Domestic demand remained the principal anchor of growth, with Private Final Consumption Expenditure accounting for 61.5% of GDP — the highest share since FY2012 — and rising 7.7%. Gross Fixed Capital Formation stayed steady at around 30% of GDP, reflecting sustained investment activity. Retail inflation moderated sharply to 1.7% during April–December FY2026, down from 4.6% in FY2025, supporting real purchasing power and stable input costs across consumption-led sectors, including home textiles.

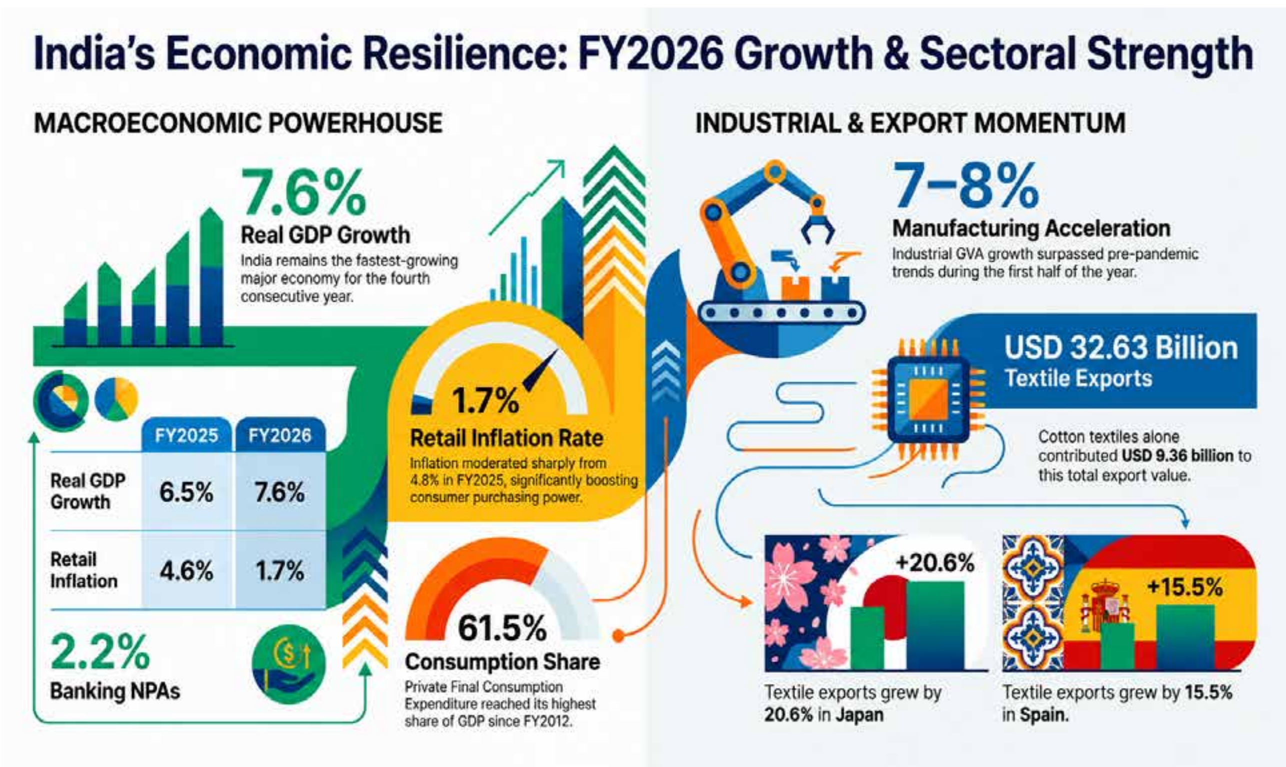
Sectoral performance was broad-based. Agriculture grew an estimated 3.1%, supported by a favourable monsoon — a particularly relevant tailwind for cotton-dependent industries. Industrial activity strengthened, with manufacturing GVA accelerating to 7–8% in the first half of FY2026, surpassing pre-pandemic trends. Gross non-performing assets in the banking system declined to 2.2%, reflecting a healthier financial system and improved credit availability for industry.

The external sector held firm. Total exports of merchandise and services reached a record USD 825.3 billion in FY2025, with continued momentum in FY2026 — merchandise exports grew 2.4%, and services exports 6.5% during April–December 2025, even amid heightened US tariff actions. The current account deficit remained moderate at 0.8% of GDP in H1 FY2026, while foreign exchange reserves covered over 11 months of imports — providing a meaningful buffer against global volatility.

For the textile sector, the year was steady. Total textile and apparel exports (including handicrafts) stood at USD 32.63 billion during April–February FY2026, with cotton textiles contributing 29% (USD 9.36 billion). Strong growth was recorded across over 120 destinations, with double-digit gains in the United Kingdom (7.8%), Germany (9.9%), Spain (15.5%), and Japan (20.6%). The Government's extension of the RoSCTL and RoDTEP schemes beyond March 31, 2026, has reinforced policy support for export competitiveness.

### Outlook

Real GDP growth is projected at 6.8–7.2% in FY2027, with India's potential growth estimated at around 7%. Domestic demand is expected to remain the anchor, supported by low inflation, a stable labour market, and rising real incomes. Inflation is forecast to remain within the Reserve Bank of India's 4% (±2%) target band, preserving consumer purchasing power and macroeconomic stability.




## Global Textile Industry

The global textile industry continues to demonstrate significant scale and evolving strategic importance, with the market estimated at USD 2,123.72 billion in 2025. The Asia Pacific region remains dominant, valued at USD 470.61 billion in 2025 and projected to grow further, led by key manufacturing hubs such as China, India, and Bangladesh, which benefit from strong production ecosystems, access to skilled labour and raw materials. Structurally, the industry is undergoing a transformation driven by sustainability, digitalisation, and innovation, with increasing adoption of circular production models, bio-based fibres, and AI-enabled supply chain optimisation. Emerging opportunities are also visible in technical textiles, including automotive and industrial applications, alongside supply chain diversification trends that are strengthening alternative sourcing destinations such as India and Uzbekistan. Supported by favourable government initiatives, e-commerce expansion, and rising demand across apparel, home furnishings, and specialised segments, the industry remains positioned for long-term growth.

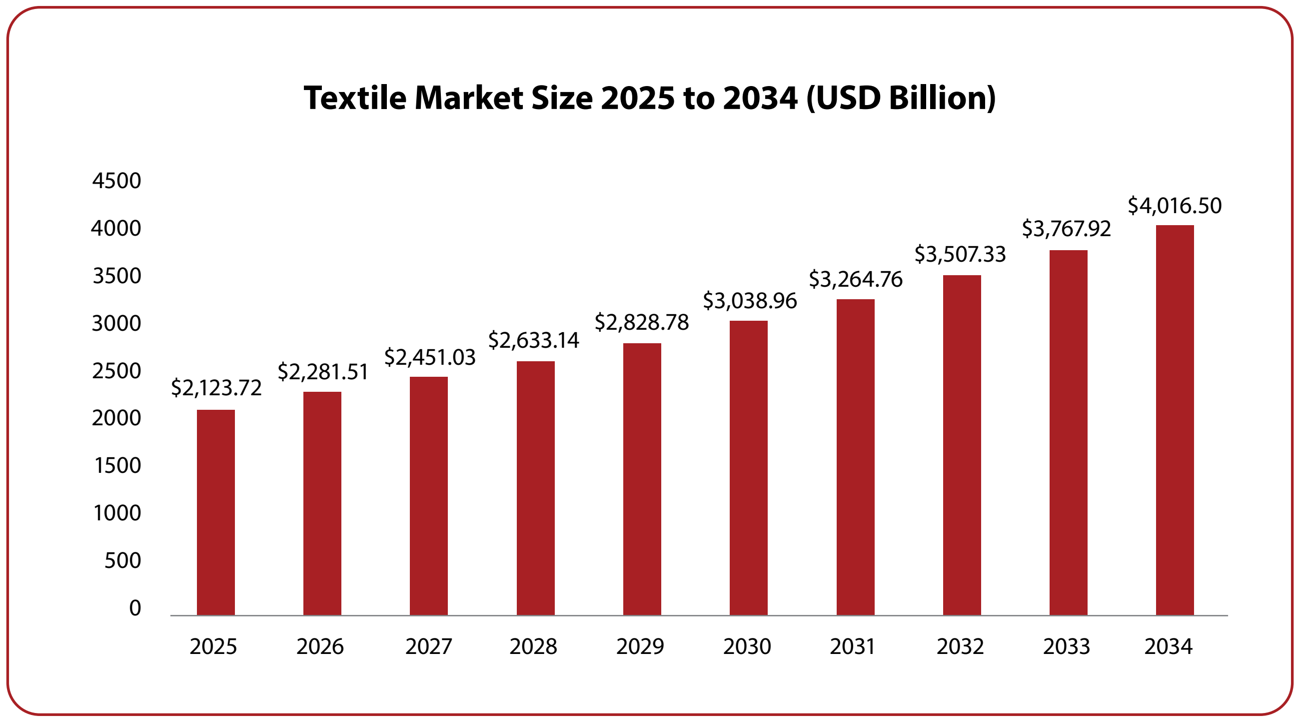
### Performance

In 2025, the textile sector experienced an uneven recovery and strategic recalibration amid persistent demand-side and cost-related challenges. Weak consumer sentiment—accounting for a significant share of industry concerns—combined with high inflation and elevated interest rates, resulted in subdued apparel demand and lower order volumes. At the same time, geopolitical disruptions, including tensions in the Middle East and logistical constraints in critical trade routes, increased freight costs and disrupted supply chains. Input cost pressures remained elevated due to rising energy and raw material prices, compressing margins across the value chain. Additionally, stricter sustainability regulations heightened compliance requirements and scrutiny around greenwashing practices. Despite these headwinds, underlying demand drivers such as urbanisation, rising disposable incomes, and expanding end-use applications—including medical textiles and protective industrial clothing—continued to support baseline consumption and provide resilience to the sector.

### Outlook

The global textile market size is predicted to increase from USD 2,281.51 billion in 2026 to approximately USD 4,016.50 billion by 2034, expanding at a CAGR of 7.35% from 2025 to 2034. Sustainability is emerging as the central theme shaping the future of the textile sector, influencing industrial strategies, investment priorities, and production models. As environmental considerations gain prominence, companies are increasingly focusing on sustainable materials, energy-efficient technologies, and responsible manufacturing practices.

At the same time, evolving industrial and geopolitical dynamics are reshaping global supply chains. The trend of reshoring, bringing production closer to end markets, is gaining traction in Europe and Asia to reduce import dependence, lower transportation emissions, and enhance supply chain resilience.



## U.S. Textile Industry

The U.S. textile industry operated in a complex, high-cost environment in 2025, marked by tariff volatility, geopolitical sensitivities, and shifting trade dynamics. Shipments of man-made fibre, textiles, and apparel eased to USD 60.9 billion from USD 63.9 billion in 2024, with over 40 plants shutting down in the past two and a half years — reflecting structural pressures on domestic manufacturing. Higher sourcing costs from U.S.–China frictions, elevated freight and logistics expenses, tighter compliance, and persistent cost competition from low-cost economies continued to compress margins.

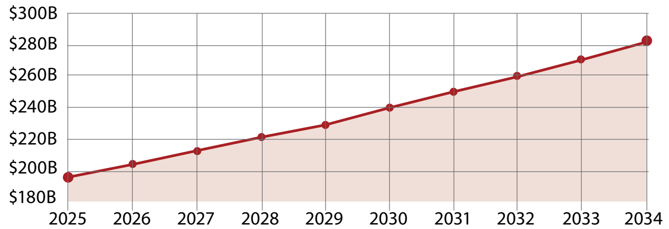
Trade performance held firm. Exports of fibre, textiles, and apparel stood at USD 27 billion, against USD 28 billion in 2024, anchored by Western Hemisphere partners — Mexico, Canada, and the CAFTA-DR bloc. On imports, sourcing continued its structural shift away from China toward South and Southeast Asia, with Vietnam, Bangladesh, India, and Cambodia gaining share. AI and data-driven systems strengthened as a competitive lever, sharpening forecasting, efficiency, and customer engagement across the value chain.

The U.S. textile market is projected to expand from USD 196.0 billion in 2025 to USD 282.2 billion by 2034, at a CAGR of 4.13%, supported by innovation in materials, demand for sustainable and recycled textiles, and steady growth in the apparel and fashion sectors. Strengthening trade engagement with India, the continued "China-plus-one" recalibration, selective onshore expansion, and a growing emphasis on sustainable, traceable sourcing — reinforced by initiatives such as the U.S. Cotton Trust Protocol — are expected to define the industry's long-term direction.

Demand fundamentals remain supportive. Despite price sensitivity, the U.S. remains a consumption-driven market, with e-commerce a key growth lever. Within cotton textiles, the home textiles segment is projected to grow at a CAGR of 8.9%, led by rising preference for cotton bed linen, towels, and made-ups. Combined with the structural shift in sourcing, this presents a constructive medium-term backdrop for established Indian home textile manufacturers serving the U.S. retail channel.

| MARKET 2025 | MARKET 2034 | GROWTH RATE |
|---|---|---|
| $196B | $282B | 4.13% |
| Current size | Projected size | CAGR 2025-34 |

MARKET SIZE TRAJECTORY (USD BILLION)




MILESTONE COMPARISON


## European Union Textile Industry

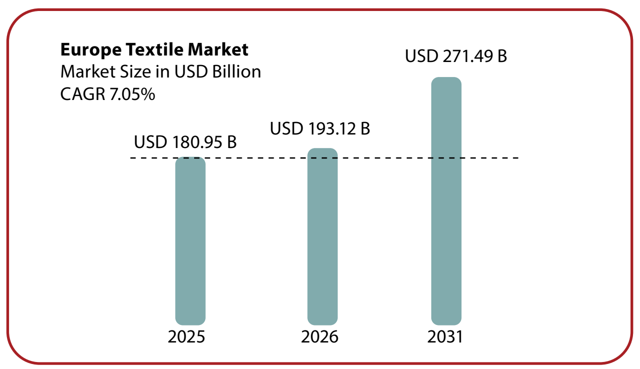
The European textile industry operated under significant pressure in 2025 amid a challenging macroeconomic environment. Textile output declined 1.9%, and clothing production fell 5% in the first half of the year, weighed down by weak consumer demand, persistent inflation, and elevated interest rates. Employment levels softened, and turnover turned negative across several segments.

Competitive intensity rose as low-cost imports surged, eroding domestic market share and tightening pricing. Mandatory textile waste collection systems and broader environmental regulations added to compliance costs, while high energy and raw material prices continued to pressure margins.

Trade activity, however, remained robust. Apparel imports into the European Union rose to USD 90 billion in 2025, supported by higher volumes despite softer prices. Germany retained its position as the largest market, while Spain emerged as the fastest-growing. China continued to lead as the EU's largest supplier, underscoring sustained competitive pressure on regional manufacturers.

The European textile market is projected to expand from USD 180.95 billion in 2025 to approximately USD 271.49 billion by 2031, at a CAGR of 7.05%. Circular economy frameworks, shorter fashion cycles, and rising demand for technical and high-performance textiles are shaping growth. Structurally, the industry is shifting toward recycled fibres, bio-based materials, and digitalised, automation-led operations, with apparel continuing to lead and industrial and technical textiles emerging as key growth drivers.

A transformative shift is underway in 2027, anchored by the India–EU Free Trade Agreement concluded in January 2026, which grants zero-duty access to the EU market for Indian textiles, apparel, and made-ups. This eliminates earlier duties of 8–12% on Indian textile products, restoring tariff parity with established preferential suppliers such as Bangladesh and Vietnam. The agreement is expected to strengthen trade flows materially, improve long-term visibility for manufacturers and retailers, and reinforce the growth prospects of Indian home textile exporters in one of their largest international markets.




## Indian Textile Industry

India's textile industry remained a structurally strong and strategically important pillar of the economy in 2025, demonstrating resilience despite a subdued global trade environment. The sector contributed approximately 2% to GDP and 11% of manufacturing Gross Value Added, while accounting for around 8.63% of total exports — underscoring its dual role as an industrial anchor and an export-oriented sector.

With over 45 million people directly employed, it remained the country's second-largest employer after agriculture, with significant participation by women and rural communities.

Performance was supported by strong domestic demand and an integrated value chain, with India retaining its position as the world's largest cotton producer. That said, structural challenges tempered momentum. Competition from low-cost manufacturing nations such as Bangladesh and Vietnam intensified pricing pressure.

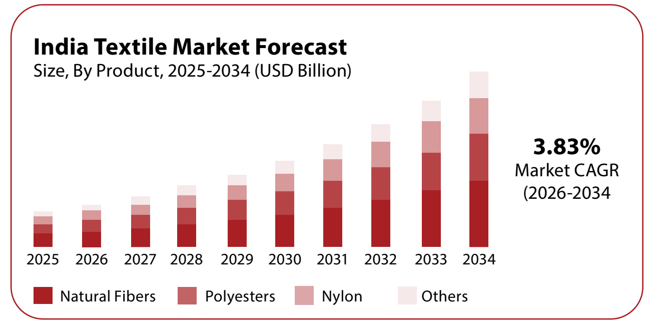
Fragmented supply chains continued to drive logistical inefficiencies, while cotton-led raw material volatility weighed on margins. A shortage of skilled labour for advanced manufacturing and the need for continuous upskilling remained critical constraints.

### Outlook

The Indian textile industry, valued at USD 152.40 billion in 2025, is projected to reach USD 213.75 billion by 2034, at a CAGR of 3.83%. Rising domestic consumption, higher disposable incomes, urbanisation, and a widening middle class will anchor growth.

Sustainability and innovation are reshaping the segment mix, with rising demand for organic, recycled, and bio-based textiles and accelerating adoption of advanced manufacturing technologies.

Global trends remain supportive. The "China-plus-one" sourcing realignment, combined with the recently concluded India–EU Free Trade Agreement. Its continued engagement with the United States positions India as a key alternative manufacturing hub for major Western markets. The Ministry of Textiles has outlined an ambitious roadmap to triple textile exports from ₹3 lakh crore today to ₹9 lakh crore by 2030, supported by stronger domestic manufacturing and broader global market outreach.




## Global Home Textiles Industry

The global home textiles industry operated in a challenging macroeconomic environment in 2025, marked by high inflation, elevated interest rates, and subdued consumer sentiment, which weighed on discretionary spending and demand for premium products. Geopolitical tensions and supply chain disruptions added further pressure, while elevated energy and raw material costs continued to compress margins. Stringent environmental regulations, particularly across Europe, raised compliance and operational complexities.

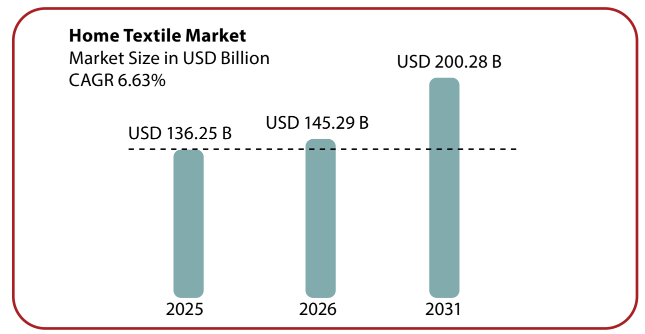
Against this backdrop, the market demonstrated resilience across categories. Bed linen retained its position as Indo Count's dominant product category, while bathroom linen emerged as a faster-growing adjacency. Distribution dynamics continued to shift, with speciality stores holding a significant share even as online channels expanded rapidly. Cotton remained the leading raw material, though recycled and speciality blends gained meaningful traction. Asia-Pacific — anchored by India and China — maintained its leadership position, supported by strong consumption and integrated production capabilities.

### Outlook

The global home textiles market is projected to expand from USD 136.25 billion in 2025 to USD 200.28 billion by 2031, at a CAGR of 6.63%. Growth will be anchored by rising disposable incomes, increasing demand for premium home décor, and the continued shift toward digital retail.

Structurally, the industry is being reshaped by sustainability, innovation, and digital integration. Greater adoption of recycled, regenerated, and bio-based fibres is aligning the sector with ESG and circular economy frameworks, while demand for smart and functional textiles — including temperature-regulating and health-monitoring products — is steadily rising. AI, automation, and emerging applications such as 3D printing are improving production efficiency, reducing waste, and accelerating speed to market.

Asia-Pacific is expected to record the fastest growth, reinforced by scale, specialisation, and ongoing modernisation across the value chain. For established Indian home textile manufacturers with integrated cotton-to-finished-product capabilities, an expanding global footprint, and a strong sustainability orientation, this presents a constructive medium-term backdrop for deepening their presence across both traditional and emerging channels.



## The U.S. Home Textiles Industry

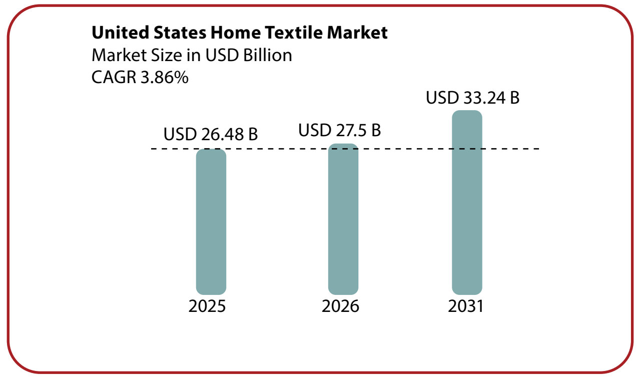
The U.S. home textiles industry entered a cautious, transitional phase in 2025 amid a challenging macroeconomic and regulatory environment. Higher inflation and subdued consumer sentiment constrained discretionary spending on home goods, while trade policy disruptions — including tariff hikes and potential import penalties — raised sourcing costs and weighed disproportionately on imported products. Supply chain constraints and cotton-led raw material volatility added further complexity to pricing and inventory management, pressuring margins. Regulatory requirements also intensified, with stricter PFAS norms and forced-labour compliance necessitating significant supply chain adjustments.

Against this backdrop, the industry demonstrated resilience through segmental strength and adaptive strategies. Bed linen — Indo Count's core category — retained its leadership position, while the upholstery and commercial segments also showed growth potential. Cotton continued to lead material consumption, though alternatives such as linen gained share.

## Outlook

The U.S. home textiles market is projected to expand from USD 26.48 billion in 2025 to USD 33.24 billion by 2031, at a CAGR of 3.86%. Growth will be supported by rising residential construction and home renovation activity, a recovery in the hospitality sector, and growing consumer preference for high-quality, functional, and eco-friendly products such as cooling and temperature-regulating bedding. Sustainability has moved from differentiator to expectation, with environmentally responsible fabrics and production practices increasingly mainstream.

The retail landscape continues to evolve toward omnichannel models that integrate online and in-store experiences, while the rapid expansion of e-commerce and direct-to-consumer channels is enabling brands to deepen reach and customer engagement. Technological advancements — including automation, smart manufacturing, and digital printing — are improving efficiency, product quality, and customisation. For established Indian home textile manufacturers with integrated cotton-to-finished-product capabilities, strong sustainability credentials, and well-developed U.S. retail relationships, the operating environment remains constructive for sustained, value-accretive growth.




## Indian Home Textiles Industry

The Indian home textiles market demonstrated strong segmental performance and evolving consumption patterns in 2025. Bed linen — Indo Count's core product category — retained its leadership position, anchored by consistent demand across both domestic and export channels. Cotton continued to dominate as the preferred raw material, reflecting India's integrated value chain, while alternatives such as wool, hemp, silk, jute, and bamboo gained traction amid rising demand for sustainable and diversified offerings.

The residential segment led overall consumption, supported by rising household incomes and ongoing lifestyle upgrades. Distribution remained largely offline-led, though online channels expanded at a faster pace, signalling a clear structural shift toward digital commerce. The industry maintained a healthy growth trajectory through the year, supported by strong fundamentals, improving product diversification, and increasing alignment with global consumption trends.

## Outlook

The Indian home textiles market is projected to expand from USD 11.18 billion in 2025 to USD 16.76 billion by 2031, at a CAGR of 7.08% — a growth rate that materially outpaces both the U.S. and global home textile markets. Demand is being driven by robust export momentum, rising urban disposable incomes, and supportive government incentives that continue to strengthen the textile ecosystem. India's strong manufacturing base and cost competitiveness further position it as a key global sourcing hub for home textiles.

Looking ahead, sustained growth will be reinforced by favourable demographics, rapid urbanisation, and evolving consumer lifestyles. Continued government investment in housing infrastructure, rising demand from the hospitality sector, and the expansion of organised retail into emerging urban centres are expected to deepen market opportunities. Manufacturers with integrated cotton-to-finished-product capabilities, strong product innovation, sustainable manufacturing practices, and well-developed omnichannel reach are best positioned to capitalise on this trajectory.

## Global Cotton Industry

The global cotton industry navigated a complex operating environment in 2025, marked by supply-demand imbalances, elevated inventory levels, and price volatility. Macroeconomic uncertainty, soft end-market demand, and rising input costs weighed on the broader sector. Climate-related risks — particularly in rain-fed cultivation regions — and intensifying competition from synthetic fibres such as polyester continued to pressure both margins and market share. Geopolitical tensions and trade barriers added further uncertainty to global trade flows.

The Asia-Pacific region retained its leadership across both consumption and production, anchored by strong spinning capacity in China and India, with India holding its position as the world's largest cotton producer — a structural advantage for Indian home textile manufacturers operating an integrated cotton-to-finished-product value chain. Trade volumes expanded steadily, supported by rising demand from emerging manufacturing hubs such as Vietnam and Bangladesh. Encouragingly, the sector recorded gradual progress in sustainability, with certified cotton programmes, improved traceability, and growth in speciality segments such as organic and extra-long-staple cotton.

## Outlook

The global cotton market is projected to expand from USD 44.3 billion in 2026 to USD 53.5 billion by 2031, at a CAGR of 3.85%. Growth will be driven by rising demand in the Asia-Pacific region, wider adoption of biotechnology in cultivation, and growing sustainability premiums offered by global brands. Cotton consumption and production are expected to grow broadly in tandem over the long term, maintaining relative balance in the market.

Sustainability is set to be the defining theme. Adoption of recycled cotton and certified sourcing is steadily reshaping the industry, supported by regulatory frameworks such as the EU's Ecodesign for Sustainable Products Regulation and the Strategy for Sustainable and Circular Textiles. Headwinds remain — competition from synthetic fibres, shifting consumer preferences, weather-related harvest losses, and trade actions such as the Uyghur Forced Labour Prevention Act will continue to shape market dynamics.

For integrated Indian home textile manufacturers with direct access to domestic cotton, established traceability frameworks, and a strong sustainability orientation, these structural shifts present a meaningful competitive advantage.

## Indian Cotton Industry

The Indian cotton industry reflected robust supply dynamics alongside evolving trade trends in 2025–26. According to the Cotton Association of India, total cotton supply for the season — up to 30 September 2026 — is estimated at 427.59 lakh bales, against 392.59 lakh bales in the previous season, supported by higher imports of 50 lakh bales and stable production. Domestic demand is projected at 305 lakh bales, resulting in a surplus of approximately 122.59 lakh bales and signalling ample market availability. Export volumes are expected to moderate relative to the previous year, reflecting shifting global demand and a tilt toward prioritising domestic supply.

Productivity improvements held the year together on the cultivation side. Targeted initiatives under national programmes delivered measurable gains in yield and quality, while expanded procurement infrastructure and effective MSP implementation supported farmer participation and stabilised market conditions. Institutional support — notably through scaled procurement operations by the Cotton Corporation of India — provided price stability and improved income visibility for growers, reinforcing the foundation of the value chain.

## Outlook

The Indian cotton market is projected to expand from USD 6.9 billion in 2025 to USD 9.6 billion by 2034, at a CAGR of 3.59%, supported by strong domestic demand and the continued expansion of India's textile manufacturing ecosystem. Policy and productivity initiatives — including government-led programmes to develop climate-resilient, high-yield cotton varieties through advanced breeding and biotechnology — are expected to narrow the structural quality gap progressively.

In the near term, the market is undergoing a supply chain recalibration, with textile mills increasingly relying on higher-quality imports to address shortages of quality domestic lint. Rising closing stocks, against softer domestic production, may exert downward pressure on cotton prices relative to the previous year,while a constructive input-cost environment for downstream manufacturers may help offset the impact.

Sustainability is fast emerging as the defining lever, with global buyers placing growing emphasis on eco-friendly and traceable cotton sourcing. For Indian home textile manufacturers with integrated procurement, certified traceability frameworks, and an established sustainability orientation, this presents a meaningful premium opportunity over the medium term.

## SWOT ANALYSIS

### STRENGTHS

- **Strong Global Market Presence:** The Company has established a strong presence in international markets, supplying high-quality home textile products to leading global retailers.
- **Strong Brand Recognition:** A well-established reputation for quality, innovation, and reliability has enabled the Company to build enduring relationships with customers across key global markets.
- **State-of-the-Art Manufacturing Facilities:** The Company's technologically advanced manufacturing infrastructure and ongoing digital transformation initiatives strengthen productivity, operational excellence, and customer responsiveness
- **Integrated Value Chain Capability:** Well-established capabilities across the textile value chain—from spinning and weaving to manufacturing and finishing.

### OPPORTUNITIES

- **Energy Sustainability:** Greater adoption of renewable energy solutions provides opportunities to improve cost efficiency, reduce carbon emissions, and strengthen ESG performance.
- **Changing Consumer Trends:** Evolving fashion and lifestyle preferences are creating opportunities for increased demand across the home textiles segment
- **Growth in Sustainable and Circular Fashion:** Increasing consumer focus on eco-friendly and recycled textiles is creating new market opportunities.
- **Favourable Trade Agreements:** Emerging bilateral trade agreements are opening access to new international markets.

### WEAKNESSES

- **Outdated Technology:** Continued reliance on ageing manufacturing infrastructure may constrain productivity, operational efficiency, and the ability to meet evolving customer expectations.
- **Fragmented Supply Chain:** Limited vertical integration often results in longer lead times and operational inefficiencies.
- **Dependence on Cotton:** High reliance on cotton exposes the industry to price volatility and climate-related supply fluctuations.
- **Compliance Gaps:** Inconsistent adherence to global environmental and labour standards may affect export competitiveness.
- **Capital-Intensive Operations:** Significant ongoing capital expenditure on technology and capacity expansion could create pressure on free cash flow.
- **Export Market Concentration:** Strong presence in international markets exposes to risks arising from changes in trade policies, tariff regimes, currency movements, and global economic uncertainties.

### THREATS

- **Supply Chain Disruptions and Cost Inflation:** Rising logistics costs and geopolitical uncertainties may impact profitability.
- **Intensifying Global Competition:** Increasing competition across domestic and international markets may affect the Company's ability to sustain market share and profitability.
- **Volatility in Global Markets:** Fluctuations in global economic activity, geopolitical events, and international trade dynamics may influence demand, input costs, and the Company's export performance.
- **Stricter Environmental Regulations:** Growing regulatory pressure to adopt sustainable manufacturing practices may increase compliance costs.
- **Regulatory and Quality Control Changes:** New import standards and quality control requirements could affect raw material sourcing and production costs.

## Business Performance

### Operational Highlights

- Operational volumes and revenues were affected by the US tariff environment, with tariff levels moving from 10% to 25% to 50% and subsequently to 10% during the year.
- Despite tariff pressures, total income for FY26 reached ₹4,210.85 crore, supported by growth in new businesses.
- H2 FY26 total income grew 6% over H1 FY26, reflecting improving momentum.
- Revenue from New Businesses (Utility Bedding and USA Brand Business) increased steadily from 13% in Q1 to more than 24% in Q4FY2026, reflecting strong market acceptance.
- The Wamsutta brand was relaunched in July 2025 through a Direct-to-Consumer (D2C) platform in the United States, achieving rapid adoption with sales across all 50 US states.
- A third greenfield manufacturing facility for utility bedding was commissioned in North Carolina in January 2026, with an annual capacity of 18 million pillows, increasing total US utility bedding capacity to 31 million pillows.
- A new licensing agreement with Tommy Hilfiger strengthened the Company's utility bedding portfolio, bringing the number of licensed brands to six.
- Branded businesses across categories accounted for around 20% of total revenues during the year.
- Landmark trade agreements with the United States and the European Union are expected to reduce tariff uncertainty and potentially enable duty-free access for Indian textile exports to Europe.
- Non-US markets contributed around 30% of core revenues, supported by growing demand in the United Kingdom, Australia, Japan, and the Middle East.

## Financial Performance

| Particulars (₹ Crore) | Standalone FY2026 | Standalone FY2025 | Consolidated FY2026 | Consolidated FY2025 |
|---|---|---|---|---|
| Revenue from Operations | 3098.37 | 3,771.65 | 4,141.35 | 4,151.39 |
| Other Income | 80.63 | 49.56 | 69.5 | 39.51 |
| Total Income | 3,179.00 | 3,821.21 | 4,210.85 | 4,190.90 |
| EBITDA | 378.79 | 513.52 | 461.47 | 576.74 |
| Less: Finance Cost | 95.07 | 107.1 | 136.04 | 123.16 |
| Less: Depreciation | 93.11 | 83.01 | 159.18 | 115.93 |
| Profit Before Tax | 190.61 | 323.4 | 166.25 | 337.65 |
| Tax Expenses | 46 | 86.19 | 39.57 | 87.65 |
| Net Profit | 144.61 | 237.21 | 126.68 | 250 |
| Other Comprehensive Income (Net of Tax) | (24.76) | (4.84) | (13.39) | (13.87) |
| Total Comprehensive Income | 119.85 | 232.37 | 113.29 | 236.13 |
| Basic & Diluted EPS (₹) | 7.3 | 11.98 | 6.4 | 12.62 |

## Key Financial Ratios

| Particulars | Standalone FY2026 | Standalone FY2025 | Consolidated FY2026 | Consolidated FY2025 |
|---|---|---|---|---|
| Current Ratio | 1.91 | 1.75 | 1.71 | 1.7 |
| Debt–Equity Ratio | 0.36 | 0.48* | 0.57 | 0.64 |
| Interest Coverage Ratio | 3 | 4.02# | 2.22 | 3.74# |
| Net Profit Margin (%) | 4.67 | 6.29$ | 3.06 | 6.02$ |
| Return on Net Worth (%) | 6.35 | 11.08^ | 5.46 | 11.44^ |
| Operating Profit Margin (%) | 8.94 | 11.2 | 7.15 | 10.84@ |
| Inventory Turnover Ratio | 2.74 | 3.16 | 2.86 | 2.9 |
| Debtors Turnover (Days) | 94 | 72 | 52 | 50 |

**Note:** There is a variance higher than 25% on a Y-o-Y basis-
*Debt-Equity Ratio: Due to reduction in debts
#Interest Coverage Ratio: Due to decrease in Profits and increase in debts
$Net Profit Margin (%): Reduced profit after tax due to product mix, sales realisation and geopolitical issues
^Return on Net Worth (%): Due to decrease in Profit after tax and increase in Shareholders Fund
@Operating Profit Margin (%) Due to lower operating leverage, geopolitical issues and new business incubation costs

## Human Resource

The Company recognises its workforce as a critical pillar of sustained growth and operational excellence. It remains committed to developing a skilled, agile, and future-ready talent pool by promoting continuous learning, capability building, and professional development to help employees adapt to evolving technologies and industry dynamics.

The Human Resources function plays a key role in attracting, nurturing, and retaining talent while fostering a collaborative and performance-driven work culture. Employee health, safety, and well-being remain top priorities, supported by regular facility audits and dedicated plant safety committees that monitor and address workplace safety standards. The Company continues to promote a positive and inclusive work environment where merit and performance are recognised and rewarded. As of 31 March 2026, the Company had a workforce of 3599 employees, supported by 3400 contractual personnel including consultant, across its operations.

## Information Technology

Indo Count Industries has integrated advanced information technology and digital strategies into its core operations to enhance efficiency, strengthen brand engagement, and accelerate e-commerce growth. The Company continues to invest in modern technologies and business process re-engineering to optimise internal workflows and support scalable operations. Adopting a digital-first approach, it has expanded its direct-to-consumer presence through platforms such as wamsutta.com, as well as revamped domestic e-commerce portals for Boutique Living and Layers, offering curated product assortments and an improved user experience.

With a strong focus on mobile optimisation, the Company leverages digital channels to broaden its market reach beyond traditional retail formats. Its marketing strategy integrates performance-driven digital campaigns, social media engagement, influencer collaborations, and innovative tools such as augmented reality filters to enhance consumer interaction. In the future, Indo Count aims to strengthen its position as a technology-driven textile leader by further leveraging digital platforms and integrating technology with ESG principles, including improved traceability and sustainable sourcing across the value chain.

## Risk & Concerns

The Company operates in a dynamic business environment that is exposed to various strategic, operational, financial, regulatory, and market-related risks. As a significant exporter of home textile products, the Company is also susceptible to changes in global trade policies, including the imposition of tariffs, geopolitical developments, shifts in customer demand, foreign exchange fluctuations, and volatility in raw material prices.

Recent changes in tariff policies, particularly in key export markets, have the potential to influence the Company's cost competitiveness, pricing strategies, customer demand, and supply chain dynamics. The Company continues to closely monitor these developments and proactively engages with its customers and supply chain partners to minimise the impact. Through diversified sourcing, operational efficiencies, prudent inventory management, optimisation of product mix, and strategic commercial initiatives, the Company strives to mitigate the effect of such external developments while preserving its competitive position.

The Company's risk management framework is supported by a clearly defined risk governance structure aligned with its business objectives and the evolving risk landscape. The framework takes into account industry-specific factors, liquidity considerations, market conditions, and earnings objectives within acceptable risk parameters, thereby facilitating informed decision-making across the organisation.

To effectively manage financial risks, the Company employs appropriate risk mitigation measures, including foreign currency hedging and other suitable strategies. Risk management is embedded into the Company's strategic planning and day-to-day operations, enabling the timely identification, assessment, monitoring, and mitigation of key risks.

Risks are systematically evaluated based on their likelihood and potential impact and are assigned to designated functional leaders responsible for implementing appropriate mitigation measures. A structured monitoring mechanism at both the business unit and enterprise levels ensures continuous oversight and facilitates timely response to emerging risks.

The Company is making significant investments in brownfield capacity expansion, modernization of its spinning facility, and the development of a greenfield utility bedding project in North Carolina. In addition, it continues to invest in automation and technology upgradation across its manufacturing facilities. These strategic initiatives are expected to enhance production capacity, improve operational efficiency and scalability, strengthen execution capabilities, reinforce the Company's long-term competitive position, and support sustainable business growth.

The Company remains committed to maintaining a robust risk governance framework. The Risk Management Committee oversees the enterprise risk management process to ensure its continued adequacy and alignment with the Company's strategic objectives and the evolving business environment.

## Internal Control Systems and Their Adequacy

The Company has established a comprehensive internal control framework to ensure effective operational efficiency, regulatory compliance, and accurate financial reporting. Its policies and procedures are designed to support both current operations and strategic growth objectives.

To strengthen oversight and accountability, the Company combines robust internal controls with regular internal audits and leverages advanced digital systems. A key milestone in its digital transformation is the implementation of SAP S/4HANA, which enhances process automation, real-time monitoring, and risk mitigation.

The Audit Committee periodically reviews the adequacy of internal controls, financial policies, risk management measures, key audit observations, and accounting compliance. This continuous evaluation ensures transparency, operational integrity, and alignment with global best practices.

## Cautionary Statement

This section contains the Company's objectives, estimates, expectations, and projections, which may include 'forward-looking statements' as defined under applicable securities laws and regulations. These statements are based on certain assumptions and anticipated future events. However, the Company cannot assure the fulfilment or accuracy of these assumptions and expectations. Actual outcomes may differ significantly due to factors beyond the Company's control. The Company does not undertake any obligation to revise or update these 'forward-looking statements' considering future developments, information, or events.

# BOARD'S REPORT

**Dear Members**

On behalf of the Board of Directors ("the Board"), it gives me immense pleasure to present the Thirty-Seventh (37th) Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31st March, 2026.

## FINANCIAL RESULTS:

(₹ in crores, except EPS)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2025-26 | 2024-25 | 2025-26 | 2024-25 |
| Revenue from Operations | 3,098.37 | 3,771.65 | 4,141.35 | 4,151.39 |
| Other Income | 80.63 | 49.56 | 69.50 | 39.51 |
| **Total Income** | **3,179.00** | **3,821.21** | **4,210.85** | **4,190.90** |
| **EBIDTA** | **378.79** | **513.52** | **461.47** | **576.74** |
| Less: Finance Cost | 95.07 | 107.10 | 136.04 | 123.16 |
| Less: Depreciation | 93.11 | 83.01 | 159.18 | 115.93 |
| **Profit before Tax** | **190.61** | **323.40** | **166.25** | **337.65** |
| Tax Expenses | 46.00 | 86.19 | 39.57 | 87.65 |
| **Net Profit** | **144.61** | **237.21** | **126.68** | **250.00** |
| Other Comprehensive Income (net of tax) | (24.76) | (4.84) | (13.39) | (13.87) |
| Total Comprehensive Income | 119.85 | 232.37 | 113.29 | 236.13 |
| Basic & Diluted EPS (in ₹) | 7.30 | 11.98 | 6.40 | 12.62 |

## OPERATIONAL AND FINANCIAL PERFORMANCE

Despite a challenging global trade environment and the heightened impact of tariff-related developments on the home textile sector, the Company maintained stable performance and further strengthened its position as one of the leading global home textile manufacturers during the year under review. Your Company has achieved sales volume of 94.1 million meters and turnover of ₹4,141.35 crores on a consolidated basis during the year under review.

At a consolidated level, the total income ₹4,210.85 crores for FY 2025-26 as against ₹4,190.90 crores in the previous year. EBIDTA for the year under review is ₹461.47 crores as against ₹576.74 crores in the previous year. Net Profit for the year under review is ₹126.68 crores as against ₹250.00 crores in the previous year.

On a standalone basis, total income ₹3,179.00 crores for the year ended 31st March, 2026 as against ₹3,821.21 crores in the previous year. Further, EBIDTA for the year under review is ₹378.79 crores as against ₹513.52 crores in the previous year. Net Profit for the year under review is ₹144.61 crores as against ₹237.21 crores in the previous year. The financial and operational performance overview and outlook is provided in detail in the Management Discussion and Analysis forming part of this Annual Report.

## RESERVES & DIVIDEND

During the year under review, your Company has not transferred any amount to the General Reserves. As on 31st March, 2026, Reserves and Surplus (other equity) of the Company were at ₹2,276.87 crores including retained earnings of ₹2,289.57 crores.

Continuing the past trend of declaring dividend, your Directors are pleased to recommend a Final Dividend @ 75% i.e. ₹ 1.50 per equity share of face value of ₹2/- each subject to the approval of members of the Company at the ensuing Annual General Meeting ("AGM"). The aforesaid dividend is in line with the Dividend Distribution Policy adopted by the Company.

The said dividend, if approved by the Members at the ensuing AGM will be paid to those Members whose names appear on the register of Members (including Beneficial Owners) of the Company as on Monday, 17th August, 2026. The said dividend, if approved by the Members, would involve cash outflow of ₹29.71 crores, resulting in a payout of 20.50% of the net profit after tax for the year ended 31st March, 2026.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has approved and adopted the Dividend Distribution Policy and the same has been displayed on the Company's website at the link - https://www.indocount.com/images/investor/Dividend-Distribution-Policy.pdf

## STATE OF COMPANY'S AFFAIRS

The state of your Company's affairs has been covered as part of the Management Discussion and Analysis for the year under review, which as stipulated under the SEBI Listing Regulations is presented in a separate section forming part of this Annual Report.

## SHARE CAPITAL

The paid-up equity share capital of the Company as on 31st March, 2026 was ₹ 39,61,08,680/-. During the year under review, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of your Company.

Your Company has not issued any equity shares with differential voting rights, convertible securities, warrants or sweat equity shares. Further, your Company does not have any employee stock option scheme or employee stock purchase scheme.

## CREDIT RATING

During the year under review, for long term bank facilities of your Company, credit rating re-affirmed by ICRA and CareEdge is "AA-" (Double A minus) with Stable outlook. This credit rating signifies strong degree of safety regarding timely servicing of financial obligations. Such facilities carry low credit risk.

Further, for the Company's short term bank facilities, credit rating re-affirmed by ICRA and CareEdge is "A1+" (A One Plus). This credit rating signifies very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

## DECLARATION OF INDEPENDENT DIRECTORS

Pursuant to Section 134(3)(d) of the Companies Act, 2013 ("Act") your Company confirm having received necessary declarations from all the Independent Directors under Section 149(7) of the Act declaring that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(b) of the SEBI Listing Regulations.

## BOARD EVALUATION

Pursuant to provisions of the Act and the SEBI Listing Regulations, the Board has carried out an annual evaluation of the performance of the Board, its Committees and of individual Directors. Performance evaluation has been carried out as per the Nomination & Remuneration Policy of the Company.

## CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company are prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2026 along with the Auditors' Report forms part of this Annual Report.

The Audited Financial Statements of your Company and subsidiaries are available on the website of the Company at www.indocount.com. Further, a copy of the Audited Financial Statements of the subsidiaries shall be made available for inspection at the registered office of the Company during business hours on any working day up to the date of the AGM. As per Section 136 of the Act, any shareholder interested in obtaining a copy of separate Financial Statements of the subsidiaries shall make a specific request in writing to the Company Secretary.

## SUBSIDIARIES

As on 31st March, 2026, your Company has the following wholly owned/ step-down subsidiaries -

| Sr. No. | Name of subsidiaries | Wholly owned/ step-down subsidiaries | % Holding |
|---|---|---|---|
| 1 | Indo Count Retail Ventures Limited | WOS | 100 |
| 2 | Indo Count Global, Inc. | WOS | |
| 3 | Indo Count UK Limited | WOS | |
| 4 | Indo Count Global DMCC | WOS | |
| 5 | Modern Home Textiles, Inc | Step-down WOS | |
| 6 | Indo Count Global East, Inc. | Step-down WOS | |
| 7 | Indo Count (Shanghai) Co. Limited | Step-down WOS | |
| 8 | Fluvitex USA, Inc. | Step-down subsidiary | 81 |

Pursuant to the provisions of Section 129(3) of the Act read with Rules made thereunder, a statement containing salient features of the financial position of subsidiaries is given in Form AOC-1 attached as **'Annexure 1'** forming integral part of this Report. As required under Section 134 of the Act, the said form also highlights performance of the subsidiaries.

Your Company does not have any Associate Company as defined under the Act and has not entered into any joint venture agreement during the year under review.

During the year under review, Indo Count Global, Inc. is a material subsidiary in terms of Regulation 16(1)(c) of SEBI Listing Regulations. Your Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link https://www.indocount.com/images/investor/Policy-on-Material-Subsidiaries.pdf

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment / Re-appointment

The Board of Directors through resolution passed by circulation on 8th May, 2026, based on the recommendation of the Nomination and Remuneration Committee of the Company, approved the re-appointment of Mrs. Ambika Sharma (DIN: 08201798) as Non-Executive, Independent Director of the Company for a second term of five (5) consecutive years w.e.f. 27th May, 2026 to 26th May 2031, subject to the approval of the members at the ensuing AGM. Mrs. Ambika Sharma fulfils the criteria and conditions specified in the Act for such re-appointment.

### Retirement by rotation

Mr. Mohit Jain (DIN: 01473966), Whole-time Director of the Company, retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment and the same forms part of the notice of 37th AGM. The disclosures required regarding re-appointment of Mr. Mohit Jain pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India (ICSI) are given in the Notice of AGM, forming part of the Annual Report.

### Cessation

Mr. Kailash R. Lalpuria ceased to hold office as a Director of the Company with effect from 11th February 2026, in accordance with Section 167(1)(b) of the Act, due to his absence from all Board Meetings held during the preceding twelve (12) months.

Subsequently, the Board also approved his cessation as Chief Executive Officer and Key Managerial Personnel of the Company with effect from 13th February 2026, owing to his prolonged absence and inability to discharge his responsibilities due to health-related reasons.

The Board places on record its sincere appreciation for the valuable contributions made by Mr. Kailash R. Lalpuria during his tenure as Executive Director & CEO to the growth and progress of the Company.

All Independent Directors of the Company have registered themselves in the Independent Directors databank maintained with the Indian Institute of Corporate Affairs (IICA). Further, in the opinion of the Board of Directors of the Company, all Independent Directors possess requisite integrity, expertise and experience including the proficiency required to discharge the duties and responsibilities as Directors of the Company.

### Key Managerial Personnel

As on the date of this report, the following are Key Managerial Personnel of your Company as per Section 2(51) and 203 of the Act:

- Mr. Kamal Mitra, Whole-time Director
- Mr. K. Muralidharan, President - Finance & Group CFO
- Mr. Manish Bhatia, Senior Vice President - Finance & CFO
- Mr. Satnam Saini, Company Secretary & GM - Legal

## NUMBER OF BOARD MEETINGS

During the financial year ended 31st March, 2026, four (4) Board Meetings were held with a minimum of one (1) meeting in each quarter and the gap between two (2) consecutive Board meetings was less than one hundred and twenty days (120). For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

## COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Pursuant to Section 178(3) of the Act, the NRC has formulated the "Nomination and Remuneration Policy" which deals inter-alia with the appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees. The said policy is uploaded on the website of the Company and web-link thereto is https://www.indocount.com/images/investor/Nomination-and-Remuneration-Policy.pdf

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state and confirm that:

1. In the preparation of the annual accounts for the year ended 31st March, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. Such accounting policies as mentioned in the notes to the Financial Statements for the year ended 31st March, 2026 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit of the Company for the year ended on that date;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual financial statements for the year ended 31st March, 2026 have been prepared on a going concern basis;
5. Internal financial controls to be followed by the Company have been laid down and that the said financial controls were adequate and were operating effectively;
6. Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Guided by the core philosophy "Every Smile Counts", your Company remains deeply committed to creating meaningful social impact through its Corporate Social Responsibility (CSR) initiatives.

Your Company's CSR programs are primarily executed through the Indo Count Foundation with strategic collaborations with various non-profit organizations to enhance reach and effectiveness. The Company's CSR efforts have made significant contributions across key development areas such as Education, Healthcare, Sports Promotion, Women & Child Development, Skill Development and Water & Sanitation in the communities in which we operate.

As per Section 135 of the Act, the Company's total obligation towards Corporate Social Responsibility (CSR) activities for the financial year ended 31st March, 2026 was ₹718.03 lakhs. Against which the Company has spent ₹729.01 lakhs, resulting in an excess expenditure of ₹11.23 lakhs, which will be carried forward to the next financial year. The CSR initiatives undertaken by the Company during the financial year ended 31st March, 2026 are detailed in the format prescribed under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, and are provided as **'Annexure 2'** to this Report. The updated CSR Policy is also available on the Company's website at the following link: https://www.indocount.com/images/investor/Corporate-Social-Responsibility-CSR-Policy.pdf

## AUDIT COMMITTEE

As on 31st March, 2026, the Audit Committee comprises of five (5) Directors/Members out of which four (4) are Independent Directors. The said composition is as per Section 177 of the Act and Regulation 18 of the Listing Regulations. More details on the Audit Committee are given in the Corporate Governance Report. All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

## AUDITORS

### Statutory Auditors

In accordance with the provisions of Section 139 of the Act, at the AGM held on 29th September, 2022, M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) were appointed as the Statutory Auditors of the Company for a term of five (5) years commencing from the conclusion of 33rd AGM till the conclusion of the 38th AGM of the Company to be held in the Financial Year 2027-28.

The Auditors' Report on standalone and consolidated financial statements for the year ended 31st March, 2026 forms integral part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimer. Notes to the Financial Statements are self-explanatory and do not call for any further comments.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and rules made thereunder read with Regulation 24A of Listing Regulations, at the 36th AGM held on 19th August, 2025, M/s. Vikas R Chomal & Associates, Practicing Company Secretary (FCS No.: F11623; CP No: 12133) were appointed as Secretarial Auditor to conduct Secretarial Audit of the Company for the first term of five (5) consecutive years i.e. from FY 2025-26 till FY 2029-30.

The Secretarial Audit Report under Section 204 of the Act read with Rules made thereunder, is set out in **'Annexure 3'** to this Report. Further, Secretarial Compliance Report in relation to compliance with all the applicable SEBI Listing Regulations / Circulars /Guidelines issued thereunder, Secretarial Standards issued by the Institute of Company Secretaries of India, pursuant to requirement of Regulation 24A of the Listing Regulations.

The Secretarial Audit Report and Secretarial Compliance Report do not contain any qualifications, reservations or adverse remarks.

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees under Section 143 (12) of the Act, details of which need to be mentioned in this Report.

## SEGMENT

The Company operates only in a single segment, i.e., Textiles.

## PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public under Chapter V of the Act.

## CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company has complied with the requirements of corporate governance. A Corporate Governance Report along with a Certificate from M/s. Vikas R Chomal & Associates, Practicing Company Secretary, confirming compliance of corporate governance for the year ended 31st March, 2026 is provided separately and forms an integral part of this Annual Report.

## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis containing information, inter alia, on industry trends, your Company's performance, future outlook, opportunities and threats for the year ended 31st March, 2026, is provided in a separate section forming an integral part of this Annual Report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

A separate section on Business Responsibility and Sustainability Reporting forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

## ANNUAL RETURN

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at https://www.indocount.com/images/investor/Draft-Annual-Return-Form-MGT-7-FY-2025-26.pdf

## SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings' respectively. The same has also been confirmed by the Secretarial Auditors of the Company in the Secretarial Audit Report.

## RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPT) entered during FY 2025–26 were on arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Act and the Listing Regulations. During the year under review, your Company did not enter into any material RPT under the provisions of Section 188 of the Act and Listing Regulations; accordingly, the disclosure of related party transactions, as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company and hence does not form part of this report.

The prior approval of the Audit Committee is obtained for all Related Party Transactions. Certain transactions, which were repetitive in nature, were approved through omnibus route. A statement of all Related Party Transactions is reviewed by the Audit Committee on a quarterly basis. Your Company has adopted a policy on Related Party Transactions, and it has been uploaded on the Company's website at https://www.indocount.com/images/investor/Policy-on-Related-Party-Transactions.pdf

## PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES, SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review, your Company provided loans to, and corporate guarantees on behalf of, its wholly owned subsidiary, Indo Count Global, Inc., in accordance with the provisions of Section 186 of the Companies Act, 2013. The particulars of such loans, guarantees and investments along with the disclosure required under Section 186(4) of the Act are provided in the notes to the standalone financial statements.

## RISK MANAGEMENT

Your Company recognizes that risk is an integral part of the business and is committed to manage risks in a proactive and efficient manner. Your Company has adopted a Risk Management Policy for risk identification, assessment and mitigation. Major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis. Some of the risks that the Company is exposed to are competition risk, credit risk, ESG risk, raw material risk, concentration risk, cyber security risk, etc. Risk factors and mitigation are covered extensively in the ESG Report. The Internal Audit Reports and Risk Management Framework are reviewed by the Audit Committee. The Company also has in place a Risk Management Committee to assess the risks and to review the risk management plans of the Company.

## VIGIL MECHANISM /WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations, your Company has established a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of the Code of Conduct. The details of the Vigil Mechanism / Whistle Blower Policy are provided in the Corporate Governance Report. The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company's website at https://www.indocount.com/images/investor/Whistle-Blower-Policy-Vigil-Mechanism.pdf

## POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company always endeavours to provide a conducive work environment that is free from discrimination and harassment, including sexual harassment. Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy for prevention of Sexual Harassment of Women at the workplace. It has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment of women at the workplace. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on 31st March, 2026.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Act read with rules thereunder is given as **'Annexure 4'** forming part of this Report.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding Remuneration of Directors, Key Managerial Personnel and other related disclosure is given as **'Annexure 5'** to this Report.

Information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 viz. details of top ten (10) employees of the Company in terms of remuneration drawn during FY 2025–26 and particulars of employees drawing remuneration in excess of the limits specified in Rule 5(2) of the said rules is provided in said Annexure forming part of this Report. As per the provisions of Section 136 of the Act, the Annual Report and Accounts are being sent to the members of the Company excluding the said Annexure. Any member interested in obtaining a copy of said Annexure may write to the Company Secretary at the Registered Office of the Company. The said annexure will be available for inspection by the members at the Registered Office of the Company twenty-one (21) days before and up to the date of the ensuing AGM during business hours on any working day.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company maintains adequate internal control systems and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide reasonable assurance over reliability in financial reporting, ensure appropriate authorisation of transactions, safeguard the assets of the Company, prevent misuse / losses and ensure legal compliance.

The internal control systems include a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance and a well-structured budgeting process with regular monitoring of expenses and internal audits. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

## SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS /COURTS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2025–26 and the date of this Annual Report.

## AWARDS

During the year under review, the Company/ Indo Count Foundation has received the following awards:

1. Honoured with the Indian Social Impact Awards 2025 for the Best Education Support Initiative of the Year-2025 (Corporate Foundation), recognizing outstanding efforts in empowering communities through education and driving sustainable social impact.
2. Honoured with 6th Edition Silver Feather Award for Excellence in Education & Skill Development in recognition of a strong commitment to empowering communities through education, skill-building, and sustainable development.
3. Honored for contributions to the TB-Free India campaign under the Prime Minister's TB Mukt Bharat Abhiyan, for providing nutritional food kits to tuberculosis patients in Kolhapur, Maharashtra.
4. Honoured with the "Shikshan Sahyogi Mitra" award by the Kolhapur Municipal Corporation, in recognition of impactful CSR contributions to 42 schools in Kolhapur, including provision of toilets for girl students, e-learning kits, benches, and other essential facilities.
5. Honoured for contributions to healthcare initiatives, particularly support for the TB Elimination Programme in the Umargam, Valsad by Shri Kanubhai Desai, Hon'ble Minister of Finance and Energy, Government of Gujarat.
6. Honoured for significant contributions to the Model School initiative in Valvada and the Saksham Anganwadi Program in Umargam, Valsad by the Education and WCD Departments, Government of Gujarat.

## GENERAL

Your Directors state that:

1. During the year under review, there was no change in the nature of business of the Company.
2. Cost audit was not applicable to the Company during the year under review. However, pursuant to the Order made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, the prescribed accounts and records have been made and maintained.

## ACKNOWLEDGEMENTS AND APPRECIATION

Your Directors wish to place on record their appreciation for the dedicated service and contribution made by the employees of the Company at all levels.

Your Director's would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from its customers, suppliers, bankers, financial institutions, business partners, government departments and other stakeholders.

On behalf of the Board of Directors

**Anil Kumar Jain**
Executive Chairman
DIN: 00086106

Date: 30th May, 2026
Place: Mumbai





**ANNEXURE - 1**

## FORM NO. AOC-1

Statement Containing Salient Features of the Financial Statements of Subsidiaries/ Associates/ Joint Ventures
(Pursuant to the first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) for year ended 31st March, 2026

**PART A – SUBSIDIARIES**

(₹ In Lakhs)

| Sr. No. | Name of the Subsidiary | Reporting currency of the subsidiary concerned | Exchange Rate as on 31st March, 2026 | Share Capital | Reserves and Surplus | Total Assets | Total Liabilities | Invest ments | Turnover | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Proposed Dividend | % of Share holding | Country |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Indo Count Retail Ventures Ltd. | INR | NA | 1.00 | 1.58 | 5.81 | 3.22 | Nil | 4.22 | 1.14 | - | 1.14 | NIL | 100 | India |
| 2 | Indo Count Global Inc. (consolidated)* | USD | 94.84 | 4580.50 | 4,423.62 | 1,22,231.64 | 1,13,227.52 | Nil | 1,22,094.30 | (3,180.19) | (642.15) | (2,538.04) | NIL | 100 | USA |
| 3 | Indo Count UK Ltd. | GBP | 125.51 | 79.62 | 474.02 | 4,668.24 | 4,114.60 | Nil | 4,172.49 | (145.47) | - | (145.47) | NIL | 100 | UK |
| 4 | Indo Count Global DMCC | AED | 25.82 | 530.65 | 244.65 | 1,237.41 | 462.11 | Nil | 912.09 | (95.09) | - | (95.09) | NIL | 100 | UAE |

**Includes its subsidiaries, namely, Fluvitex USA, Inc., Modern Home Textiles, Indo Count Global East, Inc and Indo Count (Shanghai) Co. Ltd*

**Notes:**

1. *Reporting period of the Subsidiaries is April to March.*
2. *During the year under review, there are no subsidiaries which are sold or liquidated.*

**PART B - ASSOCIATES /JOINT VENTURES – NIL**

For and on behalf of Board of Directors

**Anil Kumar Jain**
Executive Chairman
DIN: 00086106

**Kamal Mitra**
Whole-time Director
DIN: 01839261

**Manish Bhatia**
Chief Financial Officer

**Satnam Saini**
Company Secretary

Date: 30th May, 2026
Place: Mumbai

ANNEXURE - 2

## Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2025-26

### 1. Brief outline on CSR Policy of the Company.

Pursuant to the requirements of the Act and the rules made thereunder (as amended from time to time), your Company has framed a CSR Policy. The key philosophy of Company's CSR initiatives is guided by the belief "Every Smile Counts...". The CSR policy of the Company encompasses its philosophy as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.

Our Vision is to Improve the quality of Life of Communities and create a positive impact on Environment through interventions in the areas of Socio-Economic development, Education, Health and Sustainability. Our Mission envisages the aim to work with communities with an inclusive and integrated approach in which everyone can realize their full potential of development and growth, as an Individual/ Group/ Community/ Society. Our mission therefore is to help create a healthy and caring society capable of contributing towards greater good for everyone.

The focus areas for CSR are Education and Healthcare supported by CSR Activities in the areas of Women Empowerment, Water and Sanitation and Rural Development. Going forward, the Company will continue to focus on Education, Healthcare and Environment. The Company primarily undertakes CSR activities through its own trust "Indo Count Foundation" and collaborates with other associations/trusts/NGO as well.

### 2. Composition of ESG & CSR Committee:

| Sr. No. | Name of Director | Designation/ Nature of Directorship | Number of meetings held during the year | Number of meetings attended during the year |
|---|---|---|---|---|
| 1 | Dr. Sanjay Kumar Panda | Chairman (Independent Director) | 4 | 4 |
| 2 | Mr. Anil Kumar Jain | Member (Executive Chairman) | 4 | 4 |
| 3 | Mr. Kamal Mitra | Member (Executive Director) | 4 | 4 |
| 4 | Mrs. Ambika Sharma | Member (Independent Director) | 4 | 4 |
| 5 | Mr. Kailash R. Lalpuria* | Member (Executive Director & CEO) | 4 | - |

**Mr. Kailash R. Lalpuria ceased to be an Executive Director with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013 and consequently, ceased to be a Member of the ESG & CSR Committee.*

### 3. Provide the web-link where Composition of ESG & CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web-link for Composition of ESG & CSR committee: https://www.indocount.com/Parents/board-of-directors-and-various-committees-of-the-board

The web-link for CSR Policy: https://www.indocount.com/images/investor/Corporate-Social-Responsibility-CSR-Policy.pdf

The web-link for CSR projects: https://www.indocount.com/about-us/csr

### 4. Provide the executive summary along with web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule(3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

The provisions of impact assessment in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable.

### 5. Average net profit of the company as per section 135(5):

(a) Average net profit of the Company for last 3 financial years is ₹36,287.52 lakhs

(b) Two percent of average net profit of the company as per section 135(5): ₹725.75 lakhs

(c) Surplus arising out of CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: ₹7.97 Lakhs

(e) Total CSR obligation for the financial year (5b+5c-5d): ₹717.78 lakhs

### 6. (a) Amount spent on CSR Projects (both Ongoing project and other than ongoing projects):

(i) Ongoing Project: Nil

(ii) Other than Ongoing Project: ₹719.98 Lakhs

**(b) Amount spent in Administrative Overheads:** Nil

**(c) Amount spent on Impact Assessment, if applicable:** ₹9.03 Lakhs

**(d) Total amount spent for the Financial Year (6a+6b+6c):** ₹729.01 Lakhs

**(e) CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year (₹ in lakhs) | Amount Unspent (₹ in lakhs) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 729.01 | NIL | NA | | NA | |

**(f) Excess amount for set off, if any**

| Sl. No. | Particular | Amount (₹ in lakhs) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) (₹7.97 Lakhs of excess amount set off during the year) | 717.78 |
| (ii) | Total amount spent for the Financial Year | 729.01 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 11.23 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 11.23 |

### 7. Details of Unspent CSR amount for the preceding three (3) financial years:

(₹ in lakhs)

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) | Balance Amount in Unspent CSR Account under section 135 (6) | Amount Spent in the Financial Year | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6), if any. | | Amount remaining to be spent in succeeding financial years. | Deficiency, if any |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount | Date of transfer | | |
| 1. | 2024-25 | - | - | - | - | NA | - | NA |
| 2. | 2023-24 | - | - | - | - | NA | - | NA |
| 3. | 2022-23 | - | - | - | - | NA | - | NA |

**8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

(a) Date of creation or acquisition of the capital asset(s).: None

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).** – Not Applicable

| | Sd/- | Sd/- | Sd/- |
|---|---|---|---|
| | **Dr. Sanjay Kumar Panda** | **Mr. Anil Kumar Jain** | **Mr. Kamal Mitra** |
| Date: 30th May, 2026 | Chairman, ESG & CSR Committee | Executive Chairman | Whole-time Director |
| Place: Mumbai | DIN: 02586135 | DIN: 00086106 | DIN: 01839261 |

ANNEXURE - 3

## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2026
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
**Indo Count Industries Limited**
Office No. 1, Plot No. 266,
Village Alte Kumbhoj Road,
Taluka Hatkanangale, Kolhapur,
Maharashtra- 416109

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indo Count Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management. We, hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indo Count Industries Limited ("the Company") for the financial year ended on 31st March, 2026 according to the provisions of:

(I) The Companies Act, 2013 (the Act) and the rules made thereunder;

(II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(III) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(IV) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit period);**

(V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during Audit Period)**;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during Audit Period as the Company)**;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit period)**; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period)**;

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Having regard to the compliance system prevailing in the Company, we further report that on the examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the same.

(VI) and all other Acts as are generally applicable to the Company.

We have also examined compliance with the applicable clauses/regulations of the following:

(A) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(B) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered with the NSE and BSE Limited

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**WE FURTHER REPORT THAT:**

The Board of Directors of the Company as on 31st March, 2026 comprised of:

1. Three (3) Executive Directors
2. Five (5) Non-Executive Independent Directors.
   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Independent Directors. During the period under review, there was no change in the composition of the Board, except that Mr. Kailash R. Lalpuria ceased to be an Executive Director of the Company with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except for meetings conducted at shorter notice after complying with the necessary provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**WE FURTHER REPORT THAT** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the review period, no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place.

For **Vikas R Chomal & Associates**
Practising Company Secretary

**Vikas Chomal**
FCS No.: 11623
COP No. 12133
UDIN: F011623H000547983
Firm Peer Review Reg No: S2013MH21650

Date: 30th May, 2026
Place: Thane

**Note:** *This report is to be read with our letter of even date which is annexed as* **'ANNEXURE A'** *and forms an integral part of this report.*

**ANNEXURE - A**

To,
The Members,
**Indo Count Industries Limited**
Office No. 1, Plot No. 266,
Village Alte Kumbhoj Road,
Taluka Hatkanangale, Kolhapur,
Maharashtra- 416109

Our Secretarial Audit Report for the financial year ended 31st March, 2026 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Vikas R Chomal & Associates**
Practising Company Secretary

**Vikas Chomal**
FCS No.: 11623
COP No. 12133
UDIN: F011623H000547983
Firm Peer Review Reg No: S2013MH21650

Date: 30th May, 2026
Place: Thane

ANNEXURE - 4

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information on Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 for the year ended 31st March, 2026 is provided hereunder:

### A. CONSERVATION OF ENERGY:

**(i) Steps taken or impact on conservation of energy**

Our Company makes continuous efforts for conservation of energy through various practices. Some of the measures for conservation of energy implemented in the areas of Home Textiles are captured below:

**1. Power:**

a) Thermic fluid upgradation done (Expansion & deaerator tank capacity enhanced), resulting in power saving.
- Power saving; 453600 KWH per annum
- Equivalent CO2 emission reduced: 322 MT's per annum.

b) Optimize ETP & MEE Operation, resulting in energy saving.
- Power saving: 368200 KWH per annum.
- Equivalent CO2 emission reduced: 261 MT's per annum.

c) Advanced blowers shifted from new ETP to initial ETP, resulting in power saving.
- Power saving; 184800 KWH per annum.
- Equivalent CO2 emission reduced: 131 MT's per annum.

d) Soft flow hot water re-used in Jigger & Soft flow machine.
- Power saving: 144000 KWH per annum.
- Equivalent CO2 emission reduced: 102 MT's per annum.

e) Optimizing running time of Chiller compressor.
- Power saving: 94500 KWH per annum.
- Equivalent CO2 emission reduced: 67.1 MT's per annum.

**2. Water:**

a) Weaving cooling tower water recovery by connecting this water by gravity pipeline and collected in UG tank for reuse.
- Water recycling reduced: 14000 m3 per annum.

**3. Steam /Coal (Fuel):**

a) Reduction of fuel (Coal) consumption by reusing the Soft flow hot water.
- 350 MT's Coal saving per annum.
- Equivalent- CO2 emission avoided: 640 MT's avoided per annum.

b) Analyzer installed at boilers and Thermopacks resulting in Fuel (Coal) saving.
- 420 MT's Coal saving per annum.
- Equivalent - CO2 emission avoided: 768 MT's avoided per annum.

c) Reduction of energy conservation on processing machines by optimizing temperature.
- 1050 MT's Coal saving per annum.
- Equivalent CO2 emission avoided: 1920 MT's avoided per annum.

**(ii) Steps taken by the company for utilizing alternate sources of energy.**

Harnessing Natural Energy: New Additional Installation of 0.05 MW capacity ground mounted solar power plant. This plant generates 30000 KWH units per annum.

**(iii) Capital investment on conservation of Energy.**

a) Soft flow cooling water heat recovery system installed, and warm water reused.

b) Thermic fluid upgradation: Deaerator & expansion tank replaced with higher capacity.

**(iv) Technology Up-gradation:**

a) CRP multistage condensate pump replaced by centrifugal pump to enhance efficiency.

b) Conventional monoblock type pumps are replaced by advanced centrifugal pumps with IE3 motors for energy conservation.

### B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption & benefits derived: Not Applicable

(ii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

(iii) The expenditure incurred on Research and Development:
Capital expenditure incurred on Research and Development during the financial year 2025-26 is Nil.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

| Particulars | 2025-26 | 2024-25 |
|---|---|---|
| Foreign Exchange earned | 2,80,114.21 | 3,40,174.07 |
| Foreign Exchange outgo | 67,266.98 | 50,299.91 |

More details are provided in Notes to financial statements.

On behalf of the Board of Directors

**Anil Kumar Jain**
Executive Chairman
DIN: 00086106

Date: 30th May, 2026
Place: Mumbai

ANNEXURE - 5

**Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014**

(i)

| Name of Director and KMP | Designation | Remuneration of Directors / KMP for the year ended 31st March, 2026 (₹ In Lakhs) | Ratio to Median Remuneration | % increase in remuneration for the year ended 31st March, 2026 |
|---|---|---|---|---|
| Mr. Anil Kumar Jain | Executive Chairman | 1250.92 | 286.91 | (14.19) |
| Mr. Mohit Jain | Executive Vice Chairman | 987.43 | 226.47 | (14.82) |
| Mr. Kailash R. Lalpuria | Executive Director & CEO | 46.99 | 10.78 | NA (Refer Note 1) |
| Mr. Kamal Mitra | Whole-time Director | 85.01 | 19.50 | 5.72 |
| Dr. Sanjay Kumar Panda | Independent Director | 11.50 | 2.64 | NA (Refer Note 2) |
| Mr. Siddharth Mehta | Independent Director | 13.75 | 3.15 | |
| Mr. Akash Kagliwal | Independent Director | 13.75 | 3.15 | |
| Mr. L. Viswanathan | Independent Director | 10.75 | 2.47 | |
| Mrs. Ambika Sharma | Independent Director | 15.25 | 3.50 | |
| Mr. K. Muralidharan | Group Chief Financial Officer | 96.00 | 22.02 | - |
| Mr. Manish Bhatia | Chief Financial Officer | 196.15 | 44.99 | NA (Refer Note 3) |
| Mr. Satnam Saini | Company Secretary | 53.00 | 12.16 | 0.65 |

*Note:

1. Mr. Kailash Lalpuria ceased to be a Director and CEO/KMP w.e.f. 11th February, 2026 and 13th February, 2026 respectively, hence, remuneration is not comparable.
2. The remuneration of Independent Directors has varied on account of number of meetings attended by them.
3. Mr. Manish Bhatia was appointed as a Chief Financial Officer w.e.f. 11th February, 2025. Since his appointment was made in the end of FY 2024-25, the remuneration is not comparable and hence percentage change in remuneration is not applicable to him.

(ii) **The percentage increase in the median remuneration of employees in the financial year 2025-26-** (5.50%)

(iii) **The number of permanent employees on the rolls of company-** 3,599 as on 31st March, 2026

(iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof-** Average percentile increase in salaries of employees other than managerial personnel is (6.33%) whereas percentile increase in the managerial remuneration is (22.83)%. The increase in remuneration is determined based on the performance by the employees of the Company.

(iv) **We affirm that the remuneration paid during the year 2025-26 is as per the Remuneration Policy of the Company.**

On behalf of the Board of Directors

**Anil Kumar Jain**
Executive Chairman
DIN: 00086106

Date: 30th May, 2026
Place: Mumbai





# CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a report on Corporate Governance for the year ended 31st March, 2026 is given below:

## 1. Company's Philosophy on Code of Governance

Your Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and ethical behavior in all spheres of its operations and in communications with stakeholders. Your Company continuously strives for the betterment of its Corporate Governance mechanisms to improve efficiency, transparency and accountability of its operations. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

## 2. Board of Directors

### a) Composition

The Board is headed by Mr. Anil Kumar Jain, Executive Chairman of the Company. As on 31st March, 2026, the Board comprises of eight (8) Directors out of which three (3) are Executive Directors and five (5) are Non-Executive Independent Directors including one (1) Woman Director. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations. All Directors are competent and experienced personalities in their respective fields.

The composition of the Board, details of other Directorships and Committee positions as on 31st March 2026 are given below:

| Name of the Director | DIN | Category | Number of Directorships held in other public companies# | Number of Membership/ Chairmanship of Board Committees@ | | Number of Directorships held in other listed companies along with nature of Directorship |
|---|---|---|---|---|---|---|
| | | | | Member | Chairman | |
| Mr. Anil Kumar Jain<br>Executive Chairman | 00086106 | Executive (Promoter) | 1 | 2 | - | Margo Finance Limited – C & NENID |
| Mr. Mohit Jain<br>Executive Vice-Chairman | 01473966 | Executive (Promoter) | - | - | - | - |
| Mr. Kamal Mitra<br>Whole-time Director | 01839261 | Executive | - | 2 | - | - |
| Mr. Kailash R. Lalpuria*<br>Executive Director & CEO | 00059758 | Executive | - | - | - | - |
| Dr. Sanjay Kumar Panda | 02586135 | NEID | 1 | 1 | 1 | - |
| Mr. Siddharth Mehta | 03072352 | NEID | 1 | 2 | - | - |
| Mr. Akash Kagliwal | 01691724 | NEID | 2 | 1 | - | 1. Nath Industries Limited – ED<br>2. Nath Bio-Genes (India) Limited- NENID |
| Mr. L. Viswanathan | 00193056 | NEID | 2 | 2 | 3 | 1. Vinyl Chemicals (India) Ltd – NEID<br>2. Solar Industries India Limited - NEID |

| Name of the Director | DIN | Category | Number of Directorships held in other public companies# | Number of Membership/ Chairmanship of Board Committees@ | | Number of Directorships held in other listed companies along with nature of Directorship |
|---|---|---|---|---|---|---|
| | | | | Member | Chairman | |
| Mrs. Ambika Sharma | 08201798 | NEID | 9 | 8 | 2 | 1. Waaree Renewable Technologies Ltd – NEID<br>2. Panacea Biotec Ltd – NEID<br>3. LT Foods Limited – NEID<br>4. Kajaria Ceramics Ltd– NEID<br>5. Aditya Infotech Limited - NEID |

**Mr. Kailash R. Lalpuria ceased to be an Executive Director w.e.f. 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013.*

*C = Chairman; NENID = Non-Executive Non-Independent Director; NEID = Non-Executive Independent Director*

*#Number of Directorships held in other public companies excludes Directorship of Indo Count Industries Limited, Directorships in private companies, deemed public companies, foreign companies, Section 8 companies and alternate Directorships.*

*@Only Membership /Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies including Indo Count Industries Limited are considered. Further, the number of Memberships does not include the number of Chairmanships.*

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limit specified under Regulation 26(1) of the Listing Regulations. None of the Directors hold Directorships in more than twenty (20) Companies including ten (10) Public Companies pursuant to the provisions of Section 165 and all the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

During the year under review, all Independent Directors of the Company fulfill the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and have furnished declaration of independence to that effect pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations. The said declarations of independence were reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfill the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

**Inter-se relationship among directors**

There is no inter-se relationship amongst any of the Directors of the Company except Mr. Mohit Jain, Executive Vice-Chairman who is son of Mr. Anil Kumar Jain, Executive Chairman of the Company.

**b) Independent Director's Meeting**

During the year under review, a Meeting of Independent Directors of the Company was held on 20th March, 2026 through VC/OAVM wherein all Independent Directors attended the meeting. At the said meeting, Independent Directors discussed and evaluated performance of Executive Chairman and other Whole-time Directors, the Board and its various committees as a whole and also assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**c) Familiarisation Programme**

Your Company has in place Familiarisation Programme for the Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. At the time of appointment of Directors (including Independent Directors), a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected from them as Directors of the Company. The draft letter of appointment containing terms and conditions of their appointment is available on the website of the Company www.indocount.com. The Directors are also explained about the compliances required from him/ her under the Companies Act, 2013, Listing Regulations and other applicable laws. The Chairman also does one to one discussion with the newly appointed Directors to familiarise them with the Company's operations. As a part of the agenda of Board Meeting, presentations are regularly made to the Independent Directors on regulatory developments, changes in laws applicable to the Company and other relevant matters. Further, on an ongoing basis, as a part of Agenda of Board Meetings, discussions are made on various matters inter alia covering the Company's business and operations, Industry and regulatory updates, etc.

The Familiarisation Programme and details of Familiarisation Programme imparted during FY 2025-26 are uploaded on the website of the Company www.indocount.com and can be accessed through web-link: www.indocount.com/images/investor/ICIL-Familiarisation-Program.pdf and https://www.indocount.com/images/investor/Familiarisation-Program-imparted-2025-2026.pdf

**d) Matrix of skills/competence/expertise of Directors**

The following matrix summarizes list of core skills/expertise/competencies identified by the Board as required in the context of its business and the sector in which the Company operates.

**Board Competency Matrix**

| Industry Knowledge/Experience | Technical Skills/Expertise/Competencies | |
|---|---|---|
| Industry Experience & Global Business | Finance & Accounting | Leadership |
| Textile Sector Knowledge | Legal & Governance | Business Administration |
| Knowledge of Broad Public Policy Domain | Sales and Marketing | Corporate Restructuring |
| Understanding of government legislation/legislative process | Information Technology | Human Resource Management |
| Sustainability | Public Relation | Strategy and Business Development |
| Supply Chain Management | Risk Management | Corporate Social Responsibility |

The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, technical skills, expertise and competencies for effective contribution to the Board and its committee. Details of the skills/expertise/ competencies possesses by the Directors who were part of the Board as on 31st March, 2026 are as follows:

| Name | Qualifications | Years of Experience | Expertise |
|---|---|---|---|
| Mr. Anil Kumar Jain | B.Com (Hons.) | 40+ | Business & Corporate Strategy, Industry Experience, Textile field expertise |
| Mr. Mohit Jain | Graduate from Babson College, USA | 20+ | Global Marketing, Economics, Finance and Entrepreneurship |
| Mr. Kamal Mitra | Bachelor Degree in Textile Engineering | 30+ | Production and Technical, Textile field expertise |
| Dr. Sanjay Kumar Panda | Retired IAS Officer. Diploma in Forestry, PhD in Economics | 40+ | Textile sector, Economics, CSR |
| Mr. Siddharth Mehta | L.L.M. degree from Columbia University School of Law, New York; General Course on Intellectual Property, World Intellectual Property Organization, Geneva. | 20+ | Legal, Taxation, Financing, Merger & Acquisitions, Capital Markets & Regulatory Areas. |

| Name | Qualifications | Years of Experience | Expertise |
|---|---|---|---|
| Mr. Akash Kagliwal | BA (Hons) graduate in International Business from Regent Business School, London | 20+ | Strong business development professional and has following skills in Strategic Negotiations, Risk Management, Environment, Health, and Safety (EHS), Business Model Innovation and Manufacturing |
| Mr. L. Viswanathan | Bachelor's degree in Science from St. Xavier's College, Calcutta University, Fellow member of Institute of Cost Accountants of India, Certified Public Accountant (CPA) in the USA | 40+ | Finance, Business Development, Operations, HR and systems in Capital Market Financial Services, IT, Media and Pharmaceutical industry. |
| Mrs. Ambika Sharma | Bachelor's degree in economics and Master's degree in Business Economics from India's prestigious Delhi University | 38+ | Economics, public affairs and international relations |

e) **Board Meetings**

During the financial year 2025-26, four (4) Board Meetings were held on 30th May, 2025, 12th August, 2025, 11th November, 2025 and 13th February, 2026 through Video Conferencing. The maximum time gap between any two (2) consecutive Board Meetings of the Company did not exceed one hundred and twenty (120) days.

**Annual General Meeting**

The Ministry of Corporate Affairs ("MCA") has, vide its circular no. 09/2024 dated 19th September, 2024 read together with circular nos. 20/2020, 21/2021, 02/2022, 10/2022 and 09/2023 dated 5th May, 2020, 14th December, 2021, 5th May, 2022, 28th December, 2022 and 25th September, 2023 respectively (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM") during the calendar year 2025 through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue till 30th September, 2025. Accordingly, 36th AGM of the Company was held on 19th August, 2025 through VC.

**Attendance of Directors at Board Meetings and AGM**

Attendance of Directors at the Board Meetings and the Annual General Meeting (AGM) held through VC/OAVM during the year under review is as under:

| Name of the Director | No. of Meetings held during the tenure of directorship | No. of Meetings attended | Attendance at last AGM held on 19th August, 2025 |
|---|---|---|---|
| Mr. Anil Kumar Jain | 4 | 4 | Yes |
| Mr. Mohit Jain | 4 | 4 | Yes |
| Mr. Kamal Mitra | 4 | 4 | Yes |
| Dr. Sanjay Kumar Panda | 4 | 4 | Yes |
| Mr. Siddharth Mehta | 4 | 4 | Yes |
| Mr. Akash Kagliwal | 4 | 4 | Yes |
| Mr. L. Viswanathan | 4 | 4 | Yes |
| Mrs. Ambika Sharma | 4 | 4 | Yes |
| Mr. Kailash R. Lalpuria* | 3 | 0 | No |

**Mr. Kailash R. Lalpuria ceased to be an Executive Director w.e.f. 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013.*

Mr. L. Viswanathan, Mr. Siddharth Mehta and Dr. Sanjay Kumar Panda, who are also the Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee respectively, were present at the last AGM held through VC/OAVM on 19th August, 2025.

f) **Board Meetings Procedure**

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual directors and consideration of their convenience. The agenda papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors. All the provisions of Section 173(2) of the Act read together with Rule 3 of the Companies (Meetings of the Board and its powers) Rules, 2014 were complied with while holding all Board Meetings/ Committee Meetings through VC.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors Review Report, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations.

## 3. Audit Committee

**(a) Terms of reference**

The terms of reference of the Audit Committee covers matters specified under Regulation 18(3) read with Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time. The terms of reference of Audit Committee inter alia includes following matters:

**Financial Reporting and Related Processes**

- Oversight of the Company's financial reporting process and disclosure of its financial information.
- Reviewing with the Management the quarterly unaudited financial results and Auditors Review Report thereon and make necessary recommendation to the Board.
- Reviewing with the Management audited annual financial statements and Auditors' Report thereon and make necessary recommendation to the Board. This would, inter alia, include reviewing changes in the accounting policies, if any, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements arising out of audit findings, disclosure of related party transactions, compliance with legal and other regulatory requirements with respect to the financial statements.
- Reviewing the Management Discussion & Analysis of financial and operational performance and Board's Report.
- Scrutiny of inter-corporate loans and investments.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

**Internal Controls and Governance Processes**

- Review the adequacy and effectiveness of the Company's internal control system. Evaluation of Internal Financial Controls and Risk Management Systems, Review and discuss with management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon.
- To oversee and review the functioning of a Vigil Mechanism / Whistle Blower Policy.
- Approval of Related Party Transactions (RPT) or any subsequent modifications of RPT and review of RPT on quarterly basis.
- Approval of appointment of Chief Financial Officer.

**Audit & Auditors**

- Review and monitor Auditor's Independence and performance and effectiveness of Audit process.
- Reviewing with the management, performance of internal and statutory auditors, adequacy of internal control systems.
- Review the scope of the Statutory Auditor, the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board, appointment, remuneration and terms of appointment of the Auditors including Internal Auditors.
- Approval of such other services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.

**(b) Composition and Meetings**

As on 31st March, 2026, the Audit Committee comprises of five (5) Directors /Members out of which four (4) are Independent Directors and one (1) is Executive Director. Mr. L. Viswanathan (Non-Executive Independent Director), Chairman of the Audit Committee is Fellow Member of the Institute of Cost Accountants of India and all members of the Audit Committee are professionals, experienced and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, six (6) Audit Committee Meetings were held on 29th May, 2025, 30th May, 2025, 12th August, 2025, 11th November, 2025, 10th February, 2026 and 13th February, 2026 through Video conferencing. The maximum time gap between any two consecutive Audit Committee Meetings of the Company did not exceed one hundred and twenty (120) days.

The Composition of Audit Committee as on 31st March, 2026 and attendance of Directors at the Audit Committee Meetings held through VC during the year under review is as under:

| Name of the Director | Category | No. of Meetings held during the tenure of directorship | No. of Meetings attended |
|---|---|---|---|
| Mr. L Viswanathan, Chairman | Independent Director | 6 | 6 |
| Mr. Siddharth Mehta | Independent Director | 6 | 6 |
| Mr. Akash Kagliwal | Independent Director | 6 | 6 |
| Mrs. Ambika Sharma | Independent Director | 6 | 6 |
| Mr. Kamal Mitra* | Executive Director | - | - |
| Mr. Kailash R. Lalpuria# | Executive Director | 5 | - |

**Mr. Kamal Mitra was appointed as Member of the Audit Committee w.e.f. 13th February, 2026*

*#Mr. Kailash R. Lalpuria ceased to be an Executive Director with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013 and, consequently, ceased to be a Member of the Audit Committee.*

All members of Audit Committee except Mr. Kailash R. Lalpuria were present at the last AGM held through VC/ OAVM on 19th August, 2025.

The representatives/ partner of the Statutory Auditors, Internal Auditors and Chief Financial Officer were invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

## 4. Stakeholders' Relationship Committee

**a) Composition and Meetings**

As on 31st March, 2026, the Stakeholders' Relationship Committee (SRC) consists of three (3) Directors/ Members viz. Dr. Sanjay Kumar Panda, Non-Executive Independent Director as Chairman of the Committee, Mr. Anil Kumar Jain, Executive Chairman and Mr. Kamal Mitra, Whole-time Director as Members.





Pursuant to the provisions of Regulation 20(3A) of Listing Regulations, it is mandatory to hold at least one (1) SRC Meeting in a financial year. During the year under review, one (1) meeting of Stakeholders' Relationship Committee was held on 16th March, 2026 through Video conferencing and the said meeting was attended by all members of the Committee.

| Name of the Director | Category | No. of Meetings held during the tenure of directorship | No. of Meetings attended |
|---|---|---|---|
| Dr. Sanjay Kumar Panda, Chairman | Independent Director | 1 | 1 |
| Mr. Anil Kumar Jain | Executive Director | 1 | 1 |
| Mr. Kamal Mitra* | Executive Director | 1 | 1 |
| Mr. Kailash R. Lalpuria# | Executive Director | 1 | - |

**Mr. Kamal Mitra was appointed as Member of the Committee w.e.f. 13th February, 2026*

*#Mr. Kailash R. Lalpuria ceased to be an Executive Director with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013 and, consequently, ceased to be a Member of the Stakeholders' Relationship Committee.*

**b) Terms of Reference**

The role of the Stakeholders Relationship Committee ("SRC") inter alia includes terms of reference as specified in Point B of Part D of Schedule II of Listing Regulations as under:

- Resolving the grievances of the security holders of the Company
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**c) Investor Complaints**

Your Company takes all effective steps to resolve complaints from shareholders of the Company. The Complaints are duly attended by the Company/ Registrar & Transfer Agent and the same are resolved within prescribed time.

During the financial year 2025-26, the Company received thirteen (13) shareholder complaints, out of which eleven (11) complaints were duly resolved during the year. As at 31st March, 2026, two (2) complaints remained unresolved and were subsequently resolved in April 2026. The said complaints were received from SMART ODR portal and SEBI.

**d) Compliance Officer**

Mr. Satnam Saini, Company Secretary is Compliance Officer of the Company.

## 5. Nomination and Remuneration Committee

**(a) Brief description of terms of reference**

The terms of reference of the Nomination and Remuneration Committee ("NRC") includes the matters stipulated in Point A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees.
- Lay down criteria for identifying and selection of candidates for appointment as Directors/ Independent Directors and KMP and other Senior Management positions.

- Recommendation to the Board about appointment, re-appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down.
- Recommendation to the Board on remuneration payable to the Directors of the Company.
- Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board whether to extend or continue the term of appointment of Independent Director.
- Devising a policy on Board Diversity.
- Recommendation to the board, all remuneration, in whatever form, payable to senior management.

**(b) Composition, Meetings and Attendance**

As on 31st March, 2026, NRC comprises of four (4) Directors/ Members headed by Mr. Siddharth Mehta, Non-Executive Independent Director as Chairman.

Pursuant to the provisions of Regulation 19(3A) of Listing Regulations, it is mandatory to hold at least one (1) NRC Meeting in a financial year. During the year under review, two (2) meetings of NRC were held through VC on 30th May, 2025 and 9th February, 2026.

Composition of NRC as on 31st March, 2026 and Attendance of members at the NRC Meetings held through VC during the year under review is as under:

| Name of the Director | Category | No. of Meetings held during the tenure of directorship | No. of Meetings attended |
|---|---|---|---|
| Mr. Siddharth Mehta, Chairman | Independent Director | 2 | 2 |
| Mr. Anil Kumar Jain | Executive Director | 2 | 2 |
| Dr. Sanjay Kumar Panda | Independent Director | 2 | 2 |
| Mrs. Ambika Sharma | Independent Director | 2 | 2 |

**(c) Nomination and Remuneration Policy**

Pursuant to Section 178 of the Companies Act, 2013, NRC has formulated "Nomination and Remuneration Policy" which deals inter alia with nomination and remuneration of Directors, Key Managerial Personnel, Senior Management. The said policy is uploaded on the website of the Company and web-link thereto is https://www.indocount.com/images/investor/Nomination-and-Remuneration-Policy.pdf

**(d) Criteria for evaluation of Independent Directors**

NRC has formulated following criteria for Performance of Independent Directors:

1. Participation at Board /Committee Meetings
2. Contributions at Meetings
3. Knowledge and skills
4. Discharging Role, Functions and Duties
5. Personal Attributes

More information on performance evaluation is given in the Board's Report.

## 6. Remuneration of Directors

Details of remuneration paid/payable to all Directors of the Company for the financial year ended 31st March, 2026 is as under:

| Name of the Director | Tenure | Remuneration for the financial year ended 31st March, 2026 (₹ in Lakhs) | | | | | |
|---|---|---|---|---|---|---|---|
| | | Basic Salary | Perquisites & Allowances | Provident Fund | Sitting Fees | Commission# | Total |
| Mr. Anil Kumar Jain | 3 years (upto 30th September, 2028) | 347.87 | 551.81 | 41.74 | - | 309.50 | 1250.92 |
| Mr. Mohit Jain | 3 years (upto 30th June, 2028) | 251.24 | 416.52 | 30.14 | - | 289.53 | 987.43 |
| Mr. Kailash R. Lalpuria^ | 3 years (upto 3rd May, 2027) | 18.88 | 28.11 | - | - | - | 46.99 |
| Mr. Kamal Mitra | 3 years (upto 30th September, 2028) | 44.28 | 35.42 | 5.31 | - | - | 85.01 |
| Dr. Sanjay Kumar Panda | 5 years (upto 2nd August, 2028) | - | - | - | 10.00 | 1.50 | 11.50 |
| Mr. Siddharth Mehta | | - | - | - | 12.25 | 1.50 | 13.75 |
| Mr. L. Viswanathan | 5 years (upto 29th May, 2030) | - | - | - | 9.25 | 1.50 | 10.75 |
| Mr. Akash Kagliwal | | - | - | - | 12.25 | 1.50 | 13.75 |
| Mrs. Ambika Sharma* | 2 years (upto 26th May, 2026) | - | - | - | 13.75 | 1.50 | 15.25 |

*#Commission for FY 2025-26 will be paid in FY 2026-27. Further, Commission of ₹4.93 crores and ₹4.61 crores of FY 2024-25 were paid to Mr. Anil Kumar Jain and Mr. Mohit Jain in FY 2025-26 respectively.*

*^Ceased to be an Executive Director w.e.f. 11th February, 2026 pursuant to Section 167(1)(b) of Companies Act, 2013.*

**Resolution for the re-appointment of Mrs. Ambika Sharma as Non-Executive, Independent Director for a second term of 5 consecutive years w.e.f. 27th May, 2026 is placed for approval of the members of the Company at the ensuing AGM.*

**Notes:**

1. The sitting fees of Independent Directors for attending the Committee Meetings (including Independent Directors Meeting) is ₹75,000/- per meeting. They are also entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Company.
2. As on 31st March, 2026, none of the Non-Executive Independent Directors are holding equity shares or convertible instruments of the Company.
3. There is no separate provision for payment of severance fees. The notice period for the Executive Directors is governed by the service rules of the Company.
4. Apart from commission, there are no variable components and performance linked incentives.
5. None of the Non-Executive Independent Directors have any pecuniary relationship or transaction with the Company during the year under review except of sitting fees and commission.

**Criteria of making payment to Non-Executive Directors**

The criteria for making payment to Non-Executive Directors of the Company is disclosed under web-link given below: https://www.indocount.com/images/investor/Criteria-of-making-payment-to-Non-Executive-Directors.pdf

**Stock options**

The Company does not have any Employee Stock Option Scheme.

## 7. Environment, Social and Governance & Corporate Social Responsibility (ESG & CSR) Committee

With a view to further strengthen the Company's commitment and enhance Board's oversight over ESG matters, the Board of Directors has expanded the scope of the 'Corporate Social Responsibility Committee' to include ESG Matters.

**Terms of reference:**

- formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company
- monitor the implementation of CSR Policy and review of CSR expenditure from time to time
- assist the Board in fulfilling its oversight responsibilities including formulation of policies /guidelines with regard to Sustainability / ESG.

During the year under review, four (4) meetings of ESG & CSR Committee were held on 26th May, 2025, 6th August, 2025, 16th October, 2025 and 9th February, 2026 through VC/OAVM.

Composition of ESG & CSR Committee as on 31st March, 2026 and Attendance of members at the ESG & CSR Committee Meetings held during the year under review is as under:

| Name of the Director | Category | No. of Meetings held during the tenure of directorship | No. of Meetings attended |
|---|---|---|---|
| Dr. Sanjay Kumar Panda, Chairman | Independent Director | 4 | 4 |
| Mr. Anil Kumar Jain | Executive Director | 4 | 4 |
| Mrs. Ambika Sharma | Independent Director | 4 | 4 |
| Mr. Kamal Mitra | Executive Director | 4 | 4 |
| Mr. Kailash R. Lalpuria* | Executive Director | 4 | - |

**Mr. Kailash R. Lalpuria ceased to be an Executive Director with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013 and, consequently, ceased to be a Member of the ESG & CSR Committee.*

A Report on CSR Activities carried out by the Company during FY 2025-26 is provided as **Annexure 2** to the Board's Report.

## 8. Risk Management Committee

During the year under review, pursuant to the cessation of Mr. Kailash R. Lalpuria as Executive Director with effect from 11th February, 2026, the Board appointed Mr. Kamal Mitra, Whole-time Director, as a Member of the Risk Management Committee with effect from 13th February, 2026. As on 31st March, 2026, the Risk Management Committee comprised Mr. Siddharth Mehta, Independent Director as Chairman, Mr. Akash Kagliwal, Independent Director, Mr. Kamal Mitra, Whole-time Director, Mr. K. Muralidharan, Group Chief Financial Officer, and Mr. Manish Bhatia, Chief Financial Officer, as Members.

Pursuant to the provisions of Regulation 21(3A) read with Part D of Schedule II of the Listing Regulations, it is mandatory to hold RMC Meetings atleast twice in a financial year. During the year under review, 2 (two) meetings of Risk Management Committee were held on 1st August, 2025 and 23rd February, 2026 through VC/ OVAM.

| Name of the Director | Category | No. of Meetings held during the tenure of directorship | No. of Meetings attended |
|---|---|---|---|
| Mr. Siddharth Mehta | Independent Director | 2 | 2 |
| Mr. Akash Kagliwal | Independent Director | 2 | 2 |
| Mr. Kamal Mitra* | Executive Director | 1 | 1 |
| Mr. K. Muralidharan | Executive | 2 | 2 |
| Mr. Manish Bhatia | Executive | 2 | 2 |
| Mr. Kailash R. Lalpuria# | Executive Director | 1 | - |

**Mr. Kamal Mitra was appointed as Member of the Committee w.e.f. 13th February, 2026*

*#Mr. Kailash R. Lalpuria ceased to be an Executive Director with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013 and, consequently, ceased to be a Member of the Risk Management Committee.*

## 9. Other Committees

### (a) Share Transfer Committee

The Committee deals with various matters relating to share transfers, transmission, issue of duplicate share certificates, change transposition/deletion of name, split and consolidation of shares, re-materialisation of shares. The Share Transfer Committee meetings are held as and when required to approve the said matters. Further, whenever it is not possible to hold Share Transfer Committee meeting Mr. K. Muralidharan, Group Chief Financial Officer, Mr. Manish Bhatia, Chief Financial Officer and Mr. Satnam Saini, Company Secretary shall be severally authorized to exercise all such powers which are entrusted to the Share Transfer Committee regarding approval share transfers, transmission, issue of duplicate share certificates, change transposition/deletion of name, split and consolidation of shares, re-materialisation of shares, etc.

During FY 2025-26, two (2) meetings of Share Transfer Committee were held on 1st September, 2025 and 31st March, 2026.

### (b) Finance and Corporate Affairs Committee

The Company has constituted Finance and Corporate Affairs Committee (FCA) to deal with routine financial and administrative matters viz., inter alia opening & closing bank accounts of the Company, change in signatories of bank accounts of the Company, to consider and approve borrowings from banks upto certain limits, creation of charge on assets of the Company, authorize employees of the Company to represent before government authorities etc.

During FY 2025-26, two (2) meetings of Finance and Corporate Affairs Committee were held on 30th May, 2025 and 25th February, 2026.

The Composition of FCA on 31st March, 2026 and attendance of members through VC/OAVM at the Finance and Corporate Affairs Committee Meetings held during the year under review is as under:

| Name of the Director | Category | No. of Meetings held during the tenure of directorship | No. of Meetings attended |
|---|---|---|---|
| Mr. Anil Kumar Jain | Executive Director | 2 | 2 |
| Mr. Mohit Jain | Executive Director | 2 | 2 |
| Mr. Akash Kagliwal | Independent Director | 2 | 2 |
| Mr. Kailash Lalpuria* | Executive Director | 1 | - |

**Mr. Kailash R. Lalpuria ceased to be an Executive Director with effect from 11th February, 2026 pursuant to the provisions of Section 167(1) of the Companies Act, 2013 and, consequently, ceased to be a Member of the FCA Committee.*

### (c) Project Management Committee

The Company has in place Project Management Committee (PMC) to evaluate and approve proposals pertaining to CAPEX plan and to take decisions relating to implementation of CAPEX proposals. As on 31st March, 2026, the PMC consists of three (3) Directors/Members viz. Mr. Anil Kumar Jain as Chairman, Dr. Sanjay Kumar Panda and Mr. Akash Kagliwal, Independent Directors as Members.

## 10. Particulars of Senior Management Personnel

The list of Senior Management Personnel (SMP) of the Company during FY 2025-26 and the changes during the year are mentioned below.

| Name of SMP as on 31st March, 2026 | Designation |
|---|---|
| Mr. Gautam Sareen | President - Marketing |
| Mr. Shreyas Joshi | President- Home Textiles |
| Mr. K. Muralidharan | President - Finance & Group CFO |
| Mr. Manish Bhatia | Senior Vice President- Finance & CFO |
| Mr. Satnam Saini | Company Secretary & GM-Legal |
| Mr. Devendra Pal Garg | Advisor - Projects |

| Name of SMP as on 31st March, 2026 | Designation |
|---|---|
| Mr. Malay Mahanti | Business Head (Home Textile) |
| Mr. Neeraj Kalaskar | Senior Vice President Procurement & Supply Chain |
| Mr. Satish Bhutada | Senior Vice President - Operations |
| Mr. Nanda Kumar | Senior Vice President - Operations |
| Mr. Bijay Agrawal | Head- Accounts & Finance |
| Mr. Arul Sakthivel | Vice President – Information Technology |
| Mr. Samir Bhiwapurkar | Senior General Manager - HR & Admin |

| Changes of SMP during FY 2025-26 | Designation |
|---|---|
| Mr. Arul Sakthivel | Vice President – Information Technology (appointed w.e.f. 15th December 2025) |
| Mr. Neeraj Kalaskar | Senior Vice President – Procurement & Supply Chain<br>(elevated as SMP w.e.f. 1st January, 2026) |
| Mr. Abhay Karhade | Vice President- IT ERP & Infrastructure (resigned w.e.f. 12th December, 2025) |

## 11. Material Subsidiary Company :

As per Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ('SEBI Listing Regulations'), the Company has one (1) Material Subsidiary during the Financial Year 2025-26 viz. Indo Count Global, Inc., which is the Unlisted wholly owned subsidiary of the Company. The Audit Committee reviews the financial statements, investments made and all significant transactions and arrangements entered into by the material subsidiary, if any. The minutes of the Board meetings of the material subsidiary Company are periodically placed before the Board of Directors of the Company. Further, the composition of the Board of material subsidiary is in accordance with the Regulation 24(1) of the Listing Regulations. The Company has framed Policy for determining the Material Subsidiary and which is available at the Company's website at: https://www.indocount.com/images/investor/Policy-on-Material-Subsidiaries.pdf

## 12. General Body Meetings

### (a) Annual General Meetings:

The details of last three (3) Annual General Meetings (AGM) of the Company are given below:

| Financial Year | Day, Date & Time | Venue |
|---|---|---|
| 2022-23 | Monday, 21st August, 2023 through VC/OAVM at 12:00 Noon (IST) | Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") VC Platform– provided by NSDL |
| 2023-24 | Thursday, 1st August, 2024 through VC/OAVM at 12:00 Noon (IST) | |
| 2024-25 | Tuesday, 19th August, 2025 through VC/OAVM at 12:00 Noon (IST) | |

### (b) Special resolutions passed at the last three Annual General Meetings (AGM) of the Company:

1. At the AGM held on 21st August, 2023 – four (4) special resolutions were passed as under:
   - (i) Appointment of Mr. Akash Kagliwal (DIN: 01691724) as an Independent Director of the Company for a period of 2 years w.e.f. 30th May, 2024
   - (ii) Appointment of Mr. L. Viswanathan (DIN: 00193056) as an Independent Director of the Company for a period of 2 years w.e.f. 30th May, 2024
   - (iii) Re-appointment of Dr. Sanjay Kumar Panda (DIN: 02586135) as an Independent Director of the Company for a further period of 5 years w.e.f. 3rd August, 2023
   - (iv) Re-appointment of Mr. Siddharth Mehta (DIN: 03072352) as an Independent Director of the Company for a further period of 5 years w.e.f. 3rd August, 2023
2. At the AGM held on 1st August, 2024 – two (2) special resolutions were passed as under:
   - (i) Re-appointment of Mr. Kailash R. Lalpuria (DIN: 00059758) as a Whole-time Director designated as "Executive Director & CEO" of the Company for a period of three (3) years w.e.f. 4th May, 2024 to 3rd May, 2027.
   - (ii) Appointment of Mrs. Ambika Sharma (DIN: 08201798) as an Independent Director of the Company for a period of two (2) years, effective from 27th May, 2024 upto 26th May, 2026
3. At the AGM held on 19th August, 2025 – five (5) special resolutions were passed as under:
   - (i) Re-appointment of Mr. Anil Kumar Jain (DIN: 00086106) as a Whole-time Director designated as "Executive Chairman" of the Company for a further period of three (3) years w.e.f 1st October, 2025
   - (ii) Re-appointment of Mr. Mohit Jain (DIN: 01473966) as a Whole-time Director designated as "Executive Vice Chairman" of the Company for a further period of three (3) years w.e.f. 1st July, 2025
   - (iii) Re-appointment of Mr. Kamal Mitra (DIN: 01839261) as a Whole-time Director for a further period of three (3) years w.e.f 1st October, 2025
   - (iv) Re-appointment of Mr. Akash Kagliwal (DIN: 01691724) as an Independent Director of the Company for a further period of 5 years w.e.f. 30th May, 2025
   - (v) Re-appointment of Mr. L. Viswanathan (DIN: 00193056) as an Independent Director of the Company for a further period of 5 years w.e.f. 30th May, 2025

### (c) Extraordinary General Meeting:

No Extraordinary General Meeting was held during the year under review.

### (d) Postal Ballot:

During the year under review, No Postal Ballot was passed by the Company.

## 13. Means of Communication

- **Website:** The Company's website www.indocount.com contains inter alia updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, press releases, investor presentations, details of investor calls and meets, shareholding pattern, important announcements. The said information is available in a user friendly and downloadable form in "Investor Section" of website.
- **Financial Results:** Pursuant to Regulation 33 of the Listing Regulations, the quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper (Business Standard) and one Marathi newspaper (Navshakti) within 48 hours of approval thereof and are also available on the website of the Company www.indocount.com
- **Annual Report:** Annual Report containing inter alia Standalone Financial Statements, Auditors' Report, Board's Report, Management discussion and Analysis Report, Corporate Governance Report is sent to all Members of the Company within the required time frame and is also made available on the website of the Company www.indocount.com.
- **Designated Exclusive Email ID:** The Company has designated Email Id icilinvestors@indocount.com exclusively for shareholder /investor grievances redressal.
- **SCORES (SEBI Complaints Redressal System):** SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.
- **Uploading on NEAPS & BSE Listing Centre:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.
- **Investor Presentations:** The quarterly and annual Investor Presentations are uploaded on the website of the stock exchanges and the Company.

## 14. Disclosures

### a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2025-26 were in the ordinary course of business and arm's length basis and omnibus approval of the Audit Committee was also obtained. During the financial year under review, there were no materially significant transactions with related parties having potential conflict with the interest of the Company at large. Necessary disclosures regarding Related Party Transactions are given in the notes to the Financial Statements.

The Company has formulated a policy for Related Party Transactions and the policy of RPT has been uploaded on the website of the Company. The web-link thereto is as under https://www.indocount.com/images/investor/Policy-on-Related-Party-Transactions.pdf

### b) Statutory Compliance, Penalties and Strictures

The Company has complied with all the requirements of the Stock Exchanges/SEBI and other statutory authorities on all matters related to the capital markets during the last three (3) years. There were no penalties or strictures imposed on the Company by the Stock Exchanges, the SEBI or any statutory authority on matters relating to capital markets during last three (3) years. The Company has also obtained Secretarial Audit Report and Annual Compliance Certificate for the year ended 31st March, 2026 as per Regulation 24A of Listing Regulations from M/s. Vikas R. Chomal and Associates, Practicing Company Secretaries. The said report & certificate does not contain any qualifications or adverse remarks.

### c) Vigil Mechanism/ Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, your Company has formulated Vigil Mechanism / Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and/or reputation, in a secure and confidential manner. The said policy provides adequate safeguards against victimization of Directors/employees and direct access to Chairman of Audit Committee, in exceptional cases. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company under the web-link:
https://www.indocount.com/images/investor/Whistle-Blower-Policy-Vigil-Mechanism.pdf

Your Company affirms that no Director/Employee of the Company has been denied access to the Chairman of the Audit Committee and no complaint has been received under the Whistle Blower Policy during the year under review.

### d) Subsidiaries

During the year under review, Indo Count Global Inc., a wholly owned subsidiary of the Company in USA is a material subsidiary, as per the criteria specified in the Listing Regulations. However, the Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link https://www.indocount.com/images/investor/Policy-on-Material-Subsidiaries.pdf

### e) Code of Conduct

Integrity, transparency and trust form part of the core beliefs of all activities at Indo Count, which has been the basis of its growth and development. The Company has adopted a Code of Conduct applicable to all its Directors and members of Senior Management which is in consonance with the requirements of the Listing Regulations. The said code is available on the website of the Company and can be accessed through web-link https://www.indocount.com/images/investor/Code-of-Conduct.pdf

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for Directors and Senior Management of the Company for the year ended 31st March, 2026. A declaration to this effect signed by Mr. Kamal Mitra, Whole-time Director forms part of this Report as **Annexure I**.

### f) Compliance with Indian Accounting Standards (Ind-AS)

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (IndAS) notified by Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

There is no deviation in following the treatments prescribed in Indian Accounting Standards (Ind-AS) in the preparation of financial statements for the year 2025-26.

### g) Risk Management

The risk assessment and minimisation procedures are in place and the Board is regularly informed about the business risks and the steps taken to mitigate the same. Further, the Board has constituted Risk Management Committee as per the details given in point 8 of this report. More details of Risk Management are included in Management Discussion and Analysis forming part of the Annual Report.

### h) CEO & CFO Certification

Pursuant to Regulation 17(8) of the Listing Regulations, Mr. Anil Kumar Jain, Executive Chairman and Mr. Manish Bhatia, Chief Financial Officer have furnished certificate to the Board on financial statements for the year ended 31st March, 2026 in the prescribed format. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on 30th May, 2026.

### i) Reconciliation of Share Capital Audit Report

In terms of the provisions of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

### j) Code for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, your Company has adopted a code of conduct to regulate, monitor and report trading by designated persons and their immediate relatives for prevention of Insider Trading in the shares of the Company. This code is applicable inter-alia to all Directors and Designated persons/employees of the Company who are expected to have access to unpublished price sensitive information. This code, inter-alia, prohibits purchase/sale/dealing in the equity shares of the Company by Designated persons and their immediate relatives while in possession of unpublished price sensitive information about the Company and during the time when trading window is closed. The Code also contains procedure for pre-clearance of trade, disclosure requirements etc. The Code is available on the website of the Company at www.indocount.com.

### k) Certificate on Non-disqualification of Directors

M/s. Vikas R. Chomal & Associates, Practising Company Secretaries have certified that for the financial year ended 31st March, 2026, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such authority. A certificate issued by M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries to that effect is attached as **Annexure II** forming part of this report.

### l) Recommendations of the committees

During FY 2025-26, the Board has accepted all recommendations made by the Audit Committee, Nomination and Remuneration Committee and other Board Committees.

**m) Total fees paid to Statutory Auditors and all entities in network group**

During FY 2025-26, ₹81.00 lakhs (excluding reimbursement of expenses) were paid to M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors for all services availed by the Company and its subsidiaries on a consolidated basis as per details given below:

| Particulars of Fees | ₹ in Lakhs |
|---|---|
| Statutory Audit including quarterly review Reports | 77.00 |
| Other Services (certification work) | 4.00 |
| **Total** | **81.00** |

Statutory Auditors does not belong to any other network group.

**n) Disclosure regarding Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to prevent sexual harassment of women at workplace, your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace. The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on 31st March 2026.

**o) Compliance with Mandatory and Non-Mandatory Requirements**

The Company has complied with all mandatory requirements of Corporate Governance specified in the Listing Regulations. The Company has adopted discretionary requirements specified in Part E of Schedule II of the Listing Regulations as given below:

**The Board:** Since the Company has an Executive Chairman, requirements regarding Non-Executive Chairman are not applicable.

**Shareholder's Rights:** Quarterly, half-yearly, annual financial results of the Company are published in English and Marathi newspapers and are also forwarded to BSE and NSE. The said results are also uploaded on the website of the Company www.indocount.com. Hence, the same are not sent to the shareholders of the Company.

**Modified Opinion in Audit Report:** There was no qualification or modified opinion in Independent Auditors' Report on Financial Statements of the Company for the year ended 31st March 2026 nor in the past two (2) years.

**Reporting of Internal Auditors:** The representatives/partners of Internal Auditors of the Company are permanent invitee to the Audit Committee Meeting. They attend each Audit Committee Meeting and present their Internal Audit observations to the Audit Committee. They directly interact with Audit Committee Members during the meeting.

**p) Compliance with the requirements of Corporate Governance**

All the requirements of Corporate Governance specified in Regulation 17 to 27 of the Listing Regulations and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations have been complied with.

**q) The Management Discussion and Analysis Report is given separately and forms part of this Annual Report.**

## 15. Certificate on compliance with conditions of Corporate Governance

The certificate regarding compliance of the conditions of corporate governance for the year ended 31st March, 2026 given by M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries is given as **Annexure III** to this Report.

## 16. General Shareholders' information

**Annual General Meeting**
Day & Date: Tuesday, 25th August, 2026
Time: 12:00 noon (IST)

**Financial Year:** 1st April to 31st March

**Tentative Financial Calendar (for Financial Year 2026-27)** for approval of:

| | |
|---|---|
| Financial Results for Quarter ending 30th June, 2026 (Unaudited) | On or before 14th August, 2026 |
| Financial Results for Quarter and half year ending 30th September, 2026 (Unaudited) | On or before 14th November, 2026 |
| Financial Results for Quarter and nine months ending 31st December, 2026 (Unaudited) | On or before 14th February, 2027 |
| Financial Results for Quarter and year ending 31st March, 2027 (Audited) | On or before 30th May, 2027 |

**Date of Book Closure**
Tuesday, 18th August, 2026 to Tuesday, 25th August, 2026 (both days inclusive)

**Dividend Payment Date**

During the year under review, final dividend for FY 2024-25 was paid on 21st August, 2025.

The Final Dividend for FY 2025-26, if declared at the ensuing Annual General Meeting, will be paid within thirty (30) days from the date of Annual General Meeting.

**Listing on Stock Exchanges**

| | |
|---|---|
| BSE Limited (BSE)<br>Phiroze Jeejeebhoy Towers, Dalal Street,<br>Mumbai - 400001<br>Scrip Code: 521016 | The National Stock Exchange of India Limited (NSE)<br>Exchange Plaza, Bandra Kurla Complex,<br>Bandra (East), Mumbai 400051<br>NSE Symbol: ICIL |

**Listing Fees**

The Company has paid Listing Fees for FY 2025-26 to BSE and NSE.

**Annual Custody Fees**

The Company has paid the Annual Custody Fees to Central Depository Services (India) Limited and National Securities Depository Limited for FY 2025-26.

**International Securities Identification Number (ISIN)**

The International Securities Identification Number (ISIN) for equity shares of the Company of face value of ₹2/- each is INE483B01026.

Corporate Identity Number (CIN): L72200PN1988PLC068972

**Registrar & Transfer Agents**

MUGF Intime India Private Limited *(formerly known as Link Intime India Private Limited)*
C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083.
Tel No: +91 810 811 6767
Email: investor.helpdesk@in.mpms.mufg.com

**Share Transfer System**

During the Financial Year 2025-26, transfer of shares was only allowed only in dematerialized mode and the same is done through the depositories. Further, pursuant to SEBI Circular dated 25th January 2022, transmission, transposition & any endorsement shall be made only through demat mode. The Company had also sent intimation followed by two (2) reminders to the shareholders holding shares in physical form to take necessary steps to dematerialize the shares at earliest.

Distribution of Shareholding as on 31st March 2026

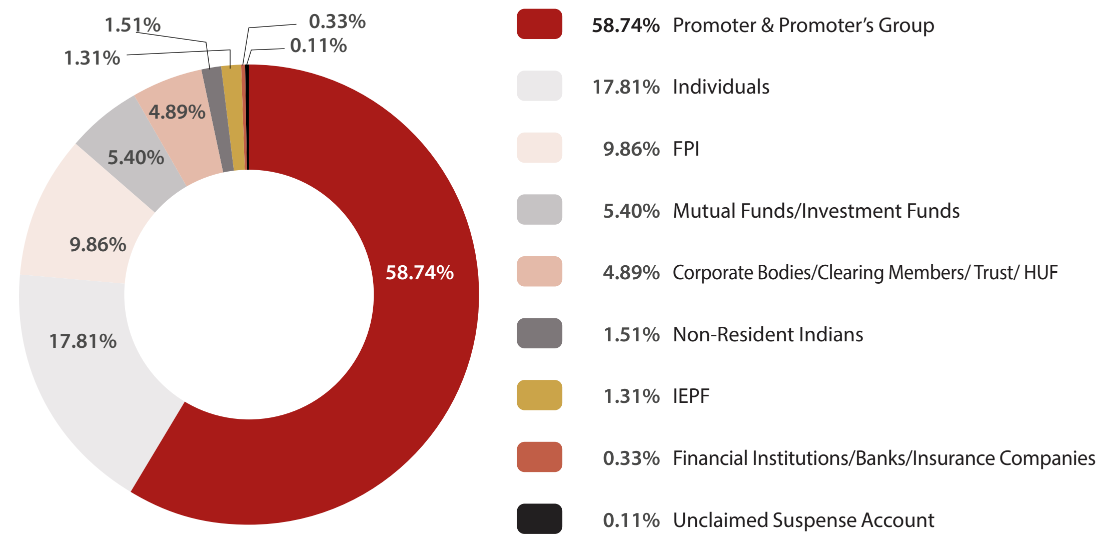
| No. of equity shares of face value of ₹2/- each | No. of Shareholders* | % of Shareholders | No. of shares held | % of shareholding |
|---|---|---|---|---|
| Upto 1000 | 69,296 | 88.05 | 1,46,15,550 | 3.69 |
| 1001 – 2000 | 5,632 | 7.16 | 81,76,250 | 2.06 |
| 2001 – 3000 | 1,800 | 2.29 | 53,16,054 | 1.34 |
| 4001 – 6000 | 625 | 0.79 | 31,36,940 | 0.79 |
| 6001 – 8000 | 271 | 0.34 | 19,33,354 | 0.49 |
| 8001 – 10000 | 243 | 0.31 | 22,90,790 | 0.58 |
| 10001 – 20000 | 364 | 0.46 | 52,03,562 | 1.31 |
| Above 20000 | 467 | 0.59 | 35,54,36,180 | 89.73 |
| **Total** | **78,698** | **100** | **39,61,08,680** | **100** |

**No. of shareholders are not consolidated as per PAN No. The Number of shareholders consolidated as per PAN are 77,257 as on 31st March, 2026.*

Shareholding Pattern as on 31st March, 2026

| Category of Shareholder | As on 31st March, 2026 | |
|---|---|---|
| | No. of Equity shares (Face value of ₹2/- each) | As a percentage of total paid-up Share Capital |
| **A. Promoter and Promoter Group** | 11,63,46,767 | 58.74% |
| **B. Public Shareholding** | | |
| **Institutions** | | |
| Mutual Funds | 94,84,353 | 4.79 |
| Alternative Investment Funds | 11,86,025 | 0.60 |
| Financial Institutions/Banks | 2,350 | 0.00 |
| Insurance Companies | 5,41,099 | 0.27 |
| NBFCs registered with RBI | 1,07,500 | 0.05 |
| Other Financial Institutions | 12,000 | 0.01 |
| Foreign Portfolio Investors Category I | 1,91,67,071 | 9.68 |
| Foreign Portfolio Investors Category II | 3,47,884 | 0.18 |
| Central Government / President of India | 500 | 0.00 |
| **Non-Institutions** | | |
| Directors and their relatives (excluding independent directors and nominee directors) | 68,469 | 0.03 |
| Investor Education and Protection Fund (IEPF) | 25,99,245 | 1.31 |
| Individuals | 3,52,88,416 | 17.81 |
| Trusts | 29,805 | 0.02 |
| Hindu Undivided Family (HUF) | 10,34,283 | 0.52 |
| Non-Resident Indians (NRI) | 29,86,716 | 1.51 |
| Clearing Members | 3,21,100 | 0.16 |
| Unclaimed or Suspense or Escrow Account | 2,24,063 | 0.11 |
| Limited Liability Partnership (LLP) | 10,33,133 | 0.52 |
| Bodies Corporate | 72,73,561 | 3.67 |
| **Sub-Total (B)** | **8,17,07,573** | **41.26%** |
| **Total (A+B)** | **19,80,54,340** | **100.00** |

SHAREHOLDING PATTERN (%)




### Dematerialisation of shares and liquidity

The equity shares of the Company are available for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2026, 19,68,44,296 Equity Shares of the Company constituting 99.39% of the paid-up share capital of the Company are held in dematerialized form and 0.61% is held in Physical form. The Company's shares were regularly traded on the National Stock Exchange of India Limited and BSE Limited.

**Shares held in demat and physical mode as on 31st March 2026 is as under:**

| Category | Number of | | % to total equity |
|---|---|---|---|
| | Shareholders | Shares | |
| **Demat Mode** | | | |
| NSDL | 36,766 | 13,20,66,008 | 66.68 |
| CDSL | 37,600 | 6,47,78,288 | 32.70 |
| **Total Demat** | **74,366** | **19,68,44,296** | **99.39** |
| Physical Mode | 4,332 | 12,10,044 | 0.61 |
| **Grand Total** | **78,698** | **19,80,54,340** | **100.00** |

### Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March 2026, there are no outstanding GDR / ADR / warrants or any convertible instruments.

### Commodity Price Risk or Foreign Exchange Risk and Hedging Activity

The details are provided in Management Discussion and Analysis Report.

**Plant Locations**

| | |
|---|---|
| (1) | D-1, MIDC, Gokul Shirgaon, Kolhapur- 416234, Maharashtra |
| (2) | Plot No. T-3 & T-4, Five Star, MIDC, Kagal, Hatkanangale, Kolhapur- 416216, Maharashtra |
| (3) | Plot No. 266, Kumbhoj Road, Alte, Hatkanangale, Kolhapur- 416109, Maharashtra |
| (4) | 191/192, Mahala Falia, Village- Bhilad, Taluka- Umbergaon, District- Valsad- 396105, Gujarat |

**Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of SEBI Listing Regulations:** Not Applicable

**CREDIT RATING**

As on 31st March 2026, for long term bank facilities of your Company, credit rating assigned by ICRA and CareEdge is "AA-" (Double A minus) with Stable outlook. This credit rating signifies strong degree of safety regarding timely servicing of financial obligations. Such facilities carry low credit risk.

Further, for the Company's short term bank facilities, credit rating assigned by ICRA and CareEdge is "A1+" (A One Plus). These credit rating signifies very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

**Address for correspondence**

The Shareholders may contact the Company or Registrar & Transfer Agent on the below address:

| **The Company Secretary** | **Registrar & Transfer Agents** |
|---|---|
| Indo Count Industries Limited<br>301, 3rd Floor, "Arcadia",<br>Nariman Point, Mumbai – 400 021<br>Phone: 022 - 4341 9500 /501<br>Fax: 022 - 2282 3098<br>Email: satnam.saini@indocount.com/ icilinvestors@indocount.com | MUFG Intime India Private Limited<br>C-101, 247 Park, L B S Marg, Vikhroli (West),<br>Mumbai – 400 083<br>Tel No: 022 - 49186270<br>Fax No: 022 - 49186060<br>Email: investor.helpdesk@in.mpms.mufg.com |

**Disclosures with respect to demat suspense account/unclaimed suspense account:**

| **Particulars** | **Number of Shareholders** | **Number of Equity Shares** |
|---|---|---|
| Aggregate Number of Shareholders and the outstanding shares in the Suspense Account lying as on 1st April, 2025 | 638 | 2,55,358 |
| Less: Number of Shareholders whose shares were transferred from suspense account during the year | (70) | (32,485) |
| Aggregate Number of Shareholders and the outstanding shares in the Suspense Account lying as on 31st March, 2026 | 568 | 2,22,873 |

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

Unclaimed Dividend and shares transferred to Investor Education and Protection Fund (IEPF):

| **Financial Year** | **Type of Dividend** | **Dividend declared on** | **Amount transferred to IEPF (in ₹)*** | **Date of transfer to IEPF** |
|---|---|---|---|---|
| 2017-18 | 1st Interim Dividend | 14-02-2018 | 15,44,352/- | 06-05-2025 |
| 2017-18 | Final Dividend | 11-09-2018 | 15,20,495/- | 15-11-2025 |

**Dividend on shares which are transferred to IEPF*

**Shares transferred/ credited to IEPF:**

During the year 2025-26, the Company transferred 1,36,123 Ordinary (Equity) Shares to IEPF Authority corresponding to unclaimed dividend for the year 2017-18. As on 31st March, 2026, a total of 26,33,990 Ordinary (Equity) Shares of the Company stood transferred to the IEPF Authority.

Pursuant to IEPF Rules, given below are the details of Ordinary (Equity) Shares transferred to IEPF Authority:

| **Particulars** | **No. of shares transferred to IEPF** |
|---|---|
| Transferred to IEPF during the year 2022-23 | 16,96,033 |
| Transferred to IEPF during the year 2023-24 | 1,86,603 |
| Transferred to IEPF during the year 2024-25 | 6,15,231 |
| Transferred to IEPF during the year 2025-26 | 1,36,123 |
| **Total** | **26,33,990** |

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed a Nodal Officer under the provisions of IEPF Rules, the details of which are available on the website of the Company https://www.indocount.com/Parents/contact-information-of-the-designated-officials.

On behalf of the Board of Directors
For **INDO COUNT INDUSTRIES LIMITED**

**Anil Kumar Jain**
Executive Chairman
DIN: 00086106

Date: 30th May, 2026
Place: Mumbai

Annexure-I

## DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel of Indo Count Industries Limited have affirmed compliance with the Code of Conduct for the year ended 31st March, 2026.

For **INDO COUNT INDUSTRIES LIMITED**

**Kamal Mitra**
Whole-time Director
DIN: 01839261

Dated: 30th May, 2026
Place: Mumbai

Annexure-II

## NON-DISQUALIFICATION CERTIFICATE

We, Vikas R. Chomal and Associates, Practicing Company Secretaries, hereby certify pursuant to the provisions of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ending 31st March, 2026 that, none of the following Directors of **INDO COUNT INDUSTRIES LIMITED**, viz.:

| Sr. | Name of Director | Designation |
|---|---|---|
| 1 | Mr. Anil Kumar Jain | Executive Chairman |
| 2 | Mr. Mohit Jain | Executive Vice Chairman |
| 3 | Mr. Kamal Mitra | Whole-time Director |
| 4 | Mrs. Ambika Sharma | Independent Director |
| 5 | Mr. Sanjay Kumar Panda | Independent Director |
| 6 | Mr. Siddharth Mehta | Independent Director |
| 7 | Mr. Viswanathan Lakshmanan | Independent Director |
| 8 | Mr. Akash Kagliwal | Independent Director |

have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs (MCA) or any such statutory authority.

For **Vikas R. Chomal & Associates**

**Vikas R. Chomal**
Practicing Company Secretaries
FCS No. 11623
C.P. No. 12133

Date: 30th May, 2026
Place: Thane, Maharashtra

ICSI UDIN: F011623H000547862
ICSI Firm Peer Review Reg. No: S2013MH216500

Annexure- III

## Certificate of Compliance of Conditions of Corporate Governance Under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To**

**The Members of Indo Count Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Indo Count Industries Limited (the 'Company') for the Financial Year ended 31st March, 2026, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

We state that the compliance of conditions of Corporate Governance is the responsibility of the Management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Vikas R. Chomal & Associates**

**Vikas R Chomal**
Practicing Company Secretaries
FCS NO.: 11623
COP: 12133

Date: 30th May, 2026
Place: Thane, Maharashtra

ICSI Firm Peer Review Reg No: S2013MH216500
ICSI UDIN: F011623H000547873

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

**I. Details of the listed entity**

| S. No. | Details of the Entity | |
|---|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L72200PN1988PLC068972 |
| 2. | Name of the Listed Entity | Indo Count Industries Limited |
| 3. | Year of incorporation | 1988 |
| 4. | Registered office address | Office No. 1, Plot No. 266, Village Alte Kumbhoj Road, Taluka Hatkanangale Kolhapur – 416109 |
| 5. | Corporate address | 301, "Arcadia" 3rd Floor, Nariman Point, Mumbai - 400 021 |
| 6. | E-mail | info@indocount.com |
| 7. | Telephone | +91 (0) 22 – 43419500 |
| 8. | Website | www.indocount.com |
| 9. | Financial year for which reporting is being done | Financial year 2025-26 (April 1, 2025 to March 31, 2026) |
| 10. | Name of the Stock Exchange(s) where shares are listed | BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) |
| 11. | Paid-up Capital | ₹39,61,08,680 |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Name: Satnam Saini<br>Designation: Company Secretary<br>Contact: +91 (0) 22 – 43419500<br>E-mail: satnam.saini@indocount.com |
| 13. | Reporting boundary<br>Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Standalone |
| 14. | Name of assurance provider | - |
| 15. | Type of assurance obtained | - |

**II. Products/services**

16. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of main activity | Description of business activity | % of turnover of the entity (FY26) |
|---|---|---|---|
| 1 | Manufacturing – Textiles | Bed Sheets, Mattress Pads, Comforters, Duvet Covers, Pillows Etc. | 100% |

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service | NIC Code | % of total turnover contributed |
|---|---|---|---|
| 1. | Home Textile Products | 13924 - Manufacture of bedding, quilts, pillows and sleeping bags etc. | 100% |

### III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---|---|---|---|
| National | 4 | 6 | 10 |
| International | - | - | - |

19. Markets served by the entity:

a. Number of locations

| Locations | Number |
|---|---|
| National (No. of States/UTs) | 20+ |
| International (No. of Countries) | 50+ |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of the entity is 96.09%

c. A brief on types of customers

Indo Count stands out as a global frontrunner in home textiles, offering a comprehensive range of bedding solutions—from practical essentials to stylish and decorative sets—while prioritising quality, comfort, and innovation.

We cater to B2B clients in over 50 countries, such as:

- Mass merchants and wholesale clubs
- E-commerce and DTC platforms
- Quick-commerce providers
- Hospitality suppliers and specialty retailers
- Private-label and licensed brand partners

In addition to our worldwide B2B operations, we engage directly with consumers in India through our in-house brands Boutique Living and Layers. Globally, we broaden our presence using licensed brands like Fieldcrest, Waverly, Beautyrest, and Tommy Hilfiger, allowing us to meet the needs of a variety of customer groups across different markets. Our legacy brand Wamsutta is also helping us strengthen our direct-to-consumer (D2C) reach internationally, as we look to connect with the new generation of shoppers.

### IV. Employees

20. Details as at the end of the Financial Year:

a. Employees and Workers (including differently abled):

We are committed to fostering diversity and inclusion across our workforce. As at the end of the reporting period, female representation stood at approximately 11% of total employees and 18% of total workers.

| S. No. | Particulars | Total(A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 1128 | 1008 | 89% | 120 | 11% |
| 2. | Other than Permanent (E) | 89 | 81 | 91% | 8 | 9% |
| 3. | **Total employees (D + E)** | **1217** | **1089** | **89%** | **128** | **11%** |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 2471 | 2268 | 92% | 203 | 8% |
| 5. | Other than permanent (G) | 3311 | 2452 | 74% | 859 | 26% |
| 6. | **Total workers (F + G)** | **5782** | **4720** | **82%** | **1062** | **18%** |

b. Differently abled Employees and Workers

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 6 | 6 | 100% | - | - |
| 2. | Other than Permanent (E) | - | - | - | - | - |
| 3. | **Total differently abled employees (D + E)** | **6** | **6** | **100%** | **-** | **-** |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | 9 | 9 | 100% | - | - |
| 5. | Other than permanent (G) | 8 | 7 | 87.50% | 1 | 12.50% |
| 6. | **Total differently abled workers (F + G)** | **17** | **16** | **94.10%** | **1** | **5.88%** |

21. Participation/Inclusion/Representation of women

| | Total(A) | No. and percentage of Females | |
|---|---|---|---|
| | | No. (B) | % (B / A) |
| Board of Directors | 8 | 1 | 12.50% |
| Key Management Personnel | 5 | - | - |

22. Turnover rate for permanent employees and workers

| | FY 2025-2026 | | | FY 2024-2025 | | | FY 2023-2024 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 17.45% | 26.8% | 18.50% | 16.81% | 28.21% | 18.00% | 14% | 27% | 15.45% |
| Permanent Workers | 19.20% | 44.70% | 20.70% | 20.19% | 33.61% | 21.10% | 21% | 32% | 21.68% |

### V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding/ subsidiary/associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Ventures | % of shares held by listed Entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---|---|---|---|---|
| 1 | Indo Count Retail Ventures Limited | Wholly owned subsidiary | 100% | No |
| 2 | Indo Count Global Inc. | Wholly owned subsidiary | 100% | No |
| 3 | Indo Count UK Limited | Wholly owned subsidiary | 100% | No |
| 4 | Indo Count Global DMCC | Wholly owned subsidiary | 100% | No |
| 5 | Indo Count Global East, Inc. | Step down WOS | 100% | No |
| 6 | Fluvitex USA, Inc. | Step down subsidiary | 81% | No |
| 7 | Modern Home Textiles, Inc. | Step down WOS | 100% | No |
| 8 | Indo Count (Shanghai) Co. Limited | Step down WOS | 100% | No |

### VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) – INR 3,098.37 Cr

(iii) Net worth (in ₹) – INR 2,316.48 Cr

**VII. Transparency and Disclosures Compliance**

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom the complaint is received | Grievance redressal mechanism in place (Yes/No) | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes https://www.indocount.com/images/investor/Stakeholder-Grievance-Redressal-Policy.pdf | - | - | None | - | - | None |
| Investors (other than shareholders) | Yes. As per SEBI Listing Regulations and Internal Grievance Mechanism adopted by the Company. Investor Grievances – Designated Email id icilinvestors@indocount.com For details refer: https://www.indocount.com/investors/corporate-governance | - | - | None | - | - | None |
| Shareholders | Yes. As per SEBI Listing Regulations and Internal Grievance Mechanism adopted by the Company Investor Grievances – Designated Email id - icilinvestors@indocount.com For details refer: https://www.indocount.com/investors/corporate-governance | 13 | - | None | 11 | - | None |
| Employees and workers | Yes; The employee grievance redressal policy can be accessed at Employee Grievance Redressal Policy | - | - | None | - | - | None |
| Customers | Yes | 22 | - | None | 17 | - | None |
| Value Chain Partners | Escalation matrix is defined in individual client contracts. | - | - | None | - | - | None |
| Others | No | - | - | None | - | - | None |

26. Overview of the entity's material responsible business conduct issues –

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same approach to adapt or mitigate the risk, along with its financial implications, as per the following format

Sustainability challenges are the most crucial to our business and stakeholders in today's VUCA (volatile, uncertain, complex, and adaptive) world, which necessitates us to have a methodical framework in place to identify them.

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1 | GHG Emissions | Risk | The expansion of manufacturing capacity to accommodate increase in demand can potentially result in a subsequent rise in greenhouse gas (GHG) emissions. | The adoption of new and efficient technologies and the transition towards greener options, such as onsite solar projects and the purchase of renewable energy through power purchase agreements (PPAs), will lead to a reduction in greenhouse gas (GHG) emissions. | Negative |
| 2 | Energy management | Opportunity | Robust processes and meticulously designed systems are in place to optimize energy efficiency, and an unwavering commitment to continuously improve them to enhance our energy-saving initiatives. | For efficient energy management, solar panels and LEDs are installed at various facilities. Additionally, we have installed "Back Pressure Turbine" – to reuse excess steam in a turbine to generate electricity for internal usage and, optimized usage of Steam pressure in wet processing machines. | Positive |
| 3 | Sustainable Sourcing | Opportunity | We use many different raw materials to make our products, and we are continuously working to source most of them sustainably to produce eco-friendly product and reduce impact on environment. | Maintain continuous connect with suppliers to motivate and drive them to adapt sustainable practices. Additionally, sustainability is one of the important factors which we consider in shortlisting our suppliers. | Positive |
| 4 | Health & Safety | Risk | We place utmost priority on the health and safety of our human resources including contractual workforce. Resources in specific at our plants may have health concerns due to the complexities involved in the manufacturing processes. | To uphold ethical standards for human rights and health and safety all our plants are accredited with global standards such as ISO 45001-2018. Additionally, we provide regular safety training on topics including fire safety, disaster readiness etc. to our resources including contractual. | Positive |
| 5 | Business Ethics and Integrity and Code of Conduct | Risk | Our brand and reputation are of utmost priority as we engage with customers around the globe. To protect our brand, we are committed to conduct our operations ethically and establishing good governance across organization. | Company has well defined Code of Conduct, grievance redressal and whistle-blower mechanism in place. | Positive |

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| **Policy and management processes** | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available | https://www.indocount.com/investors/corporate-governance | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | | | | | | | | |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle. | • UNGC<br>• SEDEX<br>• BSCI<br>• SLCP/ FSLM | • ISO 9001<br>• GOTS<br>• Oekotex STeP<br>• ISO/IEC 17025<br>• Supima Cotton<br>• Egyptian Cotton<br>• OCS – Organic Content Standard<br>• GRS – Global Recycled Standard<br>• RCS – Recycled Claim Standard | • Health and safety framework ISO 45001 | • ISO 14001 | • ISO 9001, 45001<br>• UNGC<br>• SEDEX<br>• BSCI | • Indo Count Environment Management systems are aligned to ISO 14001 standards<br>• HIGG vFEM<br>• STeP | • Code of Conduct<br>• GRI Standards<br>• Tax Policy | • CSR disclosures pursuant to Section 135 of the Companies Act, 2013<br>• GRI Standards | • Oekotex<br>• Made in Green<br>• GOTS/RCS/ GRS/OCS<br>• Fairtrade<br>• ISO/IEC 17025 |

| Disclosure Questions | P 1 – P 9 |
|---|---|
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | Indo Count, a responsible and forward-thinking Company, has set ambitious sustainability goals and targets to make a positive impact on the environment and society. Here are the key goals and the corresponding targets that have been undertaken by the company: (see below) |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | (see below) |

**5.** Indo Count, a responsible and forward-thinking Company, has set ambitious sustainability goals and targets to make a positive impact on the environment and society. Here are the key goals and the corresponding targets that have been undertaken by the company:

1. Reduce energy emissions in Operations by 33% through the use of renewable energy sources by 2030
2. Sustainable Procurement of Raw Materials (Fabric): Goal: Procure raw materials sustainably to minimize environmental impact.
   - Increase the capability of sourcing sustainable raw material from vendors to 50% by 2030 and 100% by 2035.
3. Water Neutrality in Operations: Goal: Achieve water neutrality to conserve this precious resource.
   - Reduce water usage to 30 kiloliters per metric ton (KL/MT) by 2027, and Zero Liquid Discharge by 2030 .
4. Zero Waste to Landfill: Goal: Eliminate waste to landfills, promoting a circular economy.
   - Achieve zero waste to landfills, adopting effective waste management strategies by 2030
   - Continue the commitment to zero waste, ensuring all waste is responsibly managed by 2030
5. Inclusive Growth: Improve community and lives by creating shared value.
   - Positively impact 9,50,000 lives by creating shared value by 2027 and 12,00,000 by 2030
   - Empower 75,000 farmers and enhance their livelihood through sustainable cotton projects covering 2,90,000 acres by 2030, Extending the reach to 1,00,000 farmers and covering 3,34,000 acres of land by 2035
   - Contribute to afforestation efforts to combat climate change by planting 65,000 trees by 2027 and 70,000 trees by 2030.
6. Health & Safety: Our top priority is the well-being of every individual across our operations, and we are steadfast in our efforts to achieve and sustain zero fatalities.
7. Business Ethics and Integrity and Code of Conduct: Increase the coverage of employees including workers that are given training for POSH, Code of Conduct, Whistle-blower to 100%

**6.**

1. Sustainable Procurement of Raw Materials (Fabric): Goal: Procure raw materials sustainably to minimize environmental impact. FY 2024-26: Continued efforts leading to 39.8% of raw material being procured sustainably up from 24 % from FY25
2. Our commitment to Creating Shared Value (CSV) has resulted in a significant positive impact on communities. In FY 2025-26, we improved the lives of 8,85,031 individuals, building on the initial impact of 121,019 lives in FY 2018-19.
3. Empowering cotton farmers and supporting sustainable cotton projects remain a priority. By FY 2025-26, our efforts positively impacted 26,382 farmers, signifying substantial progress.
4. Enhancing sustainability in cotton projects, we covered 1,19,050 acres under sustainable practices in FY 2025-26, making commendable strides towards responsible farming.
5. As part of our contribution to combat climate change, our tree plantation initiative successfully planted 5,593 trees & Maintained 44,000 trees in FY 2025-26, further demonstrating our dedication to reforestation since its inception in FY 2018-19.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| **Governance, leadership and oversight** | | | | | | | | | |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | The Company remains committed to building a sustainable and socially responsible enterprise by aligning its operations with recognised ESG principles and responsible business practices. Our approach is guided by a purpose-driven strategy that integrates environmental stewardship, social responsibility, and robust governance across our manufacturing operations and supply chain. During the reporting period, the Company made measurable progress across key sustainability pillars. Sustainable sourcing has increased to 39.8% of total inputs, up from 24% in the previous financial year, reflecting our continued focus on responsible procurement of cotton, yarn, fabric, dyes and chemicals, wadding, and packaging materials. We remain committed to achieving 100% sustainable sourcing by 2035. On the operational front, the Company continues to advance sustainable manufacturing practices through increased adoption of renewable energy, enhanced energy efficiency, and resource optimisation initiatives. Focused efforts toward water stewardship have enabled conservation, increased reuse, and reduced dependence on freshwater sources across operations. In line with our commitment to circular economy principles, we are progressing toward sustainable packaging solutions, including the phased transition from conventional materials to self-fabric and FSC-certified packaging. Additionally, the Company continues to reduce its carbon footprint by increasing the share of renewable energy in its overall energy mix and improving process efficiencies. Beyond environmental initiatives, the Company remains dedicated to the health, safety, and well-being of its employees and stakeholders, while actively contributing to community development through its CSR programmes. We will continue to strengthen our ESG performance through measurable targets, transparent disclosures, and responsible business practices, ensuring long-term value creation for all stakeholders. | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/ policies | Mr. Kamal Mitra<br>Whole-time Director<br>Telephone number – 0230 2463100<br>E-mail id - info@indocount.com | | | | | | | | |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Yes, the entity has a re-constituted ESG & CSR Committee at the Board level that is responsible for decision-making on sustainability-related matters. This Committee oversees and guides the entity's sustainability strategy, policies, and initiatives. | | | | | | | | |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether the review was undertaken by the Director / the Committee of the Board,/Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against the above policies and follow-up action | As a practice, BRSR policies of the Company are reviewed periodically or on a need basis by respective Department Heads, Business Heads and Executive Directors. During this assessment, the efficacy of the policies are reviewed and necessary changes to policies and procedures are implemented by the respective Committees of the Board of Directors. | | | | | | | | | Annually | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | The Company is in compliance with the extant regulations as applicable and the same are reviewed by the Board of Directors on quarterly basis. Further, Statutory Compliance Certificate on applicable laws is provided by the Whole-time Director, Company Secretary & Compliance Officer to the Board of Directors on quarterly basis. | | | | | | | | | Quarterly review | | | | | | | | |





| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| 11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. | No, we have a comprehensive functional review system, supported by an independent internal audit process that evaluates all key policies. | | | | | | | | |

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the principles material to its business (Yes/No) | Not Applicable | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | Not Applicable | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | Not Applicable | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | Not Applicable | | | | | | | | |
| Any other reason (please specify) | Not Applicable | | | | | | | | |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | Percentages of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors (BoD) | 3 | Awareness on the provisions of Companies Act, SEBI Listing Regulations and Insider Trading Regulations | 100% |
| Key Managerial Personnel (KMPs) | 1 | POSH Act Awareness | 100% |
| Employees other than BoD and KMPs | 26 | POSH Awareness, First Time Leaders, Presentation Skills & Canva, Know your Threads, SAP Training, Health Safety Environment, Manufacturing Excellence, Mold Prevention Training, RCA Meeting, Excel Skills, Problem Solving & Decision Making, Yoga & Meditation Session, Mental Health Awareness, Session on Healthy Diet & Nutrition, Healthy Heart Awareness, Eye Care & Cataract Awareness, Awareness Session on Diabetes Management, Cancer Awareness Lifestyle Management, Obesity Management Session, General Health Check-up | 100% |
| Workers | 528 | First Aid, Fire Fighting, Fire evacuation mock drill, POSH Awareness Session, Personal Protective Equipment's (PPE), Chemical handling, Health & Safety, Technical Training & Work Instructions, Quality Training, Security Training, Buyers Code of Conduct, Company Policy Awareness Session, Customer Delight, Result Orientation, Excel skills, Communication Skills, Stress relief Management, Fire Fighting, Mock Drill | 100% |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

| Monetary | | | | | |
|---|---|---|---|---|---|
| | NGRBC Principle | Name of the regulatory/ Enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| **a. Monetary** | | | | | |
| Penalty/ Fine | - | - | - | - | - |
| Settlement | - | - | - | - | - |
| Compounding fee | - | - | - | - | - |

| b. Non-Monetary | | | | |
|---|---|---|---|---|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ Judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | - | - | - | - |
| Punishment | - | - | - | - |

During the year FY 2025-26, no material fines / penalties / punishments / award / compounding fees / settlement as per Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 were levied on the Company and its Directors / KMP's.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|---|---|
| Not Applicable | |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

We are dedicated to safeguarding our reputation by upholding the highest standards of integrity in all our interactions with partners, customers, and regulators. We maintain a strict zero-tolerance approach to bribery and corruption across all our operations. Our governance framework also addresses related areas such as anti–money laundering, acceptance of gifts and hospitality, and management of conflicts of interest, ensuring ethical conduct and full compliance with applicable laws and internal policies. https://www.indocount.com/images/investor/Anti-Bribery-and-Anti-Corruption-Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Directors | NIL | NIL |
| KMPs | | |
| Employees | | |
| Workers | | |

6. Details of complaints with regard to conflict of interest:

| | FY 2025-2026 | | FY 2024-2025 | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | NIL | NIL | NIL | NIL |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | | | | |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No fines / penalties / actions were imposed by regulators/ law enforcement agencies or judicial institutions on cases related to corruption and conflicts of interest.

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format:

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Number of days of accounts payables | 29 | 31 |

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format

| Parameter | Metrics | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 20% | 8% |
| | b. Number of trading houses where purchases are made from | 470 | 405 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 87% | 72% |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | 13% | 16.23% |
| | b. Number of dealers / distributors to whom sales are made | 14 | 18 |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributor | 99% | 99% |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | - | - |
| | b. Sales (Sales to related parties / Total Sales) | 6.89% | 12.19% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 100% | 100% |
| | d. Investments (Investments in related parties / Total Investments made) | 21.45% | 27.84% |

**Leadership Indicators**

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics/principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| 2 | ESG, Reporting Standards & Frameworks, Sustainability Initiatives at Indo Count, and the role of value chain partners in supporting these initiatives | 38% |

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has a Code of Conduct for its Board of Directors and Senior Management Personnel that outlines protocols for avoiding actual or potential conflicts of interest. To effectively manage such situations, the Company obtains annual declarations from Board members and senior management and ensures that all necessary legal approvals are secured before proceeding with any transaction that may present a conflict of interest. The policy is available on the Company's website at https://www.indocount.com/images/investor/Code-of-conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf

## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | FY 2025-2026 | FY 2024-2025 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | 50.85% | 13.5% | During FY 2025–26, the Company's research and development initiatives continued to focus on advancing environmental sustainability and circularity. Efforts were directed toward developing innovative products incorporating regenerative and sustainable fibres such as recycled cotton, lyocell, and organic cotton. These initiatives aim to reduce reliance on conventional cotton, enhance resource efficiency across water, energy, and land use, and improve material biodegradability. By integrating these fibres into its product portfolio, the Company is contributing to the reduction of environmental impact and supporting sustainable practices across the value chain. |
| Capex | - | 14.93 | The Company has undertaken various initiatives to improve energy and resource efficiency across its operations. These include measures related to renewable energy, energy-efficient equipment, process improvements, recovery and reuse systems, and responsible waste management. Efforts have also been made to optimise the utilisation of available resources, minimise operational losses where feasible, and support circularity through the recovery and beneficial use of by-products and waste streams. These initiatives form part of the Company's ongoing approach towards operational efficiency and environmental stewardship. |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) –

   Yes. The Company's Supplier Ethics and Compliance Policy sets out mandatory requirements for suppliers to adhere to ethical, transparent, and sustainable business practices, reinforcing our commitment to responsible sourcing across the value chain. Sustainability considerations are embedded across all stages of operations—from fibre procurement to packaging—supported by a compliant and traceable supply chain.

   The Company operates large-scale facilities with MADE IN GREEN (MiG) labelling capabilities, further strengthening its commitment to sustainable and certified production systems. Given the significant share of cotton in the input mix, focused efforts have been undertaken to procure BCI cotton, including direct farmer engagement and participation in collaborative programmes.

   In addition to cotton, the Company sources a diverse portfolio of sustainable fibres, including Supima cotton, carbon-neutral Tencel™, GOTS-certified materials, Fairtrade cotton, and GRS-certified polyester. These initiatives are complemented by ongoing efforts to advance responsible sourcing practices, material innovation, and process efficiencies through technology investments and cross-industry collaborations. Collectively, these measures enable the Company to strengthen sustainability across its supply chain and support the transition towards more regenerative and resource-efficient business practices.

   b. If yes, what percentage of inputs were sourced sustainably?

   Yes. 39.8% of the Company's inputs were sourced sustainably during the reporting period, an increase from 24% in the previous financial year. This includes cotton, yarn, fabric, dyes and chemicals, wadding, and packaging materials. The Company remains committed to achieving 100% sustainable sourcing of raw materials and packaging materials by 2035.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The products are sold to B2B customers, and the packaging material left post production is reused for future sales. Awareness sessions are conducted to encourage proper disposal through recyclers. The company does not reclaim products for end-of-life disposal. For its operations, the company has implemented the following waste management practices:

| Product | Process to safely reclaim the product |
|---|---|
| a. Plastics (including packaging) | We are in the process of replacing packaging material to sustainable alternatives. Approx. 85% of the packaging material used is sourced sustainably. |
| b. E-Waste | Transported to authorized recycler |
| c. Hazardous Waste | Transported to MEPL (Maharashtra Enviro Power Limited), Pune and BEIL. Infrastructure Limited, Bharuch for safe disposal. |
| d. Other Waste | Non-hazardous wastes are sold to recycler for further upcycling, disposal and relevant usage |

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).

   If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to the Pollution Control Boards? If not, provide steps taken to address the same.

   Yes, The organization is a registered entity with the Central Pollution Control Board (CPCB) and its waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product /Service | % Of total Turnover Contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | If yes, provide the web link |
|---|---|---|---|---|---|---|
| Nil | | | | | | |

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---|---|---|
| Not Applicable | | |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|---|---|---|
| | FY 2025-2026 | FY 2024-2025 |
| Packing Material, Yarn & Greige, Wading non-woven and Cotton | 9.76% | 11.03% |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

| | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|
| | Re-Used (MT) | Recycled (MT) | Safely Disposed (MT) | Re-Used (MT) | Recycled (MT) | Safely Disposed (MT) |
| Plastics (including packaging) | - | - | - | - | - | - |
| E-waste | - | - | - | - | - | - |
| Hazardous waste | - | - | - | - | - | - |

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|
| Nil | |

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

**Essential Indicators**

1. a. Details of measures for the well-being of employees.

| Category | Total (A) | Health insurance No. (B) | Health insurance % (B/A) | Accident insurance No. (C) | Accident insurance % (C/A) | Maternity benefits No. (D) | Maternity benefits % (D/A) | Paternity Benefits No. (E) | Paternity Benefits % (E/A) | Day Care facilities No. (F) | Day Care facilities % (F/A) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Permanent employees** | | | | | | | | | | | |
| Male | 1008 | 501 | 50% | 1008 | 100% | - | - | 1008 | 100% | - | - |
| Female | 120 | 36 | 30% | 120 | 100% | 120 | 100% | - | - | 120 | 100% |
| **Total** | **1128** | **537** | **48%** | **1128** | **100%** | **120** | **11%** | **1008** | **89%** | **120** | **11%** |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | 81 | 10 | 12.34% | 81 | 100% | - | 0% | 81 | 100% | - | - |
| Female | 8 | 1 | 12.50% | 8 | 100% | 8 | 100% | - | - | 8 | 100% |
| **Total** | **89** | **11** | **12.35%** | **89** | **100%** | **8** | **9%** | **81** | **91%** | **8** | **9%** |

b. Details of measures for the well-being of workers:

| Category | Total (A) | Health Insurance No. (B) | Health Insurance % (B/A) | Accident Insurance No. (C) | Accident Insurance % (C/A) | Maternity Benefits No. (D) | Maternity Benefits % (D/A) | Paternity Benefits No. (E) | Paternity Benefits % (E/A) | Day Care facilities No. (F) | Day Care facilities % (F/A) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Permanent workers** | | | | | | | | | | | |
| Male | 2268 | 682 | 30% | 2268 | 100% | - | - | - | - | - | - |
| Female | 203 | 1 | - | 203 | 100% | 203 | 100% | - | - | 203 | 100% |
| **Total** | **2471** | **683** | **28%** | **2471** | **100%** | **203** | **8%** | **-** | **-** | **203** | **8%** |
| **Other than Permanent workers** | | | | | | | | | | | |
| Male | 2452 | 2452 | 100% | 2452 | 100% | - | - | - | - | - | - |
| Female | 859 | 859 | 100% | 859 | 100% | 859 | 100% | - | - | 859 | 100% |
| **Total** | **3311** | **3311** | **100%** | **3311** | **100%** | **859** | **26%** | **-** | **-** | **859** | **26%** |

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Cost incurred on wellbeing measures as a % of total revenue of the company | 0.06% | 0.03% |

2. Details of retirement benefits.

| Benefits | FY 2025-2026 No. of employees covered as a % of total employees | FY 2025-2026 No. of workers covered as a % of total workers | FY 2025-2026 Deducted and deposited with the authority (Y/N/N.A.) | FY 2024-2025 No. of employees covered as a % of total employees | FY 2024-2025 No. of workers Covered as a % of total workers | FY 2024-2025 Deducted and deposited with the authority (Y/N/N.A.) |
|---|---|---|---|---|---|---|
| PF | 100% | 100% | Yes | 100% | 100% | Yes |
| Gratuity | 100% | 100% | Yes | 100% | 100% | Yes |
| ESI | 4% | 30% | Yes | 5% | 44% | Yes |
| Other - WC | - | - | - | 100% | 100% | Yes |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We fully recognize the critical importance of complying with the provisions set forth in the Rights of Persons with Disabilities Act, 2016. As an organization, we are committed to creating an inclusive environment where persons with disabilities are not only welcomed but also provided with the necessary support and accommodation to thrive. To this end, we are proactively identifying and addressing the unique needs of employees and workers with disabilities by regularly reviewing our workplace policies, infrastructure, and practices to ensure they align with legal requirements and best practices in accessibility. Our ongoing efforts include assessing physical and digital accessibility, providing appropriate resources and training for our staff, and fostering a culture of respect and equal opportunity. We believe that these measures are essential for building a more equitable and supportive workplace for everyone.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is firmly committed to providing equal employment opportunities to all individuals, ensuring that decisions regarding hiring, promotion, and other employment actions are based strictly on merit and the legitimate needs of the business. Our approach to equal opportunity goes beyond compliance with applicable laws; we proactively foster a workplace where every person is valued for their unique contributions, regardless of their background. We explicitly prohibit discrimination based on gender, caste, religion, race, and other protected characteristics. While adherence to state and local laws and regulations is a legal requirement, our commitment to diversity and inclusion is rooted in a genuine belief that everyone deserves a fair and equitable chance to succeed within the Company. We continuously review our policies to ensure they not only meet legal standards, but also reflect the evolving needs and aspirations of our workforce. Our equal employment opportunity policies are central to our organizational values and identity. By upholding these principles, we strive to build a workplace where respect, integrity, and fairness are the foundation of all our interactions. We believe that a diverse workforce enhances creativity and drives innovation, enabling us to better serve our clients and communities. These policies help create an environment where every employee feels empowered, supported, and included. Our commitment to equal opportunity extends beyond the workplace and serves as a guiding principle in our interactions with the broader community. We actively engage in initiatives that promote fairness and inclusion, recognizing that our actions have a positive impact not only within the Company, but also in the neighborhoods and cities where we operate. Through ongoing training, awareness programs, and open dialogue, we work to ensure that our commitment to equality is reflected in every aspect of our business.

For further information on our equal opportunity policies and ongoing initiatives, please refer to our official policy document available at Equal Opportunity Policy.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees Return to work rate | Permanent employees Retention rate | Permanent Workers Return to work rate | Permanent Workers Retention rate |
|---|---|---|---|---|
| Male | 100% | 100% | 100% | 100% |
| Female | 100% | 100% | 100% | 100% |
| **Total** | **100%** | **100%** | **100%** | **100%** |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|---|---|
| Permanent Employees | Yes<br>Our organization has implemented a well-defined and comprehensive grievance redressal mechanism specifically designed to address and resolve a wide range of employee concerns in a timely and effective manner. This structured system ensures that all employees have access to a transparent and reliable process for voicing their issues, thereby promoting a positive and open workplace culture.<br>Our Employee Grievance Redressal Policy provides a clear and detailed outline of the procedures, roles, and timeframes associated with addressing and resolving various types of complaints. The policy specifies the responsibilities of all parties involved, including employees, Reporting Managers, Heads of Department (HODs), the Human Resources (HR) team, and Management, ensuring that each step in the process is well-understood and consistently followed.<br>Employees who have concerns or grievances are encouraged to initially approach their respective Reporting Manager or HOD to discuss the issue in a confidential and constructive manner. These direct conversations often lead to quick resolutions and help foster mutual understanding between employees and management.<br>By following this multi-tiered grievance redressal process, the organization ensures that every concern, regardless of its complexity, is addressed with the seriousness it deserves. This approach not only resolves individual issues but also helps in identifying patterns or systemic challenges that can be proactively managed to enhance the overall work environment. |
| Other than Permanent Employees | |
| Permanent Workers | Permanent employees or their representatives may address their concerns using the Company's grievance redressal mechanism. |
| Other than Permanent Workers | Contract workers can bring up their grievances through their line managers or Plant Heads; if unresolved, they may escalate the issue to the HR Department via their respective contractors. |

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

| Category | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| **Total Permanent Employees** | 1128 | - | - | 1143 | - | - |
| Male | 1008 | - | - | 1024 | - | - |
| Female | 120 | - | - | 119 | - | - |
| **Total Permanent Workers** | 2471 | 1463 | 59% | 2494 | 1485 | 59.5% |
| Male | 2268 | 1437 | 63% | 2300 | 1457 | 63% |
| Female | 203 | 26 | 13% | 194 | 28 | 14% |

8. Details of training given to employees and workers:

| Category | FY 2025-2026 | | | | | FY 2024-2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| Male | 1008 | 1008 | 100% | 364 | 36% | 1024 | 1024 | 100% | 838 | 82% |
| Female | 120 | 120 | 100% | 120 | 100% | 119 | 119 | 100% | 119 | 100% |
| **Total** | **1128** | **1128** | **100%** | **484** | **43%** | **1143** | **1143** | **100%** | **957** | **84%** |
| **Workers** | | | | | | | | | | |
| Male | 2268 | 2268 | 100% | 170 | 7% | 2300 | 2300 | 100% | 234 | 10% |
| Female | 203 | 203 | 100% | 7 | 3% | 194 | 194 | 100% | 10 | 5% |
| **Total** | **2471** | **2471** | **100%** | **177** | **7%** | **2494** | **2494** | **100%** | **244** | **10%** |

9. Details of performance and career development reviews of employees and workers:

| Category | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| **Permanent Employees** | | | | | | |
| Male | 915 | 915 | 100% | 809 | 809 | 100% |
| Female | 105 | 105 | 100% | 69 | 69 | 100% |
| **Total** | **1120** | **1120** | **100%** | **878** | **878** | **100%** |
| **Permanent Workers** | | | | | | |
| Male | 2268 | - | - | 2300 | - | - |
| Female | 203 | - | - | 194 | - | - |
| **Total** | **2471** | **-** | **-** | **2494** | **-** | **-** |

**All eligible employees are covered under performance and career development review.*

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes. The Company has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) aligned with the requirements of ISO 45001:2018, a globally recognized standard for occupational health and safety.

The OHSMS is embedded within the Company's Environment, Health and Safety (EHS) Framework and is applicable across all operations. It covers 100% of employees and workers, including contract workforce, ensuring a safe and healthy working environment for all personnel operating within or visiting Company premises.

Accountability for occupational health and safety performance is clearly defined and rests with management at all levels, supported by structured governance, monitoring, and continual improvement mechanisms.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has established a structured and documented process for hazard identification and risk assessment (HIRA) in line with ISO 45001:2018 (Clause 6 – Planning). Key elements include:

- Comprehensive HIRA framework covering both routine and non-routine activities, including maintenance, shutdowns, and emergency situations
- Job Safety Analysis (JSA) and Task Risk Assessments conducted prior to execution of critical activities
- Periodic workplace inspections and safety audits to proactively identify potential hazards
- Change management procedures (MOC) to assess risks arising from modifications in processes, equipment, or operations

- Incident/near-miss reporting and investigation systems to identify root causes and prevent recurrence
- Employee participation mechanisms, including safety committees and toolbox talks, to capture ground-level risks
- Risk prioritization and mitigation planning using defined risk rating methodologies

These processes are periodically reviewed and updated to ensure alignment with evolving operational risks, regulatory requirements, and industry best practices.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes. The Company has established formal mechanisms enabling employees and workers to identify, report, and act upon work-related hazards, including the right to withdraw from unsafe conditions without fear of retaliation.

Key elements include:

- A structured Hazard Identification and Risk Assessment (HIRA) process, reviewed annually and updated based on incidents, regulatory changes, and operational learnings
- Multiple reporting channels such as safety observations, near-miss reporting systems, and escalation through supervisors and safety committees
- Stop-work authority, empowering workers to remove themselves from unsafe situations and report concerns promptly
- Regular training programs, toolbox talks, mock drills, and safety seminars to build awareness on hazard recognition and mitigation
- Active worker participation in safety committees and risk assessment exercises

These mechanisms ensure timely identification, reporting, and mitigation of occupational risks across operations.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes. The Company provides access to comprehensive non-occupational medical and healthcare services to all employees and workers.

This includes:

- Group health and personal accident insurance coverage, renewed annually, covering employees and eligible workers
- Fully equipped Occupational Health Centres (OHCs) at manufacturing locations, operational 24x7
- Availability of qualified medical personnel, including paramedics and doctor-on-call support
- Access to emergency medical infrastructure, including standby ambulances at sites
- Preventive healthcare measures such as periodic health check-ups and wellness initiatives

These provisions ensure that employees and workers have timely access to medical support, contributing to overall well-being beyond workplace-related health risks.

11. Details of safety-related incidents, in the following format:

| Safety Incident/Number | Category | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| Total recordable work-related injuries | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| No. of fatalities | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| High consequence work-related injury or ill health (excluding fatalities) | Employees | Nil | Nil |
| | Workers | Nil | Nil |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has embedded occupational health and safety (OHS) as an integral part of its operational framework, ensuring that safety considerations are systematically integrated across all business processes and manufacturing facilities.

The Company's safety and health management system is guided by the Plan–Do–Check–Act (PDCA) methodology, enabling a structured approach to hazard identification, risk assessment, mitigation, and continuous improvement. Operational risks are periodically evaluated, and appropriate preventive and corrective actions are implemented to minimise incidents and enhance workplace safety.

To strengthen a culture of safety, the Company conducts regular training and awareness programmes for employees covering key aspects such as safe work practices, fire safety, and emergency preparedness. This includes periodic mock drills and evacuation exercises to ensure readiness in case of emergencies and to reinforce adherence to established protocols.

Through these initiatives, Indo Count demonstrates its commitment to maintaining a safe, healthy, and secure work environment, while continuously strengthening its safety performance in line with industry best practices and regulatory expectations.

13. Number of complaints on the following made by employees and workers

| | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | Nil | Nil | Nil | Nil | Nil | Nil |
| Health & Safety | Nil | Nil | Nil | Nil | Nil | Nil |

14. Assessments for the year

The Company follows a structured approach to monitoring and assessing workplace health, safety, and working conditions, in line with applicable regulatory requirements and industry standards. Regular internal and external assessments are conducted to evaluate compliance, identify improvement areas, and strengthen overall workplace conditions across manufacturing facilities.

Internal audit mechanisms are integrated into the Company's safety and operations management systems, enabling periodic review of systems, processes, and controls. These audits support continuous improvement in workplace safety, employee well-being, and operational hygiene.

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100%<br>Weekly internal audits conducted to assess health and safety practices across facilities.<br>*Periodic inspections carried out by Directorate of Industrial Safety & Health (DISH), Boiler Inspectors, and Electrical Inspectors to ensure regulatory compliance.<br>*Additional oversight through inspections by Customer-nominated external agencies under Codes of Conduct.<br>*The Company is ISO 45001 certified, reflecting adherence to internationally recognised occupational health and safety management standards. |
| Working Conditions | 100%<br>Weekly internal audits conducted to evaluate working conditions, including workplace environment, hygiene, and employee welfare.<br>* External inspections undertaken by DISH, Maharashtra Pollution Control Board (MPCB), Boiler Inspectors, GPCB authorities (as applicable), State Labour Officers, and Assistant Labour Commissioners.<br>* Customer-led audits conducted across facilities based on compliance requirements and Codes of Conduct.<br>* The Company maintains ISO 45001 certification, reinforcing systematic management of workplace conditions. |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

No material non-compliances or corrective actions were identified during the reporting period in relation to the above parameters. The Company maintains a strong focus on occupational health and safety performance, supported by structured systems and regular monitoring. It continues to conduct comprehensive safety training programmes for all employees and workers, including contractual workforce, aimed at strengthening awareness, promoting safe work practices, and preventing incidents, including serious and fatal accidents. These ongoing initiatives reflect the Company's commitment to upholding high standards of workplace safety, embedding a proactive safety culture, and aligning with industry best practices.

**Leadership Indicators**

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).
   a. **Employees (Yes/No):** Yes, the Company extends life insurance/compensatory package in the event of the death of its employees.
   b. **Workers (Yes/No):** Yes, the Company extends life insurance/compensatory package in the event of the death of its employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has established a robust mechanism to ensure that all TDS is duly deducted and deposited by its value chain partners, with appropriate accounting in the SAP system. Further, in line with business agreements, contracts, and purchase orders, all vendors and contractors are required to discharge their statutory obligations in a timely manner.

The Company periodically verifies payments made by vendors to various government authorities towards statutory dues. In the case of GST, payments to value chain partners are released only after confirming that the tax has been duly deposited with the government. Any deviations identified are addressed through issuance of notices, imposition of penalties, or, in cases of repeated non-compliance, discontinuation of business relationships with defaulting vendors on a case-by-case basis.

3. Provide the number of employees/workers having suffered high-consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/ workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|---|---|---|---|---|
| | FY 2025-2026 | FY 2024-2025 | FY 2025-2026 | FY 2024-2025 |
| Employees | - | - | - | - |
| Workers | - | - | - | - |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes. The Company has established structured mechanisms to support continued employability and manage career transitions. This includes the implementation of a Performance Improvement Plan (PIP) and skill upgradation programmes across all employee levels, from junior staff to senior management.

These initiatives are designed to provide employees with adequate guidance, training, and opportunities to improve performance before any decision related to separation is considered. The Company focuses on enabling employees to meet required performance standards through targeted interventions, mentoring, and capacity-building efforts, thereby supporting fair and responsible workforce management practices.

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Health and safety conditions | The Company has established a Code of Conduct for its value chain partners, requiring them to maintain safe and healthy working conditions for all employees and contractors. Partners are also expected to adhere to all applicable occupational health and safety regulations at both the state and national levels, including securing and maintaining the necessary permits, licenses, and approvals from relevant authorities to carry out their operations. |
| Working conditions | |

Yes. The Company has established a Code of Conduct for its Value Chain Partners, which sets out clear expectations for maintaining safe and healthy working conditions across the supply chain.

Value chain partners are required to ensure compliance with all applicable occupational health and safety (OHS) regulations at the state and national level, including obtaining and maintaining relevant permits, licences, and statutory approvals from competent authorities. These requirements reinforce the Company's commitment to extending responsible business practices beyond its own operations, ensuring that health and safety standards are upheld consistently across its value chain.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

## Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are integral to the Company's business operations, with their expectations and interests playing a critical role in shaping its strategic direction and long-term value creation. Through a structured assessment of the end-to-end value chain and ongoing stakeholder engagement processes, the Company has identified and categorised key stakeholder groups based on their influence on, and impact by, its operations. To ensure alignment between business strategy and stakeholder expectations, the Company undertook a comprehensive review of its value chain to identify, prioritise, and map material stakeholder groups, including customers, employees, suppliers and value chain partners, investors/shareholders, regulators, and communities. Engagement with these stakeholders is carried out through formal and informal channels, including periodic interactions, disclosures, surveys, and feedback mechanisms. The insights derived from these engagements are systematically integrated into business planning, risk management, and sustainability initiatives, enabling the Company to address stakeholder concerns proactively while strengthening transparency and accountability. This structured approach ensures that stakeholder perspectives are embedded into decision-making processes, supporting responsible business conduct, improved ESG performance, and sustainable value creation across the organisation.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

We use a strategic approach that prioritizes openness, cooperation, and the accomplishment of shared goals to build strong and productive relationships with our stakeholders. By using this strategy, we hope to develop an atmosphere of open communication and cooperation, strengthening the relationship between the business and its stakeholders.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Customer | No | Email, In-person and Online meetings, Company Website, Phone Calls, Conferences, Manufacturing site visits | Continuously | Product & Service related |
| Employee | No | Email, In-person and Online meetings, Company Website, Phone Calls, Notice board and Engagement Sessions | Continuously | HR & Operation related |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Community | Yes | Field visit, Focus Group discussions, CSR Projects & Engagements | Continuously | Community initiatives & service related |
| Regulatory Authorities | No | Industrial Forums, Email, meetings, website | Periodical | Ease of doing business, National and International Trade development, Reduction of socio-economic imbalances through policy amendments and improvements |
| Shareholders and Investors | No | One-on-one meetings, One-on-one meetings, Board presentations, Annual General, Meetings, Reports, Investor Presentations | Quarterly | Continuous access to capital Shareholder voting rights |
| Business Partners | No | Meetings, Email, Phone | Ad hoc (Need Based) | Ease of doing business, National and International Trade development, Reduction of socio-economic imbalances through policy amendments and improvements |
| Suppliers and Vendors | No | Direct Interactions, Email, Phone Calls, Text Messages, Vendor Portals | Continuously | Procurement of materials & service related, Performance review on product and service as per the requirement. |

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The Company engages with its key stakeholders through both formal and informal channels, including employee engagement forums, community consultations under CSR initiatives, supplier meetings, and customer interactions. The ESG & CSR Committee of the Board periodically reviews these engagements and provides updates to the Board, ensuring that stakeholder perspectives are duly considered in strategic decision-making.

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes, stakeholder consultations are actively used to identify and manage environmental and social priorities. Inputs from communities, farmers, and local stakeholders have directly influenced initiatives such as RO water installations, sanitation facilities, sustainable farming practices, and infrastructure enhancements at Anganwadi centres.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   Indo Count has demonstrated a strong commitment to engaging with and addressing the needs of vulnerable and marginalized stakeholder groups through targeted CSR initiatives. These include modernization of Anganwadi centres, support to old age homes, promotion of inclusive sports for the differently-abled, provision of mobile healthcare services in rural areas, assistance to TB patients, enhancement of income for marginal farmers through sustainable agriculture, and improved access to safe drinking water and sanitation—collectively addressing key concerns of these communities.





## Principle 5: Businesses should respect and promote human rights

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees / workers covered (B) | % (B/A) | Total (C) | No. of employees / workers covered (D) | % (D/C) |
| **Employees** | | | | | | |
| Permanent | 1128 | 1128 | 100% | 1143 | 1143 | 100% |
| Other than permanent# | 89 | 89 | 100% | 75 | 75 | 100% |
| **Total employees** | **1217** | **1217** | **100%** | **1218** | **1218** | **100%** |
| **Workers** | | | | | | |
| Permanent | 2471 | 2471 | 100% | 2494 | 2494 | 100% |
| Other than permanent# | 3311 | 3311 | 100% | 3448 | 3448 | 100% |
| **Total workers** | **5782** | **5782** | **100%** | **5942** | **5942** | **100%** |

2. Details of minimum wages paid to employees and workers, in the following format

| Category | FY 2025-2026 | | | | | FY 2024-2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| **Permanent** | | | | | | | | | | |
| Male | 1008 | - | - | 1008 | 100% | 1024 | - | - | 1024 | 100% |
| Female | 120 | - | - | 120 | 100% | 119 | - | - | 119 | 100% |
| **Other than Permanent** | | | | | | | | | | |
| Male | 81 | - | - | 81 | 100% | 72 | - | - | 72 | 100% |
| Female | 8 | - | - | 8 | 100% | 3 | - | - | 3 | 100% |
| **Workers** | | | | | | | | | | |
| **Permanent** | | | | | | | | | | |
| Male | 2268 | - | - | 2268 | 100% | 2300 | 46 | 2% | 2254 | 98% |
| Female | 203 | - | - | 203 | 100% | 194 | 14 | 7% | 180 | 93% |
| **Other than Permanent** | | | | | | | | | | |
| Male | 2452 | - | - | 2452 | 100% | 2656 | 2656 | 100% | - | - |
| Female | 859 | - | - | 859 | 100% | 792 | 792 | 100% | - | - |

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) | 7 | 30,62,503 | 1 | 15,25,000 |
| Key Managerial Personnel | 4 | 53,00,004 | 0 | 0 |
| Employees other than BoD and KMP | 1002 | 6,78,636 | 120 | 6,09,300 |
| Workers | 2270 | 4,05,060 | 203 | 2,03,184 |

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Gross wages paid to females as % of total wages | 5.95% | 6.03% |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The HR head of the Company, in collaboration with the Factory Heads at each facility, is responsible for addressing human rights issues across the organization

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. The Company has established internal mechanisms to address and redress grievances related to human rights issues, in line with its Human Rights Policy and commitment to responsible business conduct.

Oversight of human rights-related matters is entrusted to the Human Resources function and Factory Heads at each facility, who are responsible for monitoring compliance and addressing concerns in a timely manner. The Company has instituted formal grievance redressal channels, enabling employees and other stakeholders to report concerns confidentially and without fear of retaliation.

Reported grievances are reviewed, investigated, and resolved through defined escalation frameworks, ensuring fairness, transparency, and accountability. These mechanisms are supported by regular monitoring and awareness initiatives to strengthen adherence to human rights principles across operations. Through this structured approach, the Company ensures that human rights concerns are effectively identified, addressed, and mitigated, reinforcing its commitment to ethical practices and stakeholder well-being.

6. Number of Complaints on the following made by employees and workers:

| | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending Resolution at the end of year | Remarks | Filed during the year | Pending Resolution at the end of year | Remarks |
| Sexual Harassment | Nil | Nil | Nil | Nil | Nil | Nil |
| Discrimination at workplace | Nil | Nil | Nil | Nil | Nil | Nil |
| Child Labour | Nil | Nil | Nil | Nil | Nil | Nil |
| Forced Labour/ Involuntary Labour | Nil | Nil | Nil | Nil | Nil | Nil |
| Wages | Nil | Nil | Nil | Nil | Nil | Nil |
| Other human rights related issues | Nil | Nil | Nil | Nil | Nil | Nil |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | Nil | Nil |
| Complaints on POSH as a % of female employees / workers | Nil | Nil |
| Complaints on POSH upheld | Nil | Nil |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has established robust mechanisms to ensure protection of complainants and to prevent any form of retaliation in cases related to discrimination, harassment, or unethical conduct. The Company complies with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and has constituted an Internal Committee (IC) at its facilities. The Committee is responsible for timely investigation and resolution of complaints, while ensuring confidentiality, impartiality, and protection of the complainant throughout the process. In addition, the Company has implemented a Whistle Blower Policy, which provides a formal channel for employees to report concerns related to unethical behaviour, suspected fraud, or violations of the Code of Conduct. The policy includes adequate safeguards against victimisation or retaliation, and allows escalation of concerns, including direct access to the Chairman of the Audit Committee for matters of significance. These frameworks collectively ensure that complainants are able to raise concerns without fear of adverse consequences, reinforcing a culture of trust, transparency, and accountability across the organisation.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The Company incorporates human rights requirements into its business agreements and contracts with suppliers and value chain partners to ensure adherence to responsible and ethical practices.

Suppliers are required to commit to upholding fundamental human rights principles, including:

- Prohibition of forced or involuntary labour
- Elimination of child labour
- Compliance with applicable laws on wages, benefits, and working hours
- Provision of safe and healthy working conditions
- Prevention of harassment, coercion, and unlawful discrimination

These expectations are aligned with globally recognised standards and frameworks, and are reinforced through the Company's Supplier Code of Conduct and engagement practices.

Through this approach, Indo Count seeks to ensure that human rights principles are upheld consistently across its value chain, supporting responsible sourcing and sustainable business conduct.

10. Assessments of the year

| | % of your plants and offices that were assessed (by entity* or statutory authorities or third parties) |
|---|---|
| Child labour | 100% |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |

- All our manufacturing facilities are annually audited by Sedex Global

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    No major corrective actions have been identified through the assessment. Nevertheless, the Company has established and implemented adequate processes and control mechanisms to ensure that all facilities operate in compliance with the applicable sustainability requirements.

**Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

   During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/ complaints.

2. Details of the scope and coverage of any Human rights due diligence conducted

   Yes. The Company integrates human rights principles across its business operations and functions, supported by dedicated teams including Global Sustainability, Supply Chain, Procurement, and Responsible Business (Business Integrity). The Company follows a structured approach to human rights due diligence, aimed at proactively identifying, assessing, and addressing potential adverse impacts across its operations and value chain. Identified risks are evaluated and addressed through appropriate mitigation measures in a timely and responsible manner. As an equal opportunity employer, the Company maintains a zero-tolerance approach towards discrimination, harassment, or unfair treatment in any form, and is committed to upholding dignity, inclusion, and respect for all stakeholders. Further details on the Company's approach and commitments are available in the Human Rights Policy, accessible at: https://www.indocount.com/images/investor/Human-Rights-Policy.pdf

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Most of the permanent facilities and office buildings are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. Details on assessment of value chain partners:

   In accordance with the Company's Code of Conduct for Value Chain Partners, all suppliers and partners are required to uphold fundamental human rights principles and ensure that all employees are treated with dignity and respect. The policy mandates zero tolerance towards practices such as workplace discrimination, child labour, and forced or involuntary labour. Value chain partners are also required to provide safe and healthy working conditions for their employees and contractors. Further, all partners must ensure full compliance with applicable local and national laws and regulations, particularly those relating to occupational health and safety (OHS), and must obtain and maintain all necessary permits, licences, and statutory approvals from relevant authorities. Through these requirements, the Company extends its commitment to responsible and ethical business conduct across the value chain.

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Sexual harassment | Nil |
| Discrimination at workplace | |
| Child labour | |
| Forced/involuntary labour | |
| Wages | |
| Others – please specify | |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   Not applicable

## Principle 6: Businesses should respect and make efforts to protect and restore the environment.

**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: GJ

| Parameter | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| **From renewable sources** | | |
| Total electricity consumption (A) | 20,201.04 | 20,790.84 |
| Total fuel consumption (B) | | |
| Energy consumption through other sources (C) | | |
| **Total energy consumed from renewable sources (A+B+C)** | **20,201.04** | **20,790.84** |
| **From non-renewable sources** | | |
| Total electricity consumption (D) | 5,58,381.99 | 5,56,338.22 |
| Total fuel consumption (E) | 17,48,871.96 | 20,32,504.48 |
| Energy consumption through other sources (F) | | |
| **Total energy consumed from non-renewable sources (D+E+F)** | **23,07,253.95** | **25,97,842.70** |
| **Total energy consumed (A+B+C+D+E+F)** | **23,27,455** | **26,18,633.54** |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | 751.71 GJ/Cr | 694.29 GJ/Cr |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 15,278.99 | 14344.1 |
| Energy intensity in terms of physical output | 0.0185 GJ/Meters | 0.024 GJ/Meters |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   Yes, our Gokul and Bhilad units have been identified as designated consumers under the PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| **Water withdrawal by source (in kiloliters)** | | |
| (i) Surface water (Rainwater ponds) | 7,01,111 | 7,64,936 |
| (ii) Groundwater | 2,08,958 | 2,25,310 |
| (iii) Third party water (Municipal water & bottled water) | 7,31,690 | 8,84,340 |
| (iv) Seawater / desalinated water | - | - |
| (v) Others (Rainwater storage) | 10,05,584 | 8,45,440 |
| **Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)** | 26,47,343 | 27,20,026 |
| **Total volume of water consumption (in kiloliters)** | 17,23,834 | 15,74,704 |
| **Water intensity per rupee of turnover** (Total water consumption / Revenue from operations) | 556.36 Kl/Cr | 417.511 Kl/Cr |
| **Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total water consumption / Revenue from operations adjusted for PPP) | 11,316.42 | 8,625.79 |
| Water intensity in terms of physical output | 0.014 Kl/Meters | 0.014 Kl/Meters |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

4. Provide the following details related to water discharge:

| Parameter | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Water discharged by destination and level of treatment (in kiloliters) | | |
| (i) To Surface water | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (ii) To Groundwater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iii) To Seawater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | 6,79,860 | 7,45,215 |
| (iv) Sent to third parties | | |
| - No treatment (Water sent for treatment to Central Effluent Treatment Plant) | - | - |
| - With treatment – please specify level of treatment | 2,44,549 | 4,00,107 |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment – Tertiary treatment | - | - |
| **Total water discharged (in kiloliters)** | **9,24,409** | **11,45,322** |

**Bhilad - Treatment level – Tertiary - As per Gujarat Pollution Control Board consent issued to company.*

***Kolhapur - Treatment level – Tertiary - As per Maharashtra Pollution Control Board consent issued to company. Discharged to CETP.*

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has established a structured approach towards water stewardship and responsible effluent management, including the implementation of systems aligned with Zero Liquid Discharge (ZLD) principles. These initiatives are aimed at minimising environmental impact, enhancing water recycling, and promoting sustainable water use across operations.

The facility currently holds regulatory consent permitting the discharge of up to 25% of treated wastewater to a Common Effluent Treatment Plant (CETP). However, in line with its long-term environmental commitments, the Company has initiated a phased roadmap to achieve ZLD by 2030.

As part of this transition, the Company has undertaken capacity enhancements in its Effluent Treatment Plant (ETP), Reverse Osmosis (RO), and Multiple Effect Evaporator (MEE) systems, enabling increased recovery, treatment, and reuse of process water. These measures are expected to significantly reduce freshwater dependency and effluent discharge over time, strengthening the Company's overall water management performance.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Unit | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|
| NOx | Tonne | 32.41 | 30.89 |
| SOx | Tonne | 84.74 | 87.53 |
| Particulate matter (PM) | Tonne | 23.33 | 23.10 |
| Persistent organic pollutants (POP) | Tonne | - | - |
| Volatile organic compounds (VOC) | Tonne | - | - |
| Hazardous air pollutants (HAP) | Tonne | - | - |
| Others – Carbon Monoxide (CO) | Tonne | 5.56 | 6.23 |

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|
| **Total Scope 1 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | MTCO2e | 1,66,130.3 | 1,93,142.4 |
| **Total Scope 2 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | MTCO2e | 88,832.7 | 90,354.2 |
| Total Scope 1 and Scope 2 emissions | MTCO2e | 2,54,963 | 2,83,496 |
| **Total Scope 1 and Scope 2 emission intensity per rupee of turnover** (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | MTCO2e/ turnover in ₹ Cr | 82.28 | 75.16 |
| **Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | | 1,673.75 | 1,552.90 |
| **Total Scope 1 and Scope 2 emission intensity in terms of physical output** | | 0.0020 | 0.0026 |
| **Total Scope 1 and Scope 2 emission intensity** (optional) – the relevant metric may be selected by the entity | | - | - |

**Note:** Biogenic CO2 emission amounting to 1,028.1 metric tonnes of CO2 in the FY 2026, are excluded from Total Scope 1 emissions mentioned above. Biogenic CO2 emissions for FY25 are 1551.2.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. The Company has undertaken several projects and initiatives aimed at reducing greenhouse gas (GHG) emissions across its operations and value chain. These initiatives focus on improving energy efficiency, increasing renewable energy adoption, optimizing resource consumption, and promoting sustainable sourcing practices. Key initiatives include:

Implementation of energy efficiency projects such as installation of Variable Frequency Drives (VFDs), optimization of turbine performance, deployment of energy-efficient steam trap technology, automated oxygen monitoring systems for boilers and thermic fluid heaters, and optimization of water treatment operations to reduce fuel and electricity consumption.

Achieving 100% condensate recovery from the Multiple Effect Evaporator (MEE), resulting in higher feedwater temperatures and lower fuel consumption, thereby reducing associated GHG emissions.

Continuous enhancement of renewable energy usage through solar energy generation and expansion of alternative energy sources as part of the Company's decarbonization strategy. The Company also continues to strengthen renewable energy generation through solar and biogas initiatives.

Promotion of sustainable cotton cultivation through programmes such as Project Gagan (Better Cotton), Project Avani (Organic Cotton) and Project Prithvi (Regenerative Cotton). These initiatives support improved water stewardship, optimized fertilizer and pesticide usage, soil health enhancement, biodiversity conservation, and reduction of emissions associated with agricultural activities.

Participation in industry and global sustainability platforms such as the U.S. Cotton Trust Protocol, Project Gigaton, and the United Nations Global Compact (UNGC) to drive climate action across the value chain.

Development of long-term climate and resource efficiency roadmaps, including goals to reduce freshwater consumption, expand sustainable fibre sourcing, increase circularity, and strengthen climate resilience across operations and the supply chain.

These initiatives form part of the Company's broader sustainability strategy focused on reducing its carbon footprint, improving operational efficiency, increasing the use of renewable energy, and supporting low-carbon agricultural and supply chain practices.

9. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| **Total Waste generated (in metric tons)** | | |
| Plastic waste **(A)** | 232.34 | 282.0 |
| E-waste **(B)** | 3.15 | 8.3 |
| Bio-medical waste **(C)** | 0.014 | 0.02 |
| Construction and demolition waste **(D)** | - | - |
| Battery waste **(E)** | 8.57 | 2.5 |
| Radioactive waste **(F)** | | |
| Other Hazardous waste. Haz. Waste from process + Haz. Waste from pollution control equipment's, + Filter bed sand+ Filter bags etc. **(G)** | 1. Used Oil: 4.77<br>2. Sludge Waste: 1896.5<br>3. Film Screen: 3.64 | 1. Used Oil: 4.83<br>2. Sludge Waste: 2922.11<br>3. Film Screen: 1.16 |
| Other non-hazardous waste generated **(H)**.<br>MS Scrap + Aluminum scrap (Break-up by composition i.e., by materials relevant to the sector) | 1. Fly Ash: 5888.63<br>2. FRC/NFRC: 2958.86<br>3. Metal: 210.74<br>4. Paper: 1068.57<br>5. Plastic: 638.07<br>6. Others: 307.25 | 1. Fly Ash: 6822.95<br>2. FRC/NFRC: 3296.94<br>3. Metal: 113.93<br>4. Paper: 1133.33<br>5. Plastic: 685.83<br>6. Others: 411.28 |
| **Total (A+B + C + D + E + F + G + H)** | 13221.13 | 15685.18 |
| **Waste intensity per rupee of turnover** (Total waste generated/Revenue from operations) | 4.267 MT/Crore | 4.158 MT/Crore |
| **Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total waste generated/Revenue from operations adjusted for PPP) | 86.79 | 85.91 |
| Waste intensity in terms of physical output | 0.000105 MT/meters | 0.00014 MT/meters |
| **For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)** | | |
| **Category of waste** | | |
| (i) Recycled | 2166.22 | 2230.7 |
| (ii) Re-used | 8847.49 | 10119.9 |
| (iii) Other recovery operations | | |
| **Total** | **11013.71** | **12350.6** |
| **For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)** | | |
| **Category of waste** | | |
| (i) Incineration | | |
| (ii) Landfilling | 1896.50 | 2922.11 |
| (iii) Other disposal operations | 307.27 | 411.28 |
| **Total** | **2203.77** | **3339.39** |

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company adopts a structured and compliant approach towards waste management and reduction of hazardous and toxic chemicals, aligned with applicable regulatory requirements, industry best practices, and sustainability frameworks relevant to the textile sector.

**Waste Management Practices**

The Company follows the principles of waste minimisation, segregation, recycling, and responsible disposal across its operations:

- **Circular Economy and Resource Efficiency:**
  Focus on reuse and recycling of textile waste within production processes to optimise resource utilisation and reduce landfill dependency, in line with circular economy principles prevalent in the textile industry.
- **Effluent Treatment and Water Recovery:**
  Operation of advanced Effluent Treatment Plants (ETP) integrated with Reverse Osmosis (RO) systems to ensure compliant treatment of wastewater. Treated water is recovered and reused within operations to the extent feasible.
- **Zero Liquid Discharge (ZLD) Roadmap:**
  Ongoing investments in Multiple Effect Evaporator (MEE) systems to progressively enhance water recovery and move towards Zero Liquid Discharge (ZLD), reducing reliance on freshwater and external discharge.
- **Solid and Hazardous Waste Management:**
  Implementation of segregation at source for hazardous and non-hazardous waste streams. Disposal is undertaken through authorised recyclers and Treatment, Storage, and Disposal Facilities (TSDFs) in accordance with applicable regulations.
- **Waste-to-Energy Initiatives:**
  Utilisation of process by-products such as biogas for captive energy generation, contributing to reduced fossil fuel dependence and improved waste valorisation.

**Reduction of Hazardous and Toxic Chemicals**

The Company has instituted measures to minimise the use of hazardous substances across products and processes, considering the inherent chemical intensity of textile manufacturing:

- **Adoption of Safer Chemical Alternatives:**
  Progressive transition to low-impact dyes, auxiliaries, and finishing agents that meet globally recognised standards such as OEKO-TEX®, GOTS, and REACH, thereby reducing harmful environmental and health impacts.
- **Alignment with Industry Protocols:**
  Adherence to frameworks such as ZDHC (Zero Discharge of Hazardous Chemicals) to systematically phase out restricted substances from manufacturing processes.
- **Green Chemistry and Process Optimisation:**
  Integration of biodegradable and non-toxic chemical formulations, along with process improvements to enhance chemical efficiency and reduce overall consumption.
- **Responsible Supply Chain Practices:**
  Engagement with suppliers to ensure sourcing of compliant and environmentally responsible chemicals and raw materials, supported by certification-based validation.
- **Capacity Building and Awareness:**
  Regular training programmes for employees on safe handling, storage, and disposal of chemicals to mitigate occupational and environmental risks.

Through these initiatives, the Company aims to minimise environmental impact, enhance resource efficiency, and ensure compliance with evolving regulatory and industry expectations, while progressing towards more sustainable and responsible manufacturing practice.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| Nil | | | |

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|---|---|---|---|---|
| Nil | | | | | |

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---|---|---|---|---|
| Nil | | | | |

**Leadership Indicators**

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area: Not applicable as we do not operate in water stressed area

   (ii) Nature of operations: Not applicable as we do not operate in water stressed area

   (iii) Water withdrawal, consumption, and discharge in the following format:

| Parameter | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third party water | - | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| **Total volume of water withdrawal (in kilolitres)** | - | - |
| **Total volume of water consumption (in kilolitres)** | - | - |
| **Water intensity per rupee of turnover** (Water consumed / turnover) | - | - |
| **Water intensity** (optional) – the relevant metric may be selected by the entity | - | - |
| **Water discharge by destination and level of treatment (in kilolitres)*** | | |
| (i) Into Surface water | - | - |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (ii) Into Groundwater | - | - |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iii) Into Seawater | - | - |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iv) Sent to third parties | - | - |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (v) Others | - | - |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| **Total water discharged (in kilolitres)** | **-** | **-** |

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter | Unit | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | MTCO2e | - | - |
| Total Scope 3 emissions per Crore of turnover | | - | - |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | | - | - |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

   We do not have any substantial direct or indirect effects on biodiversity in ecologically sensitive regions. Nevertheless, to ensure regulatory compliance and affirm our dedication to conserving biodiversity, we have secured a No Objection Certificate (NOC) from the Forest Department.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| S. No. | Initiative undertaken | Details of the initiative | Outcome of the initiative |
|---|---|---|---|
| 1 | Energy Efficiency and Process Optimization | Implemented energy conservation initiatives including VFD installations, turbine performance optimization, condensate recovery, steam and heat recovery systems, $O_2$ monitoring systems and energy-efficient steam trap technologies. | Improved operational efficiency, reduced fuel and electricity consumption, generated additional green power and achieved annual coal savings through process optimization. |
| 2 | Renewable Energy Adoption | Continued deployment and utilization of solar power infrastructure and renewable energy generation systems as part of the Company's decarbonization strategy. | Increased renewable energy generation, reduced dependence on conventional energy sources and lowered greenhouse gas emissions. |
| 3 | Water Conservation and Reuse | Undertook hot water recovery, condensate recovery enhancement, quenching water reuse and wastewater treatment initiatives to improve water-use efficiency and recycling. | Reduced freshwater intake, improved water-use efficiency and lowered wastewater-related environmental impacts. |
| 4 | Sustainable Chemical Management | Replaced conventional petrochemical dyes with natural dyes under the Pure Earth range and strengthened compliance with ZDHC standards across manufacturing operations. More than 95% of input dyes and chemicals comply with ZDHC requirements. | Reduced reliance on synthetic chemicals, supported safer production processes and minimized potential environmental impacts from chemicals and effluents. |
| 5 | Circular Materials and Sustainable Product Development | Expanded the use of sustainable and recycled materials including recycled cotton, organic cotton, lyocell and other responsible fibres. Continued development of circular product lines incorporating reused and recycled materials. | Reduced dependency on virgin raw materials, improved resource efficiency and enhanced product circularity. |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   Yes. The Company has established a Business Continuity and Disaster Management framework based on a risk-based approach to identify, assess, and mitigate potential disruptions. The plan is periodically reviewed and updated to ensure its relevance and effectiveness.

   At Indo Count Industries Limited, the Risk and Disaster Management function supports strategic objectives by safeguarding business operations and enhancing organisational resilience. The framework enables a coordinated response to internal and external risks, ensuring continuity of critical operations, minimising business impact, and maintaining reliable delivery during unforeseen disruptions.

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

   The Company has not identified any significant adverse environmental impacts arising directly from its value chain during the reporting period. However, given the inherent environmental risks associated with the textile sector—such as resource intensity, emissions, and waste generation—the Company adopts a proactive and preventive approach to mitigate potential impacts.

   The Company's Supplier Ethics and Compliance Policy establish clear expectations for value chain partners to minimise their environmental footprint. This includes:

   - Prevention of biodiversity loss and deforestation
   - Adoption of responsible soil and land-use practices
   - Protection of critical ecosystems
   - Reduction of waste generation, emissions, and resource consumption
   - Implementation of energy-efficient practices
   - Compliance with all applicable environmental laws and regulations

   These requirements are reinforced through supplier engagement and monitoring mechanisms, enabling alignment with the Company's sustainability objectives and responsible sourcing commitments.

   Through this structured approach, the Company seeks to identify, mitigate, and manage environmental risks across its value chain, while promoting sustainable and responsible business practices.

   Policy link: https://www.indocount.com/images/investor/Supplier-Ethics-and-Compliance-Policy.pdf

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
   53%

8. How many Green Credits have been generated or procured:

   a. By the Company
      Not applicable

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners
      Not applicable





## PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

### Essential Indicators

1. a. Number of affiliations with and industry chambers/ associations.
      5

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|---|---|---|
| 1 | TEXPROCIL (The Cotton Textile Export Promotion Council) | National |
| 2 | Confederation of Indian Textile Industry (CITI) | National |
| 3 | The Associated Chambers of Commerce & Industry of India (ASSOCHAM) | National |
| 4 | Federation of Indian Chambers of Commerce and Industry (FICCI) | National |
| 5 | The Bombay Textile Research Association (BITRA) | State |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

   There were no adverse orders regarding anti-competitive behaviour issued by regulatory agencies throughout the year. We are committed in our dedication to upholding honest and moral business practices, and we constantly work to uphold the highest norms of compliance and healthy competition.

### Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in the public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|---|---|---|---|---|---|
| | • Representations made to the Government of Maharashtra (GoM) seeking policy support for the textile sector, including consideration of Capital Subsidy under the New Textile Policy to enhance industry competitiveness.<br>• Inputs submitted to the GoM highlighting the need for comprehensive support measures for textile units, such as reduction in power costs, additional power subsidy, wage subsidy, and support towards PF & ESIC contributions, along with an export revenue and interest subvention scheme. | The Company engaged with key government authorities and industry bodies through formal representations and policy submissions, highlighting sector-specific challenges and recommendations in a structured manner.<br>• Advocacy was carried out both directly with Ministers and indirectly through recognized export promotion councils such as TEXPROCIL, ensuring that concerns were escalated to appropriate government levels. | No | Reviewed by management on an as-and-when-required basis. | https://www.indocount.com/images/investor/Public-and-Regulatory-Policy.pdf |

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in the public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|---|---|---|---|---|---|
| | • Recommendations to the GoM, routed through industry bodies such as TEXPROCIL, for immediate policy intervention to safeguard Maharashtra's textile sector from increased US import tariffs, including market protection measures and effective utilization of approved SGST incentives.<br>• Representations to the GoM addressing concerns related to rising Fuel Adjustment Charges and challenges under the Solar Policy affecting textile export units, with suggestions for corrective and industry-friendly measures. | • The Company maintained a transparent and responsible approach by providing data-backed inputs and actionable suggestions to support policy formulation, aimed at enhancing competitiveness and sustainability of the textile sector. | No | Reviewed by management on an as-and-when-required basis. | https://www.indocount.com/images/investor/Public-and-Regulatory-Policy.pdf |

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web Link |
|---|---|---|---|---|---|
| Not applicable | | | | | |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|---|---|---|---|---|---|---|
| Not Applicable, we have not undertaken any projects that require Rehabilitation and Resettlement. | | | | | | |

3. Describe the mechanisms to receive and redress grievances of the community.

The Company undertakes various community development initiatives as part of its responsible corporate citizenship to foster positive and sustainable relationships with local communities, while contributing to community development and proactively addressing relevant local issues. As a part of process, we have established a mechanism across all units to receive written complaints and feedback from the community, which are systematically reviewed and addressed by the appropriate departments for timely and effective redressal in consultations with the management.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Parameter | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Directly sourced from MSMEs/ small producers | 37% | 32% |
| Directly from within India | 82.7% | 84% |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

| Location | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Rural | - | - |
| Semi-urban | 6% | 1.2% |
| Urban | 93% | 88.3% |
| Metropolitan | 1% | 10.5% |

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|---|---|
| Not applicable | |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| State | Aspirational District | Amount Spent (In ₹) |
|---|---|---|
| Not applicable | | |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Company does not have a formal preferential procurement policy specifically focused on sourcing from marginalized or vulnerable groups. However, ICIL actively promotes sustainable sourcing by procuring eco-friendly cotton from marginalized farmers and focusing on materials that are sustainable, recycled, or recyclable.

(b) From which marginalized /vulnerable groups do you procure?

Not applicable

(c) What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No. | Intellectual Property based on traditional knowledge | Owned/Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|---|---|---|---|---|
| Not applicable | | | | |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the Case | Corrective action taken |
|---|---|---|
| Not applicable | | |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Projects | No. of persons benefited from CSR Projects 2025-2026 | % of beneficiaries from vulnerable and marginalized groups |
|---|---|---|---|
| 1 | Health | 1,38,372 | 85% |
| 2 | Education | 54,715 | 75% |
| 3 | Water & Sanitation | 6,94,281 | 85% |
| 4 | Environment Initiative | 16,779 | 90% |

| S. No. | CSR Projects | No. of persons benefited from CSR Projects 2025-2026 | % of beneficiaries from vulnerable and marginalized groups |
|---|---|---|---|
| 5 | Agriculture & Livelihood | 14,000 | 90% |
| 6 | Old age Care | 300 | 95% |
| 7 | Rural Development | 1,25,953 | 90% |
| 8 | Sports | 600 | 65% |
| 9 | Women & Child Development | 1,878 | 90% |

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company has implemented a comprehensive system to inform customers regarding product usage. Care instructions are clearly provided on both packaging and individual products. Ongoing customer engagement is facilitated through direct communication channels and social networking platforms to disseminate information concerning the Company's products, technologies, and innovations that enhance product quality. Moreover, these initiatives extend beyond conventional training and awareness-raising activities for customers and society at large. At Indo Count, we value effective communication and promote providing superior client service. We have established multiple channels for customers to reach out to us and express their concerns and complaints, provide feedback, submit enquiries, or seek assistance. We commit to addressing customer issues promptly and within a reasonable timeframe. We respond to customer emails and queries within 48 business days.- We provide a dedicated email id for customers to ask questions, provide feedback, raise grievances, etc. Our escalation matrix is defined in respective customer contracts. We also provide location-wise contact details on our website https://www.indocount.com/contact-us

2. Turnover of products and/ services as a percentage of turnover from all products/services carry information about:

| Parameter | As a percentage to total turnover |
|---|---|
| Environmental and social parameters relevant to the product | 87% |
| Safe and responsible usage | 100% |
| Recycling and/or safe disposal | - |

3. Number of consumer complaints in respect of the following:

| | FY 2025-2026 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - |
| Cyber-security | - | - | - | - | - | - |
| Delivery of essential services | - | - | - | - | - | - |
| Restrictive Trade Practices | - | - | - | - | - | - |
| Unfair Trade Practices | - | - | - | - | - | - |
| Other | 22 | - | E-commerce + Retail | 17 | - | E-commerce + Retail |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | Nil | |
| Forced recalls | Nil | |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, the Company has a framework/ policy on cyber security and risks related to data privacy, available at https://www.indocount.com/images/investor/Cyber-Security-Policy.pdf; https://www.indocount.com/privacy-policy

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Nil

7. Provide the following information relating to data breaches:
   a. Number of instances of data breaches - NIL
   b. Percentage of data breaches involving personally identifiable information of customers - NIL
   c. Impact, if any, of the data breaches – NIL

**Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   https://www.indocount.com/our-brands.
   https://www.boutiquelivingindia.com/
   https://www.layersindia.com/
   https://wamsutta.com/

   The Company's products are also listed on various e-commerce marketplace platforms.

   Social media handles

   **Instagram** https://www.instagram.com/indocount?igsh=amN1cjg1ZmZ1dzEw
   https://www.instagram.com/wamsutta_official?igsh=MWhtdXE3MHpsdmczMQ==

   **LinkedIn** https://www.linkedin.com/company/indo-count-industries-limited/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   The Company has established a structured mechanism to inform customers about the proper use of its products, including the provision of clear care instructions through labels and packaging. It maintains regular engagement with customers through direct communication channels and social media platforms to disseminate information on its products, technologies, and innovations aimed at enhancing product quality. These initiatives extend beyond product awareness to include customer education, training, and broader social awareness efforts.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Not applicable, as we do not provide essential services.

4. Does the entity display product information on the product over & above what Is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, the Company does provide product information and its relevant details for each product, which goes beyond what is mandated by local law. This includes product features and benefits, testing certificates, care instructions, product specifications and accreditations.

# FINANCIAL STATEMENTS





# Independent Auditor's Report

**To the Members of Indo Count Industries Limited**

**Report on the Audit of the Standalone Financial Statements**

## Opinion

1. We have audited the accompanying standalone financial statements of Indo Count Industries Limited ("the Company"), which comprise the standalone Balance Sheet as at 31st March, 2026, and the standalone Statement of Profit and Loss (including Other Comprehensive Loss), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

## Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Appropriateness of Revenue Recognition in respect of sale of products**<br>(Refer Notes 2.5 and 31 to the standalone financial statements)<br>The Company recognises revenue in accordance with Ind AS 115 'Revenue from Contracts with Customers'.<br>Revenue is the key performance indicator considered by the Company and its stakeholders. Revenue from sale of products is recognised on transfer of control to customers. The terms of transfer of control of products on their sale differs with different customers and therefore, the timing of recognition of revenue depends on the terms agreed with each customer. | Our audit procedures relating to revenue recognition included the following:<br>• Understanding, and evaluating the design and testing the operating effectiveness of controls surrounding the recording of revenue in accordance with the principles of Ind AS 115.<br>• Testing the reconciling items on a sample basis between sales register and revenue recognized to assess completeness of revenue recognized.<br>• Testing of customer contracts on a sample basis, to assess the terms for identification of performance obligations in accordance with Ind AS 115 and comparing those to the management assessment. |

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| The determination of timing of revenue recognition (including at the year end) based on terms agreed with customers is considered significant by the management for ensuring that the revenue is recognised in the correct period.<br>We identified appropriateness of revenue recognition as a key audit matter considering the above factors and in view of the risk of inappropriate revenue recognition. | • On a sample basis, testing the underlying supporting documents such as invoices, customer's purchase orders and delivery documents to check the accuracy and occurrence of the revenue transactions.<br>• Testing the appropriateness of timing of recognition of revenue (including procedures related to cut off testing) in line with the terms of the customer contracts.<br>• Testing of journal entries impacting revenue by understanding their rationale and agreeing to supporting documentation.<br>• Evaluating appropriateness of the presentation and disclosures made in the standalone financial statements. |

## Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

## Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

   This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the standalone financial statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the back-up of certain books of account and other books and papers maintained in electronic mode has not been kept on servers physically located in India on a daily basis but maintained everyday between Monday and Friday during the year and the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in absence of sufficient appropriate evidence, we are unable to verify whether the back-up of certain other books and papers maintained in electronic mode has been kept on servers physically located in India on a daily basis during the year.

(c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive loss), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above and paragraph 15(h)(vi) below.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 39A to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. The instance of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026 is as follows:

| Nature | Amount (₹ in lakhs) | Due date | Date of Payment | Delay (in days) |
|---|---|---|---|---|
| Unclaimed Interim Dividend for FY 2017-18 | 15.44 | April 21, 2025 | May 6, 2025 | 15 |

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 52(a)(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 52(a)(vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the prior year ended March 31, 2025 is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

Further, as stated in Note 21(A)(f) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used multiple accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that:

(a) the audit trail in respect of the core accounting software was not enabled at the database level to log any direct data changes and was not maintained at the application level in case of modifications made by certain users with specific access;

(b) the audit trail in respect of another accounting software used for maintaining certain records was not enabled as it did not have a feature of audit trail (edit log) facility.

(c) in respect of certain accounting softwares operated by third-party service providers, the ISAE type II reports are not available from the service providers and, accordingly, we are unable to comment on whether the audit trail feature was enabled and operated throughout the year for all the relevant transactions recorded in the software and in respect of another accounting software operated by third party service provider, the database layer audit log of modification does not contain pre modified values.

During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

16. Except for managerial remuneration aggregating to ₹296.43 lakhs, the managerial remuneration paid/ provided for by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. As stated in Note 41 to the standalone financial Statements, the amount paid/ provided by the Company is subject to approval of the shareholders of the Company by way of a special resolution in the ensuing annual general meeting as required by Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sd/-
**Sachin Parekh**
Partner
Membership Number: 107038
UDIN: 26107038FUPZJM8376

Place: Mumbai
Date: May 30, 2026

Annexure A to Independent Auditor's Report
Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Indo Count Industries Limited on the standalone financial statements as of and for the year ended March 31, 2026

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Indo Count Industries Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

## Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sd/-
**Sachin Parekh**
Partner
Membership Number: 107038
UDIN: 26107038FUPZJM8376

Place: Mumbai
Date: May 30, 2026

## Annexure B to Independent Auditor's Report

**Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Indo Count Industries Limited on the standalone financial statements for the year ended March 31, 2026**

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 5 to the standalone financial statements, are held in the name of the Company, except for the following:

| Description of property | Gross carrying value (₹ in lakhs) | Held in the name of | Whether promoter, director or their relative or employee | Period held - indicate range, where appropriate | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|
| A Portion of Freehold Land (Property, Plant and Equipment) at Bhilad (Gujarat) | 80.03 | GHCL Limited | No | Since April 02, 2022 | The title deeds are held in the name of GHCL Limited. It was acquired during earlier years as part of a business purchase and the process of transfer of the title in favour of the company is under process. (Refer note 52(b)(i) to the standalone financial statements. |

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements, does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks and financial institutions on the basis of security of current assets. The Company has filed quarterly returns or statements (including revised returns/statements) with such banks and financial institutions, which are in agreement with the unaudited books of account. (Also, refer Note 52(a)(ii) to the standalone financial statements).



iii. (a) The Company has made investments in twelve companies, two mutual fund schemes and one party and stood guarantees to two companies. Further, the Company has not granted loans/advances in nature of loans or provided security to any parties during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantees to subsidiaries are as per the table given below: (₹ in lakhs)

| Particulars | Guarantees |
|---|---|
| Aggregate amount provided during the year | 16,713 |
| Balance outstanding as at balance sheet date in respect of the above cases | 17,544 |

(Also, refer Note 8, 9, 14 and 50 to the standalone financial statements)

(b) In respect of the aforesaid investments and guarantees, the terms and conditions under which such investments were made and guarantees provided are not prejudicial to the Company's interest.

(c) In respect of the loans granted in the earlier years, the schedule of repayment of principal and payment of interest has been stipulated, and the party is regular in payment of interest. During the year, principal amounts was not due and therefore, the question of our commenting on the regularity of repayment of principal does not arise.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same party to settle the existing overdue loans.

(f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties that were repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion, the Company has complied with the provisions of Section 186 of the Act in respect of the loans or investments made or guarantees or security provided by it. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the books of account maintained by the Company pursuant to the said requirement, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities.

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (₹ in lakhs) | Period to which the amount relates (Financial Year) | Forum where the dispute is pending | Remarks, if any |
|---|---|---|---|---|---|
| The Goods and Services Tax Act, 2017 | Goods and Services Tax | 430.24 | 2017-18 to 2020-21 | Goods and Services Tax Appellate Tribunal* | Net of ₹199.64 lakhs deposited under protest |
| | | 1,250.32 | 2019-20 to 2021-22, 2024-25 and 2025-26 | Joint Commissioner of State Tax (Appeals) | Net of ₹83.00 lakhs deposited under protest |
| The Central Excise Act, 1944 | Excise Duty | 34.23 | 2011-12 | Customs, Excise and Service Tax Appellate Tribunal, Pune | Net of ₹34.23 lakhs deposited under protest |
| | | 47.07 | 2010-11 to 2012-13 | Commissioner of Central Excise and Service Tax | - |

*The Company is in the process of filing appeal to the said authority.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 52(b)(iii) to the standalone financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the directors. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group [as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025] has six CICs as part of the Group as mentioned in Note 55 to the standalone financial statements.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sd/-
**Sachin Parekh**
Partner

Place: Mumbai — Membership Number: 107038
Date: May 30, 2026 — UDIN: 26107038FUPZJM8376

# Standalone Balance Sheet

as at 31st March, 2026

(₹ in lakhs)

| Particulars | Note No. | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 5 | 1,24,631.41 | 1,26,042.25 |
| (b) Right-of-Use assets | 6 | 6,176.34 | 6,655.54 |
| (c) Capital Work-In-Progress | 5 | 442.81 | 2,663.31 |
| (d) Intangible Assets | 7 | 2,772.36 | 664.10 |
| (e) Intangible Assets under Development | 7 | 55.99 | 2,035.86 |
| (f) Financial Assets | | | |
| (i) Investments | 8 | 5,191.76 | 5,191.76 |
| (ii) Loans | 9 | 13,988.16 | 12,607.56 |
| (iii) Other Financial Assets | 10 | 501.83 | 562.69 |
| (g) Non-Current Tax Assets (net) | 11 | - | 4,544.08 |
| (h) Other Non-Current Assets | 12 | 5.82 | 460.57 |
| **Total Non-Current Assets** | | **1,53,766.48** | **1,61,427.72** |
| **(2) Current Assets** | | | |
| (a) Inventories | 13 | 97,783.39 | 88,596.77 |
| (b) Financial Assets | | | |
| (i) Investments | 14 | 19,007.32 | 13,930.34 |
| (ii) Trade Receivables | 15 | 67,280.40 | 78,922.51 |
| (iii) Cash and Cash Equivalents | 16 | 8,128.05 | 8,036.07 |
| (iv) Bank Balances other than (iii) above | 17 | 547.39 | 669.79 |
| (v) Other Financial Assets | 18 | 523.53 | 1,601.25 |
| (c) Current Tax Assets (Net) | 19A | 4,648.03 | - |
| (d) Other Current Assets | 20 | 20,191.12 | 16,339.68 |
| **Total Current Assets** | | **2,18,109.23** | **2,08,096.41** |
| **TOTAL ASSETS** | | **3,71,875.71** | **3,69,524.13** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| (a) Equity Share Capital | 21A | 3,961.08 | 3,961.08 |
| (b) Other Equity | 21B | 2,27,686.97 | 2,19,662.57 |
| **Total Equity** | | **2,31,648.05** | **2,23,623.65** |
| **LIABILITIES** | | | |
| **(1) Non-Current Liabilities** | | | |
| **(a) Financial Liabilities** | | | |
| (i) Borrowings | 22 | 8,439.87 | 8,320.24 |
| (ii) Lease Liabilities | 40 | 3,988.09 | 4,343.86 |
| (b) Provisions | 23 | 2,259.97 | 1,567.06 |
| (c) Deferred Tax Liabilities (Net) | 24B | 7,968.04 | 9,428.84 |
| (d) Other Non-Current Liabilities | 25 | 3,572.99 | 3,300.98 |
| **Total Non Current Liabilities** | | **26,228.96** | **26,960.98** |
| **(2) Current Liabilities** | | | |
| **(a) Financial Liabilities** | | | |
| (i) Borrowings | 26 | 69,005.57 | 92,589.93 |
| (ii) Lease Liabilities | 40 | 1,004.02 | 879.22 |
| (iii) Trade Payables | | | |
| - Total outstanding dues of Micro and Small Enterprises | 27 | 6,406.62 | 4,508.53 |
| - Total outstanding dues of other than Micro and Small Enterprises | 27 | 16,200.14 | 11,726.53 |
| (iv) Other Financial Liabilities | 28 | 18,301.37 | 6,798.50 |
| (b) Other Current Liabilities | 29 | 2,065.70 | 1,955.39 |
| (c) Provisions | 30 | 421.32 | 481.40 |
| (d) Current Tax Liabilities (Net) | 19B | 593.96 | - |
| **Total Current Liabilities** | | **1,13,998.70** | **1,18,939.50** |
| **Total Liabilities** | | **1,40,227.66** | **1,45,900.48** |
| **TOTAL EQUITY AND LIABILITIES** | | **3,71,875.71** | **3,69,524.13** |
| **MATERIAL ACCOUNTING POLICIES** | 2 | | |

**The accompanying notes form an integral part of Standalone Financial Statement**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026

# Standalone Statement of Profit and Loss

for the year ended 31st March, 2026

(₹ in lakhs)

| | Particulars | Note No. | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|---|---|
| **I** | **INCOME** | | | |
| | Revenue from Operations | 31 | 3,09,837.44 | 3,77,164.98 |
| | Other Income | 32 | 8,063.48 | 4,956.45 |
| | **TOTAL INCOME** | | **3,17,900.92** | **3,82,121.43** |
| **II** | **EXPENSES** | | | |
| | Cost of Materials Consumed | 33 | 1,39,274.28 | 1,67,420.94 |
| | Purchase of Stock-In-Trade | | 2,066.20 | 1,608.04 |
| | Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods | 34 | (4,931.30) | 8,681.56 |
| | Employee Benefits Expense | 35 | 32,462.30 | 32,576.76 |
| | Finance Costs | 36 | 9,506.79 | 10,710.24 |
| | Depreciation and Amortisation Expense | 37 | 9,310.88 | 8,301.42 |
| | Other Expenses | 38 | 1,11,150.73 | 1,20,482.10 |
| | **TOTAL EXPENSES** | | **2,98,839.88** | **3,49,781.06** |
| **III** | **Profit before Tax (I-II)** | | **19,061.04** | **32,340.37** |
| **IV** | **Income Tax Expense** | 24 | | |
| | a) Current Tax | | 5,227.65 | 7,853.43 |
| | b) Deferred Tax | | (628.07) | 765.35 |
| | **Total Tax Expense** | | **4,599.58** | **8,618.78** |
| **V** | **Profit for the Year (III-IV)** | | **14,461.46** | **23,721.59** |
| **VI** | **Other Comprehensive Income/(Loss)** | | | |
| | A Items that will not be reclassified to Profit and Loss: | | | |
| | (i) Gain/(Loss) on remeasurement of post-employment benefit obligations | 45 | 454.14 | (113.40) |
| | (ii) Income tax related to above | 24B | (114.30) | 28.54 |
| | B Items that will be reclassified to Profit and Loss: | | | |
| | (i) Net Loss on cash flow hedges | | (3,762.84) | (534.04) |
| | (ii) Income tax related to above | 24B | 947.03 | 134.41 |
| | **Total Other Comprehensive Loss for the year, net of tax** | | **(2,475.97)** | **(484.49)** |
| **VII** | **Total Comprehensive Income for the Year (V+VI)** | | **11,985.49** | **23,237.10** |
| **VIII** | **Earnings per Equity Share (Face value per share - ₹2 (Previous year ₹2))** | | | |
| | a) Basic (₹) | 44 | 7.30 | 11.98 |
| | b) Diluted (₹) | | 7.30 | 11.98 |
| | **MATERIAL ACCOUNTING POLICIES** | 2 | | |

**The accompanying notes form an integral part of Standalone Financial Statement**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026

# Standalone Statement of Changes in Equity

for the year ended 31st March, 2026

## A. EQUITY SHARE CAPITAL

| Particulars | Note No. | (₹ in lakhs) |
|---|---|---|
| **As at 31st March, 2024** | | **3,961.08** |
| Changes in Equity Share Capital | 21A | - |
| **As at 31st March, 2025** | | **3,961.08** |
| Changes in Equity Share Capital | 21A | - |
| **As at 31st March, 2026** | | **3,961.08** |

## B. OTHER EQUITY

(₹ in lakhs)

| Particulars | Reserves and Surplus | | | | Effective Portion of Cash Flow Hedges [Gain/(Loss)] | Total |
|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Remeasurement of defined benefit obligations [Gain/(Loss)] | Retained Earnings | | |
| **Balance as at 31.03.2024** | **270.55** | **1,653.72** | **(357.75)** | **1,99,092.42** | **123.73** | **2,00,782.67** |
| Profit for the Year | - | - | - | 23,721.59 | - | 23,721.59 |
| Other Comprehensive Income / (Loss) for the Year (net of tax) | - | - | (84.86) | - | (399.63) | (484.49) |
| Final Dividend on Equity Shares | - | - | - | (4,357.20) | - | (4,357.20) |
| **Balance as at 31.03.2025** | **270.55** | **1,653.72** | **(442.61)** | **2,18,456.81** | **(275.90)** | **2,19,662.57** |
| Profit for the Year | - | - | - | 14,461.46 | - | 14,461.46 |
| Other Comprehensive Income / (Loss) for the Year (net of tax) | - | - | 339.84 | - | (2,815.81) | (2,475.97) |
| Final Dividend on Equity Shares | - | - | - | (3,961.09) | - | (3,961.09) |
| **Balance as at 31.03.2026** | **270.55** | **1,653.72** | **(102.77)** | **2,28,957.18** | **(3,091.71)** | **2,27,686.97** |

**The accompanying notes form an integral part of Standalone Financial Statement**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026



# Standalone Statement of Cash Flows

for the year ended 31st March, 2026

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2026 | | For the year ended 31st March, 2025 | |
|---|---|---|---|---|
| **A) CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| Profit before Tax | | 19,061.04 | | 32,340.37 |
| **Adjustments for:-** | | | | |
| Depreciation and Amortisation Expense | | 9,310.88 | | 8,301.42 |
| Gain on disposal of Property, Plant and Equipment | | (41.65) | | (11.77) |
| Finance Costs | | 9,506.79 | | 10,710.24 |
| Interest Income | | (2,811.14) | | (2,034.68) |
| Income from Government Grants | | (301.09) | | (186.37) |
| Mark to Market Loss on Derivative Contracts (Net) | | 3,287.71 | | 429.55 |
| Provision for Doubtful debts / Advances | | - | | (737.07) |
| Loss Allowance made for expected credit loss on trade receivables | | 19.12 | | - |
| Unrealised Forex Gain | | (1,582.67) | | (952.53) |
| Loss on Sale of Assets | | 253.29 | | 116.94 |
| Gain on Redemption of Mutual Funds | | (36.26) | | (4.34) |
| Gain on changes in value of NAV of Mutual Funds | | (1.66) | | (161.82) |
| | | **36,664.36** | | **47,809.94** |
| **Changes in Operating Assets and Liabilities:** | | | | |
| **Adjustment for (Increase) / Decrease in Operating Assets :** | | | | |
| Non-Current Financial Assets | 60.86 | | (48.28) | |
| Inventories | (9,186.61) | | 16,705.80 | |
| Trade Receivables | 11,825.05 | | (22,243.04) | |
| Other Current Financial Assets | 235.98 | | (145.11) | |
| Other Current Assets | (4,728.58) | (1,793.30) | 5,487.23 | (243.40) |
| **Adjustment for Increase / (Decrease) in Operating Liabilities:** | | | | |
| Non-Current Provisions | 1,147.04 | | 253.12 | |
| Trade Payables | 6,371.71 | | (13,610.69) | |
| Other Current Financial Liabilities | 4,313.15 | | 1,690.71 | |
| Other Current Liabilities | 86.38 | | 539.69 | |
| Current Provisions | (60.08) | 11,858.20 | 218.51 | (10,908.66) |
| Net Taxes paid | | (4,737.62) | | (9,611.44) |
| **Net Cash flow from Operating Activities (A)** | | **41,991.64** | | **27,046.44** |
| **B) CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Payment for Property, Plant & Equipment and Intangible Assets | | (4,246.15) | | (10,162.64) |
| Receipt from Sale of Property, Plant & Equipment | | 165.72 | | 71.79 |
| Loan to Foreign Subsidiary | | - | | (8,546.02) |
| Investments in Foreign Subsidiary | | - | | (4,134.31) |
| Purchase of Current Investments (net) | | (4,827.10) | | (24.08) |
| Receipt of Government Grants | | 1,474.13 | | 950.83 |
| Interest Received | | 3,453.78 | | 1,169.17 |
| **Net Cash Flow used in Investing Activities (B)** | | **(3,979.62)** | | **(20,675.26)** |

## Standalone Statement of Cash Flows (contd.)

for the year ended 31st March, 2026

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| **C) CASH FLOW FROM FINANCING ACTIVITIES.** | | |
| Repayment of Long Term Borrowings | (6,131.61) | (5,410.99) |
| Proceeds from Long Term Borrowings | 4,800.00 | - |
| Proceeds/(Repayment) in Short Term Borrowings (net) | (17,854.79) | 4,546.34 |
| Proceeds received under a supplier finance arrangement | 36,913.78 | 23,762.61 |
| Repayments under a supplier finance arrangement | (41,237.29) | (13,300.38) |
| Finance Cost Paid | (9,549.78) | (10,753.20) |
| Principal elements of lease payments | (899.26) | (902.88) |
| Final Dividend on Equity Shares | (3,961.09) | (4,357.20) |
| **Net Cash Flow used in Financing Activities (C)** | **(37,920.04)** | **(6,415.70)** |
| **Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)** | **91.98** | **(44.52)** |
| **Cash and Cash Equivalents at the beginning of the year** | **8,036.07** | **8,080.59** |
| **Cash and Cash Equivalents at the end of the year** | **8,128.05** | **8,036.07** |
| **Non-Cash Financing and Investing Activities:** | | |
| - Acquisition of Right of Use Assets | (756.03) | (4,304.84) |
| **Cash and Cash Equivalents at the end of the year comprises of:** | | |
| (a) Cash in Hand (See note 16) | 11.31 | 10.27 |
| (b) Balance with Banks (See note 16) | | |
| (i) In Current/EEFC Accounts | 8,116.74 | 8,025.80 |
| **Total** | **8,128.05** | **8,036.07** |

**Note:**

1. The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7, 'Statement of Cash Flows'.

**The accompanying notes form an integral part of Standalone Financial Statement**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026



## Notes Accompanying to the Standalone Financial Statements

### 1. Corporate information and basis of preparation:

**Corporate information:**

Indo Count Industries Limited is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Office No.1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur-416109, Maharashtra, India.

The Company mainly deals in top of the bed items in textiles business. The Company has its wide network of operations in local as well as in overseas market.

The Financial statements of the Company for the year ended 31 March, 2026 were authorized for issue in accordance with a resolution of the Board of Directors on May 30, 2026.

**Basis of preparation:**

**(i) Compliance with Ind AS**

The standalone financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

**(ii) Historical cost convention:**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) measured at fair value
- defined benefit plans – plan assets measured at fair value

**(iii) Rounding off:**

The financial statements are presented in Indian Rupees ('INR') and all amounts are rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise indicated.

**(iv)** All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which is based on the nature of business and the time elapsed between deployment of resources and the realisation of cash and cash equivalents. The Company has considered an operating cycle of 12 months.

**(v) Recent Accounting Pronouncements:**

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 1 – Presentation of financial statements relating to classification of liabilities as current or non-current subject to covenants, Ind AS 12 – Income Taxes relating to international tax reforms – Pillar Two Model Rules, Ind AS 21 – the effect of changes in foreign exchange rates and Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 - Statement of Cashflows relating to disclosure of supplier financing arrangements, applicable from April 01, 2025 and certain amendments to Ind AS 1 relating to classification of liabilities as current or non-current and non-current liabilities with covenants, applicable from April 01, 2026.

The Company has assessed that there is no significant impact on its financial statements with respect to the amendments in Ind AS 1, Ind AS 12 and Ind AS 21. The Company has evaluated and provided disclosure with respect to supplier financing arrangement in note 26(b).

### 2. Material Accounting Policies

**2.1 Property, plant and equipment (including capital work-in-progress):**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are added to the asset's carrying amount or recognized as a separate asset only if future economic benefits are probable and the cost is reliably measurable. Components accounted for separately are derecognized when replaced. Other repairs and maintenance are expensed as incurred.

Gains and losses on disposals are calculated by comparing the proceeds with the carrying amount and are included in profit or loss within other income/expenses.

Capital work-in-progress mainly comprises of new property, plant and equipment. Expenditure incurred on assets in the course of construction are capitalised under Capital work in progress.

General and specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset, are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily takes substantial

## Notes Accompanying to the Standalone Financial Statements

period of time (twelve months or more) to get ready for their intended use.

At the point when the construction of the asset is completed and it is ready to be operated as per management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

| Particulars | Estimated useful life followed by the company (in years) |
|---|---|
| Buildings (other than factory buildings-RCC Frame Structure) | 60 |
| Buildings (Factory Buildings) | 30 |
| Buildings (Others) | 3 to 10 |
| Plant and machinery (Power Generation Plant) | 40 |
| Plant and machinery (Continuous process plant) | 25 |
| Plant and Machinery (Others) | 10 to 15 |
| Furniture and Fixtures | 10 |
| Computer and Office equipment | 3 to 6 |
| Vehicles | 8 |

Leasehold improvements are depreciated over the shorter of their useful life or the lease term.

The useful life followed by the company is in line with those specified by Schedule II to the Act.

The assets residual value and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

**2.2 Financial assets: Investments and other financial assets**

**i) Classification:**

The Company classifies its financial assets in the following measurement categories

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**ii) Initial recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

**iii) Measurement**

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Subsequent measurement (Debt instrument):**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments, which is explained below.

**(a) At amortised cost:**

The Company measures its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

**(b) At fair value through other comprehensive income (FVOCI):**

Debt instruments are measured at FVOCI where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

**(c) At fair value through profit or loss:**

Debt instruments that do not qualify for measurement at amortised cost or FVOCI are measured at fair value through profit or loss.



Notes Accompanying to the Standalone Financial Statements

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

**Subsequent measurement (Equity instrument):**

The Company subsequently measures all equity instruments at fair value. Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**iv) Investments in subsidiaries**

The investments in subsidiaries are carried in the standalone financial statements at historical cost. Investment in each subsidiary is tested for Impairment in accordance with Ind AS 36, 'Impairment of assets' by comparing it's recoverable amount with its carrying amount, and any impairment loss recognised reduces the carrying amount of investment.

**v) Impairment of financial assets:**

For trade receivables, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the standalone statement of profit and loss.

The Company assesses on a forward-looking basis the expected credit losses associated with financial assets other than trade receivables. The impairment methodology applied depends on whether there has been a significant increase in credit risk. At each reporting date, the company assesses whether the credit risk on these financial instruments has increased significantly since initial recognition. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

**2.3 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as the company has applied practical expedient in accordance with paragraph 63 of Ind AS 115. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**2.4 Inventories**

Inventories are valued at the lower of cost and net realisable value. The costs of individual items are determined on weighted average basis. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

**a) Raw materials, traded goods, packing material, stores & spares:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

**b) Finished goods and work in progress:**

Cost comprises of direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

**c) Product Waste is valued at estimated realizable value.**

Slow moving, non-moving, obsolete and defective inventories are duly provided based on estimate made by management considering their condition and future sales forecasts.

# Notes Accompanying to the Standalone Financial Statements

**2.5 Revenue Recognition**

**a) Sale of Products**

The Company derives revenues primarily from sale of products/goods. The Company has assessed revenue contracts and revenue is recognized upon satisfying performance obligations in accordance with provisions of contract with the customer.

It recognizes revenue when control over the promised goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange of those goods. This is generally determined when goods are shipped to the customer at specific location in accordance with the agreed terms, following which the customer has full discretion over responsibility, manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods and there is no unfulfilled obligation that would affect customer's acceptance of the product. All the foregoing occurs at a point in time upon shipment or delivery of the goods at the specific location.

The Company considers terms of the contract/purchase order in determining the transaction price. In most customer contracts, the Company considers freight, duties, insurance and handling activities as costs to fulfil the promise to transfer the related goods depending upon the terms of contracts and the customer payments for such activities are recorded as a component of revenue. Revenue excludes any taxes and duties collected on behalf of the government.

Contract with a customer includes separate performance obligation of reaching the goods to customer's warehouse abroad. The amount of ₹11,783.27 lakhs (March 31, 2025: ₹487.21 lakhs) attributable to such performance obligation is embedded in the contract price for sale of products. The Company recognises revenue for such performance obligation over the period and accordingly, defers the revenue recognition relating to such performance obligation which is unsatisfied at the period-end.

The consideration in a contract includes a variable amount in relation to discounts, rebates, quality related claims and other deductions wherein the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue from sale of by-products are included in revenue.

As a practical expedient, the company do not adjust the promised amount of consideration for the effects of a significant financing component if the company expects, at contract inception, that the period between when the company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

**b) Sale of services**

The Company's sale of services also includes job work services to other customers. Revenue from providing such services is recognised in the accounting period in which the services are rendered upon satisfying performance obligations in accordance with the terms of contract with the customer.

**c) Export incentives:**

Export incentives and subsidies (Rebate of State and Central Levies and Taxes (RoSCTL), Remission of Duties and Taxes on Export Products (RoDTEP) and duty drawback scheme) are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. These are recognised on shipment for export at the prescribed rates and is included in other operating income.

**d) Services to a Related Party:**

This relates to support services towards certain business functions provided to related party which is recognised over the period.

**2.6 Income Taxes**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss) and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.7 Leases**

**The Company as a lessee:**

The Company leases land, buildings and Plant and machinery. Rental contracts are typically made for fixed periods of one month to 99 years.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Any escalation/increment in the lease payments which are fixed in nature, are included in the initial recognition of the lease liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**Right-of-use assets:**

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

## Notes Accompanying to the Standalone Financial Statements

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

For the leases term determination, the following factors are normally the most relevant:

- If there is significant penalty payments to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate)
- Otherwise, the Company considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

**The Company as a lessor:**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

**2.8 Employee benefits**

**i) Short-term employee benefits**

Liabilities for salaries, wages, bonus, ex-gratia, and incentives etc. that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**ii) Post-employment benefits**

**a) Defined contribution plans**

Central Government Provident fund Scheme is a defined contribution plan. The Company has no further payment obligations once the contributions have been paid. The contribution paid /payable under the scheme is recognized in the statement of profit and loss during the period in which the employee renders the related services.

**b) Defined Benefit Plans**

The employee Gratuity Fund scheme managed by a Trust is a defined benefit plan.

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary at the year end using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the finance cost in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in reserves and surplus in other equity. Remeasurement gain or loss are not reclassified to the statement of profit and loss in subsequent periods.

**iii) Other Long-term employee benefit**

The Company has liabilities for compensated absences that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience



Notes Accompanying to the Standalone Financial Statements

adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet as the Company does not have a right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**2.9 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events where either it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate cannot be made. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**2.10 Derivative financial instruments and hedge accounting**

The Company enters into derivative contracts to hedge foreign currency risk on unexecuted firm commitments and highly probable forecast transactions. Derivatives held include foreign exchange forward contracts and options. The hedging transaction entered into by the Company is within the overall scope of the Foreign Exchange Risk Management Policy of the company as approved by the Board from time to time. All derivative contracts are recognised on the Balance Sheet and measured at fair value.

Derivatives are only used for economic hedging purposes and not as speculative investments.

Derivatives which are not designated for hedge accounting are measured at fair value through profit or loss (FVTPL). Mark to Market for these instruments is classified as current assets or liabilities if they are anticipated to be settled within 12 months following the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company designates certain derivatives as either hedges of a particular risk associated with the cash flows of recognised assets and liabilities or highly probable forecast transactions (cash flow hedges).

At inception of the hedging relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

**Cash flow hedges**

The Company applies hedge accounting to manage foreign currency risk associated with highly probable forecasted sales and purchases in foreign currencies. Under Ind AS 109, the Company designates foreign exchange forward and option contracts as cash flow hedges to offset the variability in cash flows arising from these forecasted transactions.

Hedge effectiveness is assessed using dollar offset approach, ensuring the hedge is highly effective in offsetting changes in cash flows.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss within other income/other expenses.

For cash flow hedging relationships that span multiple reporting periods, the ineffectiveness for the period is

# Notes Accompanying to the Standalone Financial Statements

calculated as the difference between the cumulative ineffectiveness as at reporting date (based on the 'lesser of' the cumulative change in the fair value of the hedging instrument and the hedged item), and the cumulative ineffectiveness reported in prior periods.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item, hereby aligning the timing of the hedge's impact with the underlying transaction. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability as a basis adjustment.

When option contracts are used to hedge forecast transactions, the gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity and is recognized when the forecasted transaction is ultimatelty recognized in the Statement of Profit and Loss. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income/other expenses.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

**Fair value hedge**

The Company employs fair value hedge accounting to mitigate the risk of changes in the fair value of foreign currency debtors and creditors expected to be realized in the future. Upon sales or purchase, the cash flow hedge against forecasted sales or purchase converts into fair value hedge against outstanding debtor or creditor balances in foreign currency exposure. The forward and option contracts are continued to hedge against fluctuations in the fair value of these receivables and payables.

Hedge effectiveness is assessed using dollar offset approach, upon comparison of key parameters like notionals, maturity date and underlying currency of the hedging instrument and hedged item. Gains or losses on the hedging instrument and adjustments to the carrying amount of the hedged receivables and payables are recognized in profit or loss, aligning the impact of currency fluctuations with the economic impact of the hedge.

### 2.11 Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Government grants relating to the purchase of property, plant and equipment are recognized once reasonable certainty is established and are included in non-current liabilities as deferred income and are credited to the statement of profit or loss on a straight-line basis over the remaining expected lives of the related assets and presented within other income.

### 2.12 Foreign currency translation

**a. Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company financial statements are presented in Indian Rupee (INR), which is also the functional and the presentation currency of the Company.

**b. Transactions and balances**

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates



Notes Accompanying to the Standalone Financial Statements

prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions.

## 3. Other Accounting Policies

### 3.1 Intangible assets

Separately acquired intangible assets are shown at historical cost, less any accumulated amortisation and accumulated impairment losses, if any. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

The Company amortises intangible assets using the straight-line method over their estimated useful lives as follows:

| | |
|---|---|
| Software | Over the period of 3 to 5 years |
| Patents and Trademarks | 10 to 20 years |

The assets useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

Expenditure incurred for getting the trademark and patents registered in the Company's name (which generally takes four to five years) are capitalized under Intangible assets under development. At the point when the trademarks and patents are registered in the Company's name, the relevant costs are transferred to the appropriate category of intangible assets and amortisation commences. Further, software capitalized during the year includes costs related to customisation and implementation of software.

### 3.2 Borrowing costs

Borrowing costs other than mentioned in Note 2.1 of material accounting policies are expensed in the period in which they are incurred.

### 3.3 Borrowings

Borrowings are initially recognised at fair value net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

### 3.4 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

(i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and

(ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

### 3.5 Impairment of non-current assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, intangible assets and right of use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the

## Notes Accompanying to the Standalone Financial Statements

carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

**3.6 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and for the purpose of presentation in the statement of cash flow, bank overdrafts is classified as cash and cash equivalents.

**3.7 Other Income**

**Lease Income:**

Lease agreements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor are recognized as operating leases.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

**Other income:**

All other income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

**3.8 Earnings per share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares, if any.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**3.9 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The CODM of Indo Count Industries Limited is responsible for allocating resources and assessing performance of the operating segment. Executive Directors have been identified as CODM.

**3.10 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their transaction value which represents their fair value and subsequently measured at amortised cost using the effective interest method.

**3.11 Provisions**

Provisions for legal claims are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.



## Notes Accompanying to the Standalone Financial Statements

The increase in the provision due to the passage of time is recognised as interest expense.

**3.12 Business combination**

The acquisition method of accounting is used to account for all business combinations. The acquisition related cost are recognized under the statement of profit and loss as incurred. The Acquiree's identifiable assets, liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of the net identifiable assets acquired is recognized as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the difference is recognised directly in equity as capital reserve.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amounts. The only adjustments that are made are to harmonise accounting policies and tax adjustments as per the applicable statute. The difference between consideration and the carrying value is recognized as capital reserve.

The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

**3.13 Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with carrying value of all of its property, plant and equipment and intangible assets measured as per previous GAAP and use the carrying value as the deemed cost of property, plant and equipment and intangible assets.

### 4. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes.

- Right of Use – Assessment of Lease term (Note 2.7)
- Estimation of Defined benefit obligation (Note 2.8)
- Contingent liabilities (Note 2.9)
- Fair valuation of Derivatives (Note 2.10)
- Estimated useful life of Property, plant and equipment (Note 2.1)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 5. Property, Plant and Equipment

FY 25-26 (₹ in lakhs)

| Particulars | Land - Freehold | Buildings* | Plant and Machinery | Furniture and Fixtures | Leasehold Improvements | Office Equipment# | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | | | |
| **As at 01.04.2025** | **12,379.51** | **39,266.73** | **1,32,014.86** | **1,658.65** | **890.65** | **3,083.76** | **682.35** | **1,89,976.51** |
| Additions | - | 1,507.97 | 4,369.54 | 226.14 | 28.26 | 280.23 | 49.71 | 6,461.85 |
| Disposals | - | - | 930.97 | - | - | 22.40 | - | 953.37 |
| **As at 31.03.2026** | **12,379.51** | **40,774.70** | **1,35,453.43** | **1,884.79** | **918.91** | **3,341.59** | **732.06** | **1,95,484.99** |
| **Accumulated Depreciation** | | | | | | | | |
| **As at 01.04.2025** | **-** | **9,073.18** | **51,447.53** | **899.47** | **150.66** | **1,961.80** | **401.62** | **63,934.26** |
| Depreciation charged for the year | - | 1,340.88 | 5,540.98 | 120.02 | 108.36 | 334.96 | 50.13 | 7,495.33 |
| Disposals | - | - | 554.73 | - | - | 21.28 | - | 576.01 |
| **As at 31.03.2026** | **-** | **10,414.06** | **56,433.78** | **1,019.49** | **259.02** | **2,275.48** | **451.75** | **70,853.58** |
| **Net Carrying Amount** | | | | | | | | |
| **As at 31.03.2026** | **12,379.51** | **30,360.64** | **79,019.65** | **865.30** | **659.89** | **1,066.11** | **280.31** | **1,24,631.41** |

*a) Includes 10 shares of ₹50 each of Arcadia Premises Co-operative Society Limited.

*b) Includes 10 shares of ₹50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

For details of Property, Plant & Equipment hypothecated as security against borrowings refer note no. 22.

#includes computers with gross carrying amount of ₹1,266.51 lakhs; and with net carrying amount of ₹298.35 lakhs as at 31.03.2026.

Capital work in progress

FY 25-26

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2025** | **2,663.31** |
| Addition during the year | 4,241.35 |
| Capitalised during the year | 6,461.85 |
| **Balance as at 31.03.2026** | **442.81** |

Capital work in progress

FY 25-26

Projects in Progress (₹ in lakhs)

| Particulars | Amount in Capital work-in-progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31.03.2026 | 311.37 | 131.44 | - | - | 442.81 |



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

There are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

There are no projects which are temporarily suspended.

**PROPERTY, PLANT AND EQUIPMENT**

FY 24-25 (₹ in lakhs)

| Particulars | Land - Freehold | Buildings* | Plant and Machinery | Furniture and Fixtures | Leasehold Improvements | Office Equipment# | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | | | |
| **As at 01.04.2024** | **12,305.82** | **37,606.71** | **1,29,066.58** | **1,352.38** | **323.52** | **2,766.31** | **716.64** | **1,84,137.96** |
| Additions | 73.69 | 1,718.62 | 3,399.52 | 306.27 | 567.13 | 469.31 | 74.10 | 6,608.64 |
| Disposals | - | 58.60 | 451.24 | - | - | 151.86 | 108.39 | 770.09 |
| **As at 31.03.2025** | **12,379.51** | **39,266.73** | **1,32,014.86** | **1,658.65** | **890.65** | **3,083.76** | **682.35** | **1,89,976.51** |
| **Accumulated Depreciation** | | | | | | | | |
| **As at 01.04.2024** | **-** | **7,774.96** | **46,379.82** | **779.46** | **62.33** | **1,801.79** | **446.68** | **57,245.04** |
| Depreciation charged for the year | - | 1,321.22 | 5,390.84 | 120.01 | 88.33 | 304.04 | 57.90 | 7,282.34 |
| Disposals | - | 23.00 | 323.13 | - | - | 144.03 | 102.96 | 593.12 |
| **As at 31.03.2025** | **-** | **9,073.18** | **51,447.53** | **899.47** | **150.66** | **1,961.80** | **401.62** | **63,934.26** |
| **Net Carrying Amount** | | | | | | | | |
| **As at 31.03.2025** | **12,379.51** | **30,193.55** | **80,567.33** | **759.18** | **739.99** | **1,121.96** | **280.73** | **1,26,042.25** |

*a) Includes 10 shares of ₹50 each of Arcadia Premises Co-operative Society Limited.

*b) Includes 10 shares of ₹50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

For details of Property, Plant & Equipment hypothecated as security against borrowings refer note no. 22.

#includes computers with gross carrying amount of ₹1,211.34 lakhs; and with net carrying amount of ₹315.99 lakhs as at 31.03.2025.

Capital work in progress

FY 24-25

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2024** | **2,468.20** |
| Addition during the year | 6,803.75 |
| Capitalised during the year | 6,608.64 |
| **Balance as at 31.03.2025** | **2,663.31** |

Capital work in progress

FY 24-25

Projects in Progress (₹ in lakhs)

| Particulars | Amount in Capital work-in-progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31.03.2025 | 2,649.19 | 14.12 | - | - | 2,663.31 |

There are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

There are no projects which are temporarily suspended.

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

### 6. Right-of-Use (ROU) assets

FY 25-26 (₹ in lakhs)

| Particulars | Land - Leasehold | Buildings | Plant and Machinery | Total |
|---|---|---|---|---|
| **Gross Carrying Amount** | | | | |
| **As at 01.04.2025** | **1,640.89** | **6,070.02** | **152.64** | **7,863.55** |
| Additions | - | 740.63 | 15.40 | 756.03 |
| Disposals | - | 269.37 | - | 269.37 |
| **As at 31.03.2026** | **1,640.89** | **6,541.28** | **168.04** | **8,350.21** |
| **Accumulated Depreciation** | | | | |
| **As at 01.04.2025** | **127.12** | **1,069.95** | **10.94** | **1,208.01** |
| Depreciation charged for the year | 20.04 | 1,088.68 | 38.76 | 1,147.48 |
| Disposals | - | 181.62 | - | 181.62 |
| **As at 31.03.2026** | **147.16** | **1,977.01** | **49.70** | **2,173.87** |
| **Net Carrying Amount** | | | | |
| **As at 31.03.2026** | **1,493.73** | **4,564.27** | **118.34** | **6,176.34** |

Refer Note No. 40 for information about Leases.

FY 24-25 (₹ in lakhs)

| Particulars | Land - Leasehold | Buildings | Plant and Machinery | Total |
|---|---|---|---|---|
| **Gross Carrying Amount** | | | | |
| **As at 01.04.2024** | **1,640.89** | **2,947.94** | **-** | **4,588.83** |
| Additions | - | 4,152.20 | 152.64 | 4,304.84 |
| Disposals | - | 1,030.12 | - | 1,030.12 |
| **As at 31.03.2025** | **1,640.89** | **6,070.02** | **152.64** | **7,863.55** |
| **Accumulated Depreciation** | | | | |
| **As at 01.04.2024** | **107.14** | **798.03** | **-** | **905.17** |
| Depreciation charged for the year | 19.98 | 900.31 | 10.94 | 931.23 |
| Disposals | - | 628.39 | - | 628.39 |
| **As at 31.03.2025** | **127.12** | **1,069.95** | **10.94** | **1,208.01** |
| **Net Carrying Amount** | | | | |
| **As at 31.03.2025** | **1,513.77** | **5,000.07** | **141.70** | **6,655.54** |

Refer Note No. 40 for information about Leases.

### 7. Intangible Assets

FY 25-26 (₹ in lakhs)

| Particulars | Software | Patents and Trademarks | Total |
|---|---|---|---|
| **Gross Carrying Amount** | | | |
| **As at 01.04.2025** | **1,061.82** | **470.63** | **1,532.45** |
| Additions | 2,735.32 | 41.01 | 2,776.33 |
| Disposals | - | - | - |
| **As at 31.03.2026** | **3,797.14** | **511.64** | **4,308.78** |
| **Accumulated Depreciation** | | | |
| **As at 01.04.2025** | **672.25** | **196.10** | **868.35** |
| Depreciation charged for the year | 630.61 | 37.46 | 668.07 |
| Disposals | - | - | - |
| **As at 31.03.2026** | **1,302.86** | **233.56** | **1,536.42** |
| **Net Carrying Amount** | | | |
| **As at 31.03.2026** | **2,494.28** | **278.08** | **2,772.36** |





Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Intangible Assets under Development**
FY 25-26

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2025** | **2,035.86** |
| Addition during the year | 796.46 |
| Capitalised during the year | 2,776.33 |
| **Balance as at 31.03.2026*** | **55.99** |

*includes costs of ₹2.05 lakhs incurred towards registration of patents/trademarks which is pending as at year end.

**a) Intangible assets under Development ageing**
FY 25-26 (₹ in lakhs)

| Particulars | Amount in Intangible assets under Development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at 31.03.2026** | **17.33** | **38.30** | **0.03** | **0.33** | **55.99** |

No Intangible assets under Development mentioned above is overdue or exceeded its cost compared to its original plan. There are no projects which are temporarily suspended.

FY 24-25 (₹ in lakhs)

| Particulars | Software | Patents and Trademarks | Total |
|---|---|---|---|
| **Gross Carrying Amount** | | | |
| **As at 01.04.2024** | **697.91** | **394.91** | **1,092.82** |
| Additions | 363.91 | 75.72 | 439.63 |
| Disposals | - | - | - |
| **As at 31.03.2025** | **1,061.82** | **470.63** | **1,532.45** |
| **Accumulated Depreciation** | | | |
| **As at 01.04.2024** | **620.70** | **159.80** | **780.50** |
| Depreciation charged for the year | 51.55 | 36.30 | 87.85 |
| Disposals | - | - | - |
| **As at 31.03.2025** | **672.25** | **196.10** | **868.35** |
| **Net Carrying Amount** | | | |
| **As at 31.03.2025** | **389.57** | **274.53** | **664.10** |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Intangible Assets under Development**
**FY 24-25**

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2024** | **986.99** |
| Addition during the year | 1,488.50 |
| Capitalised during the year | 439.63 |
| **Balance as at 31.03.2025*** | **2,035.86** |

*includes costs of ₹75.43 lakhs incurred towards registration of patents/trademarks which is pending as at year end.

**a) Intangible assets under Development ageing**
**FY 24-25** (₹ in lakhs)

| Particulars | Amount in Intangible assets under Development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at 31.03.2025** | **1,348.92** | **636.37** | **16.98** | **33.59** | **2,035.86** |

No Intangible assets under Development mentioned above is overdue or exceeded its cost compared to its original plan.
There are no projects which are temporarily suspended.

## 8. Non-Current Investments

| Particulars | No. of Shares | | (₹ in lakhs) | |
|---|---|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 | As at 31st March, 2026 | As at 31st March, 2025 |
| **- Unquoted** | | | | |
| **Investment in Equity Instruments** | | | | |
| **Subsidiary Company - wholly owned** | | | | |
| **In fully paid up equity shares : (measured at cost)** | | | | |
| Indo Count Global Inc, USA (face value USD 1000 per share) | 1,350 | 1,350 | 4,580.50 | 4,580.50 |
| Indo Count UK Limited (face value GBP 1 per share) | 86,000 | 86,000 | 79.61 | 79.61 |
| Indo Count Retail Ventures Limited. (face value ₹10 per share) (formerly known as Indo Count Retail Ventures Private Limited) | 10,000 | 10,000 | 1.00 | 1.00 |
| Indo Count Global DMCC, UAE (face value AED 1000 per share) | 2,750 | 2,750 | 530.65 | 530.65 |
| **Total** | | | **5,191.76** | **5,191.76** |
| **Aggregate amount of:** | | | | |
| Unquoted Investments | | | 5,191.76 | 5,191.76 |
| Impairment in the value of Investments | | | - | - |

## 9. Non-Current Loans

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Unsecured - Considered good:** | | |
| Loans to a Subsidiary (Refer note 41) | 13,988.16 | 12,607.56 |
| **TOTAL** | **13,988.16** | **12,607.56** |
| Less: Loss allowance | - | - |
| **TOTAL** | **13,988.16** | **12,607.56** |



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

9.1 a) includes a long term loan of USD 4.50 Mn (equivalent ₹4,267.58 lakhs) [previous year USD 4.50 Mn (equivalent ₹3,846.38 lakhs)] provided to wholly owned subsidiary for the purpose of purchase of Inventory and Intellectual Property rights in relation to acquisition at rate of interest of 6.45% p.a. (previous year 6.50% p.a.). The loan is repayable on or before March 31, 2030.

b) includes a long term loan of USD 10.25 Mn (equivalent ₹9,720.58 lakhs) [previous year USD 10.25 Mn (equivalent ₹8,761.18 lakhs)] provided to wholly owned subsidiary for the purpose of purchase of Brand name "Wamsutta" at rate of interest of 6.58% p.a. (previous year 7.11% p.a.). The loan is repayable on or before March 31, 2034.

**9.2 Disclosure required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

(i) Loans and advances in the nature of loans given to wholly owned subsidiary. (₹ in lakhs)

| Name of the Subsidiary | Loan (interest bearing) outstanding | Maximum amount outstanding during the year |
|---|---|---|
| Indo Count Global Inc., (USA) | | |
| As at 31.03.2026 | 13,988.16 | 13,988.16 |
| As at 31.03.2025 | 12,607.56 | 12,628.95 |

## 10. Other Non-Current Financial Assets

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Unsecured - Considered good:** | | |
| Security Deposits | 501.83 | 562.69 |
| **TOTAL** | **501.83** | **562.69** |

## 11. Non-Current Tax Assets (Net)

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Income Tax Assets (Net of Provisions) | - | 4,544.08 |
| **TOTAL** | **-** | **4,544.08** |

## 12. Other Non-Current Assets
**(Unsecured-considered good)**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Capital Advances | 5.82 | 460.57 |
| **TOTAL** | **5.82** | **460.57** |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 13. Inventories

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Raw Materials* | 20,838.18 | 17,521.54 |
| Work-in-Progress | 37,844.16 | 35,502.81 |
| Finished Goods** | 33,793.68 | 31,197.24 |
| Product Waste | 86.56 | 93.05 |
| Stores and Spares*** | 4,371.16 | 3,338.59 |
| Dyes and Chemicals | 849.65 | 943.54 |
| **TOTAL** | **97,783.39** | **88,596.77** |

*Includes goods in transit ₹2,520.21 lakhs (previous year NIL).
**Includes goods in transit ₹6,301.16 lakhs (previous year ₹5,179.79 lakhs).
***Includes goods in transit ₹76.39 lakhs (previous year NIL).
Write downs of inventories to net realisable value amounted to ₹84.12 lakhs (previous year ₹77.48 lakhs) as at year end. Impact of these were recognised as an expense/income during the year and included in 'changes in value of inventories of work-in-progress, stock-in trade and finished goods' and 'consumption of stores, spares, dyes and packing materials' in statement of profit and loss as at year end.

## 14. Current Investments

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Investments measured at fair value through profit or loss** | | |
| **Unquoted** | | |
| In Mutual Funds | 3,601.40 | 3,199.77 |
| **Quoted** | | |
| In Bonds (including interest accrued of ₹684.96 lakhs, March 31, 2025: ₹472.99 lakhs) | 15,405.92 | 10,730.57 |
| **Total** | **19,007.32** | **13,930.34** |
| **Aggregate Value of:** | | |
| Unquoted Investments | 3,601.40 | 3,199.77 |
| Quoted Investments | 15,405.92 | 10,730.57 |
| Impairment in the value of Investments | - | - |

## 15. Current Trade Receivables

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **(a) Considered good - Unsecured** | | |
| Trade receivables from contract with customers - Others | 37,491.12 | 51,965.76 |
| Trade receivables from contract with customers - Related Parties (Refer Note No. 41) | 29,808.40 | 26,956.75 |
| **(b) Trade receivables which have significant increase in Credit Risk** | - | - |
| **(c) Trade receivables - Credit Impaired** | - | - |
| **Subtotal** | **67,299.52** | **78,922.51** |
| Less: Loss allowance | 19.12 | - |
| **Total** | **67,280.40** | **78,922.51** |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Notes:**

**a) Trade Receivable Ageing**

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 Months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at March 31, 2026** | | | | | | | |
| **Undisputed Trade receivables:** | | | | | | | |
| considered good | 54,343.63 | 7,951.41 | 4,973.65 | 30.80 | 0.03 | - | 67,299.52 |
| which have significant increase in credit risk | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - |
| **Total** | **54,343.63** | **7,951.41** | **4,973.65** | **30.80** | **0.03** | **-** | **67,299.52** |
| **As at March 31, 2025** | | | | | | | |
| **Undisputed Trade receivables:** | | | | | | | |
| considered good | 71,474.05 | 7,309.05 | 128.94 | 9.76 | 0.71 | - | 78,922.51 |
| which have significant increase in credit risk | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - |
| **Total** | **71,474.05** | **7,309.05** | **128.94** | **9.76** | **0.71** | **-** | **78,922.51** |

## 16. Cash and Cash Equivalents

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Cash in hand | 11.31 | 10.27 |
| **Balances with Banks :** | | |
| - In Current Accounts | 1,518.41 | 1,410.19 |
| - In EEFC Accounts | 6,598.33 | 6,615.61 |
| **TOTAL** | **8,128.05** | **8,036.07** |

## 17. Bank Balances other than Cash and Cash Equivalents

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Balances with Banks** | | |
| In Unclaimed Dividend Accounts | 262.41 | 276.31 |
| - Held as Margin / Fixed Deposits (Refer note 1 below) | 284.98 | 393.48 |
| **TOTAL** | **547.39** | **669.79** |

**Note 1:**

a) Includes ₹222.64 lakhs (previous year ₹368.29 lakhs) held with bank as margin money against bank guarantees and Letter of Credit facilities.

b) Includes ₹0.05 lakhs (previous year ₹0.05 lakhs) of receipt which is lodged with Excise Department.

c) Includes ₹53.52 lakhs (previous year ₹11.10 lakhs) held with bank as margin money against guarantee given to Maharashtra State Electricity Board.

d) Includes ₹8.77 lakhs (previous year ₹14.04 lakhs) of receipt which is lodged with Maharashtra Pollution Control Board.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 18. Other Current Financial Assets
(Unsecured - considered good)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Security Deposits | 197.82 | 149.40 |
| Derivative Asset (Refer note 48D) | 22.13 | 131.67 |
| Interest accrued on Loans and Deposits | 9.79 | 864.39 |
| Others | 293.79 | 455.79 |
| TOTAL | 523.53 | 1,601.25 |

## 19A. Current Tax Assets (Net)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Income Tax Assets (Net of Provisions) | 4,648.03 | - |
| TOTAL | 4,648.03 | - |

## 19B. Current Tax Liabilities (Net)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Provision for Income Tax (Net of Advance Taxes) | 593.96 | - |
| TOTAL | 593.96 | - |

## 20. Other Current Assets
(Unsecured-considered good)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Export Incentives | 3,475.85 | 4,117.96 |
| Balances with Government authority- Excise / Service Tax | 45.73 | 69.39 |
| Balances with Government authority-VAT / GST | 10,709.38 | 6,737.07 |
| Advance to Suppliers | 3,568.42 | 2,683.34 |
| Subsidy Receivable | 968.79 | 1,845.92 |
| Prepaid expenses | 1,190.24 | 622.76 |
| Others | 535.35 | 565.88 |
| TOTAL | 20,493.76 | 16,642.32 |
| Less: Provision for Doubtful Receivables | 302.64 | 302.64 |
| TOTAL | 20,191.12 | 16,339.68 |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 21(A) Share Capital

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Authorised:** | | |
| **Equity Shares** | | |
| 371,350,000 Shares (previous year 371,350,000) of ₹2 each | 7,427.00 | 7,427.00 |
| **Preference Shares** | | |
| 5,000,000 Shares (previous year 5,000,000) of ₹10 each | 500.00 | 500.00 |
| TOTAL | 7,927.00 | 7,927.00 |
| **Issued, Subscribed and Paid-Up:** | | |
| **Equity Shares** | | |
| 198,054,340 Equity Shares (previous year 198,054,340) of ₹2 each, fully paid up | 3,961.08 | 3,961.08 |
| TOTAL | 3,961.08 | 3,961.08 |

**Notes:**

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

| Particulars | Number of shares | (₹ in lakhs) |
|---|---|---|
| **Equity shares outstanding as at April 01, 2024** | 19,80,54,340 | 3,961.08 |
| Add: Shares issued during the year | - | - |
| **Equity shares outstanding as at March 31, 2025** | 19,80,54,340 | 3,961.08 |
| Add: Shares issued during the year | - | - |
| **Equity shares outstanding as at March 31, 2026** | 19,80,54,340 | 3,961.08 |

**(b) Terms / rights attached to equity shares**

(i) The Company has only one class of equity shares having a par value of ₹2 each. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to their shareholding.

**(c) Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:**

| Particulars | As at 31st March, 2026 | | As at 31st March, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Percentage | No. of Shares | Percentage |
| Indo Count Securities Limited | 3,10,41,385 | 15.67% | 3,10,41,385 | 15.67% |
| Sandridge Investments Limited | 6,20,02,455 | 31.31% | 6,20,02,455 | 31.31% |

**d) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.**

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

e) **Disclosure of Shareholding of Promoters**

| Name of the Shareholder | As at 31st March, 2026 | | As at 31st March, 2025 | | Percentage change during the year | Percentage change during the previous year |
|---|---|---|---|---|---|---|
| | No. of Shares | Per-centage | No. of Shares | Per-centage | | |
| Sandridge Investments Limited | 6,20,02,455 | 31.31% | 6,20,02,455 | 31.31% | 0.00% | 0.00% |
| Indocount Securities Limited | 3,10,41,385 | 15.67% | 3,10,41,385 | 15.67% | 0.00% | 0.00% |
| Gayatri Devi Jain | 66,85,855 | 3.38% | 66,85,855 | 3.38% | 0.00% | 0.00% |
| Shikha Mohit Jain | 52,48,825 | 2.65% | 52,48,825 | 2.65% | 0.00% | 0.00% |
| Yarntex Exports Ltd. | 23,12,500 | 1.17% | 23,12,500 | 1.17% | 0.00% | 0.00% |
| Neha Singhvi | 22,79,137 | 1.15% | 22,79,137 | 1.15% | 0.00% | 0.00% |
| Shivani Patodia | 21,73,750 | 1.10% | 21,73,750 | 1.10% | 0.00% | 0.00% |
| Anil Kumar Jain | 18,67,565 | 0.94% | 18,67,565 | 0.94% | 0.00% | 0.00% |
| Margo Finance Limited | 15,20,020 | 0.77% | 15,20,020 | 0.77% | 0.00% | 0.00% |
| Mohit Anilkumar Jain | 6,92,850 | 0.35% | 6,92,850 | 0.35% | 0.00% | 0.00% |
| Slab Promoters Private Limited | 3,08,325 | 0.16% | 3,08,325 | 0.16% | 0.00% | 0.00% |
| Rini Investment and Finance Private Limited | 1,19,100 | 0.06% | 1,19,100 | 0.06% | 0.00% | 0.00% |
| Anil Kumar Jain HUF | 75,000 | 0.04% | 75,000 | 0.04% | 0.00% | 0.00% |
| Sunita Jaipuria | 20,000 | 0.01% | 20,000 | 0.01% | 0.00% | 0.00% |
| **TOTAL** | **11,63,46,767** | **58.76%** | **11,63,46,767** | **58.76%** | **0.00%** | **0.00%** |

(f) **Dividend paid and proposed**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | **2025-26** | **2024-25** |
| (i) Dividend paid and recognised during the reporting period | | |
| Final Dividend for F.Y. 2023-24: ₹2.20 per share (face value of ₹2 each) | - | 4,357.20 |
| Final Dividend for F.Y. 2024-25: ₹2 per share (face value of ₹2 each) | 3,961.09 | - |
| (ii) Dividends not recognised at the end of the reporting period | | |
| In addition to the above dividends, subsequent to the year end the directors have recommended the payment of a final dividend of ₹1.50 per fully paid equity share (previous year ₹2.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | 2,970.82 | 3,961.09 |

### 21(B) Other Equity

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Reserves and Surplus | 2,30,778.68 | 2,19,938.47 |
| Effective Portion of Cash Flow Hedges (Refer note iv below) | (3,091.71) | (275.90) |
| **Total** | **2,27,686.97** | **2,19,662.57** |



## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**RESERVES AND SURPLUS**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Capital Reserve (Refer note i below) | 270.55 | 270.55 |
| Retained Earnings (Refer note iii below) | 2,28,957.18 | 2,18,456.81 |
| Securities Premium (Refer note ii below) | 1,653.72 | 1,653.72 |
| Remeasurement of defined benefit obligations (Refer note v below) | (102.77) | (442.61) |
| **Total Reserves and Surplus** | **2,30,778.68** | **2,19,938.47** |
| **(a) Capital Reserve** | | |
| Opening Balance | 270.55 | 270.55 |
| Addition during the year | - | - |
| **Closing Balance** | **270.55** | **270.55** |
| **(b) Retained Earnings** | | |
| Opening Balance | 2,18,456.81 | 1,99,092.42 |
| Profit for the Year | 14,461.46 | 23,721.59 |
| Final Dividend on Equity Shares | (3,961.09) | (4,357.20) |
| **Closing Balance** | **2,28,957.18** | **2,18,456.81** |
| **(c) Securities Premium** | | |
| Opening Balance | 1,653.72 | 1,653.72 |
| Addition during the year | - | - |
| **Closing Balance** | **1,653.72** | **1,653.72** |
| **(d) Remeasurement of defined benefit obligations.** | | |
| Opening Balance | (442.61) | (357.75) |
| (Reduction) / Addition during the year (net of tax) | 339.84 | (84.86) |
| **Closing Balance** | **(102.77)** | **(442.61)** |

**Effective Portion of Cash Flow Hedges (Refer note iv below)**

| Particulars | (₹ in lakhs) |
|---|---|
| **As at 1 April 2024** | **123.73** |
| Other comprehensive income for the year (net of tax) | (399.63) |
| **As at 31 March 2025** | **(275.90)** |
| Other comprehensive income for the year (net of tax) | (2,815.81) |
| **As at 31 March 2026** | **(3,091.71)** |

**Notes**

(i) **Capital Reserve:**

Majorly consists of capital reserve standing in books against acquisition of business unit and will be utilised in accordance with the provision of the Act

(ii) **Securities Premium :**

Securities Premium is created when shares were issued at premium and will be utilised in accordance with the provision of the Act.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**(iii) Retained Earnings:**

Retained earnings represents accumulated profit as on reporting date and can be utilised in accordance with the provision of the Act.

**(iv) Effective Portion of Cash Flow Hedges:**

Represents effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges as described in accounting policy Note 2.10. These are subsequently reclassifiable to the statement of profit and loss.

**(v) Remeasurement of defined benefit obligation:**

Effects of remeasurement of defined benefit obligations on account of actuarial gains and losses are recognised in other comprehensive income and disclosed separately under Reserves and Surplus. These are not subsequently reclassified to statement of Profit and loss.

## 22 Non-Current Borrowings

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Secured (measured at amortised cost)** | | |
| **1) Term Loan** | | |
| i) Rupee loans | | |
| - From Banks (a) | 6,512.12 | 4,946.24 |
| - From Financial Institutions (a) | 6,252.50 | 9,150.00 |
| Less: Current maturity of long term borrowings | (4,324.75) | (5,776.00) |
| **TOTAL** | **8,439.87** | **8,320.24** |

a) **Non-Current Borrowings terms of repayment and security** (₹ in lakhs)

| Particulars | Outstanding As at 31st March, 2026 | Outstanding As at 31st March, 2025 | Repayment Schedule | Security |
|---|---|---|---|---|
| **1) TERM LOAN** | | | | |
| **Rupee loans** | | | | |
| **- From Banks (Loan detail from each bank is given below)** | | | | |
| a) | 1,712.12 | 3,446.24 | Quarterly Repayments from December 2022 to September 2027 | First Pari passu charge with existing term lenders on both present and future movable assets of Home Textile division located at Kolhapur. |
| b) | - | 1,500.00 | Monthly Repayments from April 2022 to March 2026 | Second charge of entire current assets of the Home Textile division located at Kolhapur - inventory / receivables |
| c) | 4,800.00 | - | Monthly Repayments from March 2027 to February 2030 | Second Pari passu charge on the entire current assets of the Company, both present and future along with 100% Guarantee cover from National Credit Guarantee Trustee Company Limited |



Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Outstanding As at 31st March, 2026 | Outstanding As at 31st March, 2025 | Repayment Schedule | Security |
|---|---|---|---|---|
| **- From Financial Institutions** | | | | |
| a) | 6,252.50 | 9,150.00 | Quarterly Repayments from July 2023 to May 2028 | a) Exclusive charge over the movable fixed assets of Company pertaining to the spinning unit at Kolhapur, Maharashtra financed under this loan.<br>b) Exclusive charge over the factory building of the Company pertaining to the spinning unit at Kolhapur, Maharashtra financed under this loan.<br>c) Exclusive charge over the land of the Company situated at Plot No.266, village Alte, Kumbhoj Road, Hatkanangale Taluka, Kolhapur, Maharashtra. |
| **TOTAL** | **12,764.62** | **14,096.24** | | |

Coupon rates for the above borrowings ranged between 5.50% to 8.75% p.a (previous year 6.60% to 9.50% p.a).

## 23. Non - Current Provisions

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Employee Benefit Obligations** | | |
| Gratuity (Refer Note No 45) | 2,259.97 | 1,567.06 |
| **TOTAL** | **2,259.97** | **1,567.06** |

## 24.(A) Income Tax

The major components of Income Tax expense for the years ended 31 March, 2026 and 31 March, 2025 are:

**Income Tax expenses recognised in the Statement of Profit and Loss**

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Current Income Tax:** | | |
| Current Income Tax charge | 5,626.09 | 7,845.40 |
| Adjustments in respect of Income Tax of previous years | (398.44) | 8.03 |
| **Deferred Tax:** | | |
| Relating to origination and reversal of temporary differences | (628.07) | 765.35 |
| **Income Tax expense reported in the Statement of Profit and Loss** | **4,599.58** | **8,618.78** |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Income Tax Credit recognised in Other Comprehensive Income (OCI)**

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| On remeasurement of post employment benefit obligation and on exchange fluctuation with respect to cash flow hedges. | (832.73) | (162.95) |
| **Income Tax charged/(Credited) to OCI** | **(832.73)** | **(162.95)** |

## 24(B) Deferred Tax (Liabilities)/Assets (Net)

Significant components of deferred tax liabilities (net) of the Company are as follows : (₹ in lakhs)

| Particulars | Opening Balance (As at 1st April, 2025) | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income (OCI) | Closing Balance (As at 31st March, 2026) |
|---|---|---|---|---|
| **Deferred tax (liabilities)/assets recognised in relation to:** | | | | |
| Property, Plant and Equipment and Intangible assets (including Right of Use assets) | (11,677.80) | (491.71) | - | (12,169.51) |
| Incomes credited to the Standalone Statement of Profit and Loss of the Company taxable in subsequent years | (47.80) | 0.42 | - | (47.38) |
| Allowance for doubtful debts, loans and advances | 76.17 | 4.81 | - | 80.98 |
| Expenses allowable in subsequent years | 656.63 | 353.63 | (114.30) | 895.96 |
| Lease Liability | 1,363.06 | (66.54) | - | 1,296.52 |
| Net (Gain) / Losses on Cash flow hedges | 200.90 | 827.46 | 947.03 | 1,975.39 |
| **Deferred Tax (Liabilities) (net)** | **(9,428.84)** | **628.07** | **832.73** | **(7,968.04)** |

| Particulars | Opening Balance (As at 1st April, 2024) | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income (OCI) | Closing Balance (As at 31st March, 2025) |
|---|---|---|---|---|
| **Deferred tax (liabilities)/Assets recognised in relation to:** | | | | |
| Property, plant and equipment and Intangible assets (including Right of Use assets) | (10,113.74) | (1,564.06) | - | (11,677.80) |
| Incomes credited to the Standalone Statement of Profit and Loss of the Company taxable in subsequent years | (7.07) | (40.73) | - | (47.80) |
| Allowance for doubtful debts, loans and advances | 261.68 | (185.51) | - | 76.17 |
| Expenses allowable in subsequent years | 504.32 | 123.76 | 28.54 | 656.63 |
| Lease Liability | 580.41 | 782.65 | - | 1,363.06 |
| Net (Gain) / Losses on Cash flow hedges | (52.05) | 118.54 | 134.41 | 200.90 |
| **Deferred Tax (Liabilities)/Assets (net)** | **(8,826.45)** | **(765.35)** | **162.95** | **(9,428.84)** |



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Reflected in the Balance Sheet:**

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Deferred Tax Assets | 4,248.85 | 2,296.76 |
| Deferred Tax Liabilities | (12,216.89) | (11,725.60) |
| **Deferred Tax Liabilities (Net)** | **(7,968.04)** | **(9,428.84)** |

## 24(C) The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit and loss is as follow:

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Profit before income tax expense** | 19,061.04 | 32,340.37 |
| Tax at Indian Tax rate of 25.168% | 4,797.28 | 8,139.42 |
| Income Tax with respect to previous year | (398.44) | 8.03 |
| Donation to political party | - | 251.67 |
| Corporate social responsibility expenses | 183.48 | 207.64 |
| Others | 17.26 | 12.02 |
| **Income Tax Expense** | **4,599.58** | **8,618.78** |

## 25 Other Non-Current Liabilities

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Deferred Government Grants related to Property, Plant & Equipment* | 3,572.99 | 3,300.98 |
| **TOTAL** | **3,572.99** | **3,300.98** |

***Movement in Deferred Government Grant (Current and Non current combined)**

| Particulars | (₹ in lakhs) |
|---|---|
| **Balance as at April 01, 2024** | **3,673.70** |
| Add: Accrued during the year | - |
| Less: Recognised as income during the year | 186.37 |
| **Balance as at March 31, 2025** | **3,487.33** |
| Add: Accrued during the year | 597.00 |
| Less: Recognised as income during the year | 301.09 |
| **Balance as at March 31, 2026** | **3,783.24** |

## 26. Current Borrowings

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Secured** | | |
| Working Capital loans From Banks (Refer Note a below) | 58,592.87 | 76,447.66 |
| Current Maturities of Long Term Borrowings (Refer Note 22) | 4,324.75 | 5,776.00 |
| **Unsecured** | | |
| Liabilities under supplier finance arrangement (Refer Note a and b below) | 6,087.95 | 10,366.27 |
| **TOTAL** | **69,005.57** | **92,589.93** |

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

a) **Current Borrowings-Terms of Repayment and security**

| Particulars | Outstanding | | | |
|---|---|---|---|---|
| | **As at 31st March, 2026** | **As at 31st March, 2025** | **Repayment Schedule** | **Security** |
| **1) Packing Credit Loan** | | | | |
| - From Banks | 58,558.61 | 74,836.16 | Upto 180 Days | First pari passu charge on the entire current assets of the Company, both present and future |
| **2) Post Shipment Credit Loan** | | | | |
| **Rupee loans** | | | | |
| - From Banks | - | 695.48 | Upto 180 Days | First pari passu charge on the entire current assets of the Company, both present and future |
| **3) Cash Credit facility from bank** | 26.31 | 916.02 | Repayable on Demand | First pari passu charge on the entire current assets of the Company, both present and future |
| **4) Liabilities under supplier finance arrangement (Refer Note b below)** | 6,087.95 | 10,366.27 | Upto 90 Days | Unsecured |
| **5) Working Capital Demand Loan** | 7.95 | - | 7 Days | First pari passu charge on the entire current assets of the Company, both present and future |
| **TOTAL** | **64,680.82** | **86,813.93** | | |

Coupon rates for the above borrowings ranged between 5.54% to 9.00% p.a (previous year 4.00% to 9.00% p.a).

b) **Liabilities under supplier finance arrangement**

The Company has entered into an agreement with service providers wherein participating finance providers would make an early payment to suppliers compared to the original due dates and the Company would then pay to the participating finance providers. The Company considers this arrangement as short-term borrowings considering the terms and conditions of the arrangements. The key terms and conditions of the arrangement are:

- The Company decides which invoices will be financed.
- The financier pays the supplier on or before the 45th day from the date of receipt of goods or services.
- The Company pays the financier within 90 days from the date of reverse factoring.
- The financing terms are negotiated by the Company, and it bears interest in the range of 5.54% to 6.45% p.a. (previous year 6.55% to 7.30% p.a.).

| Range of payment due dates | 31st March, 2026 | 31st March, 2025 | 01st April, 2024 |
|---|---|---|---|
| Liabilities under supplier finance arrangement | 90 days from the date of reverse factoring | N/A* | N/A* |
| Comparable trade payables that are not part of the supplier finance arrangement (same category of suppliers) | 7 to 45 days from date of receipt of goods or services | N/A* | N/A* |



## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

| Carrying amount of liabilities under supplier finance arrangement | 31st March, 2026 | 31st March, 2025 | 01st April, 2024 |
|---|---|---|---|
| Liabilities under supplier finance arrangement | 6,087.95 | 10,366.27 | N/A* |
| of which the supplier has received payment from the finance provider | 6,087.95 | N/A* | N/A* |

*The Company has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior periods.

**Presentation in the balance sheet and statement of cash flows**

The Company derecognises the original trade payable when those payable become part of the supplier finance arrangement and such amounts are presented under short-term borrowings considering the settlement period.

Accordingly, in the statement of cash flow, the payment made by participatiing finance providers to suppliers are considered as operating cash outflow and financing cash inflow. When the Company subsequently pays the amount outstanding to the participating finance provider, this is presented as a financing cash outflow.

### 27. Trade Payables

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | **As at 31st March, 2026** | **As at 31st March, 2025** |
| **Trade payables** | | |
| (i) Total outsanding dues of micro and small enterprises (Refer note 27.1) | 6,406.62 | 4,508.53 |
| (ii) Total outsanding dues of creditors other than micro and small enterprises | 16,200.14 | 11,726.53 |
| **TOTAL** | **22,606.76** | **16,235.06** |

**Note 27.1: Disclosures required for Micro and small enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006 (The MSMED Act):**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | **As at 31st March, 2026** | **As at 31st March, 2025** |
| (a) The principal amount due to supplier registered under MSMED Act and remaining unpaid as at year end (included in Note 27 and 28) | 6,460.78 | 4,558.70 |
| (b) The interest due thereon and remaining unpaid as at year end. | - | - |
| (c) The principal amount paid to supplier registered under MSMED Act beyond the appointed date during the year. | - | - |
| (d) The amount of interest paid,under section 16 of MSMED Act, to supplier registered under MSMED Act. | - | - |
| (e) The amount of interest paid, other than under section 16 of MSMED Act, to supplier registered under MSMED Act. | - | - |
| (f) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act. | - | - |
| (g) The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (h) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act. | - | - |

The above information regarding dues payable to micro and small enterprises is complied by management to the extent the information is available with the company regarding the status of suppliers as micro and small enterprises.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Note:**

**Trade Payables Ageing** (₹ in lakhs)

| Particulars | Unbilled dues | Not due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at March 31, 2026** | | | | | | | |
| **Undisputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | 122.44 | 6,201.05 | - | - | - | - | 6,323.49 |
| (ii) Others | 2,174.26 | 9,728.25 | 4,099.16 | 46.92 | 32.70 | 28.50 | 16,109.79 |
| **Disputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | - | - | 83.13 | - | - | - | 83.13 |
| (ii) Others | - | - | - | - | 3.19 | 87.16 | 90.35 |
| **TOTAL** | **2,296.70** | **15,929.30** | **4,182.29** | **46.92** | **35.89** | **115.66** | **22,606.76** |
| **As at March 31, 2025** | | | | | | | |
| **Undisputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | - | 4,253.42 | - | - | - | - | 4,253.42 |
| (ii) Others | 3,342.32 | 5,933.77 | 2,251.94 | 78.47 | 5.06 | 24.62 | 11,636.18 |
| **Disputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | - | - | 252.52 | 2.59 | - | - | 255.11 |
| (ii) Others | - | - | - | 3.19 | 13.25 | 73.91 | 90.35 |
| **TOTAL** | **3,342.32** | **10,187.19** | **2,504.46** | **84.25** | **18.31** | **98.53** | **16,235.06** |

## 28. Other Current Financial Liabilities

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Interest Accrued but not due on Borrowings | 129.69 | 217.87 |
| Unpaid Dividend* | 262.41 | 276.31 |
| Derivative Liabilities (Refer note 48D) | 7,870.93 | 929.92 |
| Director's Remuneration Payable (Refer note 41) | 626.28 | 1,057.82 |
| Commission Payable | 877.49 | 695.87 |
| Capital Creditors** | 610.62 | 273.73 |
| Contractual Liability to Customers | 3,339.91 | 1,227.88 |
| Employee Benefits Payable | 1,303.71 | 1,667.51 |
| Other Payables*** | 3,280.33 | 451.59 |
| **TOTAL** | **18,301.37** | **6,798.50** |

*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

**Includes outstanding dues of micro and small enterprises ₹54.16 lakhs (previous year ₹50.17 lakhs). Refer Note 27.1 for details.

***Includes ₹3,266.48 lakhs (March 31, 2025: Nil) being amount due to a Factor and outstanding at year-end.



Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 29. Other Current Liabilities

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Advance from Customers | 308.65 | 600.68 |
| Deferred Government Grants related to Property, Plant and Equipment (Refer note 25) | 210.25 | 186.35 |
| **Other Payables** | | |
| - Statutory dues | 1,086.26 | 1,054.43 |
| - Rates and Taxes | 320.47 | 32.35 |
| - Others | 140.07 | 81.58 |
| **TOTAL** | **2,065.70** | **1,955.39** |

## 30. Current Provisions

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Employee Benefit Obligations** | | |
| Compensated absences | 421.32 | 481.40 |
| **TOTAL** | **421.32** | **481.40** |

## 31. Revenue from Operations

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **A) Revenue from Contracts with Customers:** | | |
| 1) Sale of Products* (Refer Note 41) | | |
| - Manufactured | 2,77,991.81 | 3,40,655.59 |
| - Stock-In-Trade | 2,799.98 | 1,849.25 |
| 2) Sale of Services* | 1,834.72 | 1,203.34 |
| **B) Other Operating Revenue:** | | |
| - Export Incentives / Benefits | 26,908.07 | 33,456.80 |
| - Services to a Related Party (Refer Note 41) | 302.86 | - |
| **REVENUE FROM OPERATIONS** | **3,09,837.44** | **3,77,164.98** |

***Disaggregation of Revenue from Contracts with Customers based on Geography**

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| India | 12,104.24 | 11,238.38 |
| Outside India | 2,70,522.27 | 3,32,469.80 |
| **REVENUE FROM CONTRACTS WITH CUSTOMERS** | **2,82,626.51** | **3,43,708.18** |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

*Reconciliation of Revenue from Contracts with Customers

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **Contract Price** | 2,95,629.73 | 3,58,215.03 |
| Less: | | |
| Sales Returns | **1,520.56** | **1,284.06** |
| Rebates and Discounts | **1,966.79** | **2,799.11** |
| Other deductions# | **9,515.87** | **10,423.68** |
| **REVENUE FROM CONTRACTS WITH CUSTOMERS** | **2,82,626.51** | **3,43,708.18** |

#Mainly includes contractual deductions on account of defects, delays and other charges.

The Company has no unsatisfied (or partially satisfied) performance obligation as at year end. Amount of unsatisfied (or partially satisfied) performance obligations does not includes contracts with original expected duration of one year or less since the Company has applied the practical expedient in Ind AS 115.

## 32. Other Income

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Interest on Financial assets at Amortised Cost | 904.96 | 937.83 |
| Interest on Financial assets at FVTPL | 1,030.76 | 1,041.31 |
| Interest Others* | 875.42 | 55.54 |
| Government Grants related to Property, Plant and Equipment (Refer note 25) | 301.09 | 186.37 |
| Miscellaneous Receipts and Incomes | 378.43 | 246.16 |
| Investment measured at FVTPL | 1.66 | 161.82 |
| Gain on Redemption of Mutual funds | 36.26 | 4.34 |
| Profit on Sale of Assets | 41.65 | 11.77 |
| Gain on Exchange rate fluctuation (Net) | 4,430.39 | 2,258.24 |
| Lease Rent Income | 5.18 | 5.95 |
| Sundry balances / Excess provision written back (Net) | 28.22 | 23.05 |
| Liability no longer payable written back | 29.46 | 24.07 |
| **TOTAL** | **8,063.48** | **4,956.45** |

*Includes ₹834.49 lakhs (previous year ₹ Nil) with respect to interest on income tax refund.

## 33. Cost of Materials Consumed

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Raw material at the beginning of the year | 17,521.54 | 25,781.48 |
| Add: Purchases | 1,42,590.92 | 1,59,161.00 |
| Less : Raw material at the end of the year | 20,838.18 | 17,521.54 |
| **Total Cost of Materials Consumed** | **1,39,274.28** | **1,67,420.94** |



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 34. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods

(₹ in lakhs)

| Particulars | | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|---|
| **Opening Balance** | | | |
| Finished Goods | | 31,197.24 | 37,975.65 |
| Work-in-Progress | | 35,502.81 | 37,395.55 |
| Product Waste | | 93.05 | 103.46 |
| **Total Opening Balance** | A | **66,793.10** | **75,474.66** |
| **Less: Closing Stock** | | | |
| Finished Goods | | 33,793.68 | 31,197.24 |
| Work-in-Progress | | 37,844.16 | 35,502.81 |
| Product Waste | | 86.56 | 93.05 |
| **Total Closing Balance** | B | **71,724.40** | **66,793.10** |
| **Total changes in inventories of Work-in-Progress, Stock-in-Trade and Finished Goods** | A-B | **(4,931.30)** | **8,681.56** |

## 35. Employee Benefits Expense

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Salaries, Wages and Bonus* | 27,036.38 | 27,411.36 |
| Directors' Remuneration (Refer Note No. 41) | 2,293.17 | 2,994.82 |
| Contribution to Provident and Other Funds (Refer Note No. 45) | 1,264.66 | 1,266.50 |
| Gratuity (Refer Note No. 45) | 1,291.52 | 344.23 |
| Staff Welfare Expenses | 523.94 | 516.50 |
| Recruitment and Training Expenses | 52.63 | 43.35 |
| **TOTAL** | **32,462.30** | **32,576.76** |

*Also includes costs where the Company is considered principal employer under applicable regulations.

## 36. Finance Cost

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **Interest Expense for Financial Liability not classified as FVTPL:** | | |
| - On Long Term Loans | 929.34 | 1,542.82 |
| - Working Capital Loans | 4,618.29 | 7,423.01 |
| Interest Others* | 1,460.43 | 80.22 |
| Bill discounting charges | 1,646.69 | 1,050.30 |
| Interest expense on lease liability (Refer note 40) | 417.46 | 228.89 |
| Bank Charges | 404.60 | 311.76 |
| Finance Procurement Charges | 29.98 | 73.24 |
| **TOTAL** | **9,506.79** | **10,710.24** |

*Includes interest of ₹1,281.81 lakhs (previous year Nil) paid on delayed refund of IGST by the company to the Maharashtra State GST authorities pursuant to their search and inspection of records in March 2026. The Company does not expect any additional liability in this matter.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 37. Depreciation and Amortisation Expenses

| Particulars | For the year 1st April, 2025 to 31st March, 2026 (₹ in lakhs) | For the year 1st April, 2024 to 31st March, 2025 (₹ in lakhs) |
|---|---|---|
| Depreciation on Property, plant and equipments | 7,495.33 | 7,282.34 |
| Depreciation on Right of Use assets | 1,147.48 | 931.23 |
| Amortisation on Intangible assets | 668.07 | 87.85 |
| **TOTAL** | **9,310.88** | **8,301.42** |

## 38. Other Expenses

| Particulars | For the year 1st April, 2025 to 31st March, 2026 (₹ in lakhs) | For the year 1st April, 2024 to 31st March, 2025 (₹ in lakhs) |
|---|---|---|
| Consumption of Stores, Spares, Dyes and Packing Materials | 22,882.72 | 29,513.34 |
| Jobwork Charges | 29,246.35 | 34,399.56 |
| Power and Fuel | 18,545.12 | 19,913.94 |
| Rent (Refer note 40) | 453.51 | 450.68 |
| Rates, Taxes and Fees | 470.44 | 316.46 |
| Legal and Professional Expenses | 5,663.51 | 3,241.49 |
| Insurance | 961.75 | 852.08 |
| Repairs to Plant and Equipments | 672.11 | 880.29 |
| Repairs to Buildings | 191.40 | 330.19 |
| Commission and Brokerage | 1,415.36 | 1,425.75 |
| Freight Outward | 18,691.95 | 15,891.82 |
| Other Selling Expenses | 6,960.20 | 7,509.75 |
| Loss on Sale of Assets | 253.29 | 116.94 |
| Bad Debts / Advances written off | 97.84 | - |
| Expected credit loss / Provision for Doubtful Receivables (net) | 19.12 | (428.09) |
| Donation to Political Party | - | 1,000.00 |
| Corporate Social Responsibility (Refer Note No. 43) | 729.01 | 825.00 |
| Payment to Auditors (Refer (a) below) | 86.01 | 68.65 |
| Miscellaneous Expenses | 3,811.04 | 4,174.25 |
| **TOTAL** | **1,11,150.73** | **1,20,482.10** |

(a) Payment to Auditors

| Particulars | For the year 1st April, 2025 to 31st March, 2026 (₹ in lakhs) | For the year 1st April, 2024 to 31st March, 2025 (₹ in lakhs) |
|---|---|---|
| **As Auditors** | | |
| - Statutory Audit Fees | 60.00 | 47.00 |
| - Limited Review Fees | 17.00 | 12.00 |
| - Certification | 4.00 | 3.84 |
| - Reimbursement of Expenses | 5.01 | 5.81 |
| **TOTAL** | **86.01** | **68.65** |



Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 39. Contingent Liabilities and Commitments

### A. Contingent Liabilities

| Particulars | For the year 1st April, 2025 to 31st March, 2026 (₹ in lakhs) | For the year 1st April, 2024 to 31st March, 2025 (₹ in lakhs) |
|---|---|---|
| **Claims against Company not acknowledged as Debt:** | | |
| i) Indirect Tax matters under appeal | 2,083.11 | 5,052.62 |
| ii) Direct Tax matters under appeal | - | 1,144.36 |
| iii) Other litigation claims (Including Pending Labour cases) | 212.56 | 220.06 |

**Notes:**

(a) It is not practicable for the Company to estimate the timing of cash outflow, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any reimbursement in respect of the above contingent liabilities.

**Significant Estimates:** The Company has litigations in respect of certain matters. The management does assessment of all outstanding matters and whenever required, further obtain legal advices including those relating to interpretation of law. Based on such assessment, it concludes whether a provision should be recognised or a disclosure should be made.

### B. Commitments

| Particulars | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 (₹ in lakhs) |
|---|---|---|
| a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for against property, plant and equipments. | 1,447.39 | 4,389.81 |
| b) Letter of credits opened for which the material has not yet been shipped | 1,495.03 | 1,362.47 |

c) In terms of EPCG Licence issued and utilised, the Company has an export obligation for ₹3,915.75 lakhs (previous year ₹15,581.14 lakhs), which is to be fulfilled over an average period of 6 years. The Company has completed the export obligation to the extent of ₹3,697.48 lakhs (previous year ₹13,866.78 lakhs) till the year end and are under process of redemption. Further, there are licenses issued by the DGFT amounting to ₹218.27 lakhs (previous year ₹1,714.36 lakhs) for which capital goods are under imports.

d) Refer Note 50 for corporate guarantee given for Indo Count Global Inc., USA and Indo Count Global East Inc. and outstanding as at year end. Also, refer note 48B regarding credit risk.

## 40. Leases

| Particulars | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 (₹ in lakhs) |
|---|---|---|
| **(i) The Balance sheet Shows the following amounts relating to leases:** | | |
| **Right of use assets** | | |
| Building | 4,564.27 | 5,000.07 |
| Plant and Machinery | 118.34 | 141.70 |
| Land - Leasehold | 1,493.73 | 1,513.77 |

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Lease Liabilities** | | |
| Current | 1,004.02 | 879.22 |
| Non-Current | 3,988.09 | 4,343.86 |
| **(ii) Amount recognised in statement of Profit and Loss** | | |
| **Depreciation Charge on Right of use assets** | | |
| Building | 1,088.68 | 900.31 |
| Plant and Machinery | 38.76 | 10.94 |
| Land - Leasehold | 20.04 | 19.98 |
| (iii) Interest expense included in finance costs | 417.46 | 228.89 |
| (iv) Expense relating to short-term leases (included in other expenses) | 453.51 | 450.68 |
| (v) Expense relating to leases of low-value assets that are not shown above as short -term leases | - | - |
| (vi) Expense relating to variable lease payments not included in lease liability | - | - |
| (vii) Amount recognised in profit and loss arising from rent concessions | - | - |

(a) Total cash outflow for leases during current financial year is ₹1,770.23 lakhs (previous year ₹1,582.45 lakhs).

(b) Refer note 6 for Additions to the Right-of-use assets.

(c) There are no sale and leaseback transactions.

(d) When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate. The weighted average incremental borrowing rate applied is in the range of 8.55% - 9.00% p.a. (Previous year @8.55% - 9.00% p.a.).

### 41. Related Party Disclosures

**Related party disclosures as required by IND-AS 24 "Related Party Disclosures" are given below:**

**A. i) Key Management Personnel**

1. Shri Anil Kumar Jain — Executive Chairman
2. Shri Mohit Jain — Executive Vice Chairman
3. Shri Kailash. R. Lalpuria# — Executive Director & C.E.O.
4. Shri Kamal Mitra — Whole-time Director
5. Shri Dilip Thakkar* — Independent Director
6. Shri Prem Malik* — Independent Director
7. Dr. (Mrs.) Vaijayanti Pandit* — Independent Director
8. Shri Sanjay Kumar Panda — Independent Director
9. Shri Siddharth Mehta — Independent Director
10. Shri Akash Nandkishor Kagliwal — Independent Director
11. Shri Viswanathan Lakshmanan — Independent Director
12. Smt. Ambika Sharma** — Independent Director

*Ceased to be Directors w.e.f. 16th August, 2024

**Appointed as an Independent Director w.e.f. 27th May, 2024

#Ceased to be Executive Director w.e.f. 11th February, 2026 and C.E.O. w.e.f. 13th February, 2026



Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**ii) Relatives of Key Management Personnel**

1. Smt. Gayatri Devi Jain
2. Mr. Ayaan Jain

**iii) Entities Controlled by Company**

**Subsidiaries**

1. Indo Count Retail Ventures Limited (formerly known as Indo Count Retail Ventures Private Limited)
2. Indo Count Global Inc., (USA)
3. Indo Count UK Ltd., (United Kingdom)
4. Indo Count Global DMCC, UAE
5. Fluvitex USA Inc.
6. Modern Home Textiles Inc.
7. Indo Count Global East Inc.
8. Indo Count (Shanghai) Co. Ltd

**iv) Entities/Parties Controlled by KMPs and their relatives**

1. A. K. Jain HUF
2. Kids Creation
3. SVA Advisors LLP
4. Indo Count Foundation

**B. Details of transactions and balances.**

(₹ in lakhs)

| Particulars | Subsidiary | Entities Controlled by KMPs and their relatives |
|---|---|---|
| Transactions during the year | | |
| **Sale of Goods** | **21,334.56** | - |
| - Indo Count Global Inc., (USA) | 18,005.18 | - |
| - Indo Count UK Ltd., (United Kingdom) | 3,071.83 | - |
| - Indo Count Global DMCC, UAE | 254.95 | - |
| - Indo Count Retail Ventures Limited | 2.60 | - |
| | **(45,974.86)** | **(-)** |
| - Indo Count Global Inc., (USA) | (41,843.10) | (-) |
| - Indo Count UK Ltd., (United Kingdom) | (2,878.01) | (-) |
| - Indo Count Global DMCC, UAE | (1,249.51) | (-) |
| - Indo Count Retail Ventures Limited | (4.24) | (-) |
| **Service Charges (Other expenses - Other selling expenses)** | **632.66** | **-** |
| - Indo Count Global DMCC, UAE | 621.77 | - |
| - Indo Count UK Ltd., (United Kingdom) | 10.89 | - |
| | **(550.82)** | **(-)** |
| - Indo Count Global DMCC, UAE | (532.97) | (-) |
| - Indo Count UK Ltd., (United Kingdom) | (17.85) | (-) |
| **Interest Income on Loan** | **859.79** | - |
| - Indo Count Global Inc., (USA) | 859.79 | - |
| | **(845.36)** | **(-)** |
| - Indo Count Global Inc., (USA) | (845.36) | (-) |

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Subsidiary | Entities Controlled by KMPs and their relatives |
|---|---|---|
| **Guarantee Commission Income (Other income-miscellaneous receipts and income)** | **325.66** | **-** |
| - Indo Count Global Inc., (USA) | 288.72 | - |
| - Indo Count Global East Inc. (USA) | 36.94 | - |
| | **(171.73)** | **(-)** |
| - Indo Count Global Inc., (USA) | (171.73) | (-) |
| - Indo Count Global East Inc. (USA) | (-) | (-) |
| **Recovery of Finance Procurement Charges** | **-** | **-** |
| - Indo Count Global Inc., (USA) | - | - |
| | **(38.18)** | **(-)** |
| - Indo Count Global Inc., (USA) | (38.18) | (-) |
| **Lease Rent expenses** | **-** | **40.61** |
| - A. K. Jain HUF | - | 40.61 |
| | **(-)** | **(40.61)** |
| - A. K. Jain HUF | (-) | (40.61) |
| **Services Provided** | **302.86** | **-** |
| - Indo Count Global Inc., (USA) | 302.86 | - |
| | **(-)** | **(-)** |
| - Indo Count Global Inc., (USA) | (-) | (-) |
| **Reimbursement of Expenes** | **1,018.43** | **-** |
| - Indo Count Retail Ventures Limited | 0.18 | - |
| - SVA Advisors LLP | - | - |
| - Indo Count Global Inc., (USA) | 999.87 | - |
| - Indo Count Global DMCC, UAE | 18.38 | - |
| | **(0.18)** | **(6.92)** |
| - Indo Count Retail Ventures Limited | (0.18) | (-) |
| - SVA Advisors LLP | (-) | (6.92) |
| - Indo Count Global Inc., (USA) | (-) | (-) |
| - Indo Count Global DMCC, UAE | (-) | (-) |
| **Investment in Subsidiary** | **-** | **-** |
| - Indo Count Global Inc., (USA) | - | - |
| | **(4,134.31)** | **(-)** |
| - Indo Count Global Inc., (USA) | (4,134.31) | (-) |
| **Unsecured Loan to Subsidiary** | **-** | **-** |
| - Indo Count Global Inc., (USA) | - | - |
| | **(8,546.02)** | **(-)** |
| - Indo Count Global Inc., (USA) | (8,546.02) | (-) |



## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Subsidiary | Entities Controlled by KMPs and their relatives |
|---|---|---|
| **Design Charges (Other expenses - Other selling expenses)** | **-** | **24.65** |
| - Kids Creation | - | - |
| - SVA Advisors LLP | - | 24.65 |
| | **(-)** | **(24.95)** |
| - Kids Creation | (-) | (15.95) |
| - SVA Advisors LLP | (-) | (9.00) |
| **CSR Expenses** | **-** | **729.01** |
| - Indo Count Foundation | - | 729.01 |
| | **(-)** | **(825.00)** |
| - Indo Count Foundation | (-) | (825.00) |
| **Commission expenses** | **636.80** | **-** |
| - Indo Count UK Ltd., (United Kingdom) | 636.80 | - |
| | **(466.15)** | **(-)** |
| - Indo Count UK Ltd., (United Kingdom) | (466.15) | (-) |
| **Balance Outstanding at the end of year** | | |
| **a) Investments** | **5,191.76** | **-** |
| - Indo Count Global Inc., (USA) | 4,580.50 | - |
| - Indo Count UK Ltd., (United Kingdom) | 79.61 | - |
| - Indo Count Global DMCC, UAE | 530.65 | - |
| - Indo Count Retail Ventures Limited | 1.00 | - |
| | **(5,191.76)** | **(-)** |
| - Indo Count Global Inc., (USA) | (4,580.50) | (-) |
| - Indo Count UK Ltd., (United Kingdom) | (79.61) | (-) |
| - Indo Count Global DMCC, UAE | (530.65) | (-) |
| - Indo Count Retail Ventures Limited | (1.00) | (-) |
| **b) Trade Receivables** | **29,808.40** | **-** |
| - Indo Count Global Inc., (USA) | 26,249.59 | - |
| - Indo Count UK Ltd., (United Kingdom) | 3,556.01 | - |
| - Indo Count Global DMCC, UAE | - | - |
| - Indo Count Retail Ventures Limited | 2.80 | - |
| | **(26,956.75)** | **(-)** |
| - Indo Count Global Inc., (USA) | (25,084.00) | (-) |
| - Indo Count UK Ltd., (United Kingdom) | (1,872.75) | (-) |
| - Indo Count Global DMCC, UAE | (-) | (-) |
| - Indo Count Retail Ventures Limited | (-) | (-) |
| **c) Deposit - Rent** | **-** | **15.60** |
| - A. K. Jain HUF | - | 15.60 |
| | **(-)** | **(15.60)** |
| - A. K. Jain HUF | (-) | (15.60) |

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Subsidiary | Entities Controlled by KMPs and their relatives |
|---|---|---|
| **d) Interest accrued on Loan** | **-** | **-** |
| - Indo Count Global Inc., (USA) | - | - |
| | **(854.16)** | **(-)** |
| - Indo Count Global Inc., (USA) | (854.16) | (-) |
| **e) Guarantee Commission Receivable (Other current financial asset-others)** | **-** | **-** |
| - Indo Count Global Inc., (USA) | - | - |
| | **(172.39)** | **(-)** |
| - Indo Count Global Inc., (USA) | (172.39) | (-) |
| **f) Finance Procurement Charges Receivable (Other current financial asset-others)** | **-** | **-** |
| - Indo Count Global Inc., (USA) | - | - |
| | **(38.88)** | **(-)** |
| - Indo Count Global Inc., (USA) | (38.88) | (-) |
| **g) Unsecured Loan** | **13,988.16** | **-** |
| - Indo Count Global Inc., (USA) | 13,988.16 | - |
| | **(12,607.56)** | **(-)** |
| - Indo Count Global Inc., (USA) | (12,607.56) | (-) |
| **h) Service Charges Payable (Trade payable)** | **-** | **-** |
| - Indo Count Global DMCC, UAE | - | - |
| | **(44.87)** | **(-)** |
| - Indo Count Global DMCC, UAE | (44.87) | (-) |
| **i) Lease Rent Payable** | **-** | **1.03** |
| - A. K. Jain HUF | - | 1.03 |
| | **(-)** | **(0.61)** |
| - A. K. Jain HUF | (-) | (0.61) |
| **j) Design Charges Payable** | **-** | **1.89** |
| - SVA Advisors LLP | - | 1.89 |
| | **(-)** | **(6.80)** |
| - SVA Advisors LLP | (-) | (6.80) |
| **k) Commission Payable** | **585.42** | **-** |
| - Indo Count UK Ltd., (United Kingdom) | 585.42 | - |
| | **(365.08)** | **(-)** |
| - Indo Count UK Ltd., (United Kingdom) | (365.08) | (-) |

Refer Note 50 for corporate guarantee given for Indo Count Global Inc (USA) and Indo Count Global East Inc. (USA) and outstanding as at year end.



## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**C. Transactions with key Management Personnel and their relatives.**

(₹ in lakhs)

| Particulars | Key Management Personnel | Relatives of Key Management Personnel |
|---|---|---|
| **Transactions during the year** | | |
| Commission to Independent Directors | 7.50 | - |
| | **(9.75)** | **(-)** |
| **Short term employee benefits (Refer note (d) and (e) below)** | **2,293.17** | **54.00** |
| - Executive Chairman | 1,209.18 | - |
| - Executive Vice Chairman | 957.29 | - |
| - Others | 126.70 | 54.00 |
| | **(2,994.82)** | **(53.95)** |
| - Executive Chairman | (1,416.06) | (-) |
| - Executive Vice Chairman | (1,129.12) | (-) |
| - Others | (449.64) | (53.95) |
| **Post-employment benefits (Refer note (d) below)** | **77.19** | **-** |
| - Executive Chairman | 41.74 | - |
| - Executive Vice Chairman | 30.14 | - |
| - Others | 5.31 | - |
| | **(76.72)** | **(-)** |
| - Executive Chairman | (41.74) | (-) |
| - Executive Vice Chairman | (30.14) | (-) |
| - Others | (4.84) | (-) |
| **Sitting fees** | **57.50** | **-** |
| | **(76.75)** | **(-)** |
| **Balance outstanding during the year** | | |
| Commission Payable to Independent Directors | 6.75 | - |
| | **(8.78)** | **(-)** |
| Remuneration Payable | 626.28 | - |
| | **(1,057.82)** | **(0.61)** |

(a) Previous year figures are given in brackets.

(b) Related parties enlisted above are those having transactions with the company during the year or previous year.

(c) The above transactions were done in the ordinary course of business.

(d) As the liabilities for defined benefit plans and leave entitlements are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel or relative of key management personnel are not identified separately and therefore not included.

(e) The company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act except for managerial remuneration aggregating to ₹296.43 lakhs. The company proposes to seek necessary approval of the shareholders by way of a special resolution at the ensuing Annual General Meeting.

## Notes Accompanying to the Standalone Financial Statements

for the year ended March 31, 2026

**42.** Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Executive Directors of the Company are the chief operating decision makers. The Company operates only in one Business Segment i.e. 'Textile Business' which constitutes a single reporting segment.

The Company is domiciled in India. For details of revenue from operations from external customer location wise, refer note 31 and 48B of the Standalone Financial Statements.

No Non Current assets (other than financial assets) of the Company are physically located outside India.

### 43. Expenditure on Corporate Social Responsibilities (CSR)

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| a) Gross amount required to be spent by the company during the year | 725.75 | 821.69 |
| b) Amount spent during the year on: | | |
| (i) Construction / acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 729.01 | 824.26 |
| c) Details of Contribution | - | - |
| Contribution to related party - Indo Count Foundation | 729.01 | 825.00 |

d) Nature of CSR activities includes education, health, water and sanitation, environment, farmer livelihood, differently abled and old age care, sports promotion and community infrastructure.

e) There is no shortfall in CSR expenditure reported u/s 135 (5) of the Act in the current year and previous year. At the year end, there is no liability which is incurred but not paid.

f) Details of excess amount spent under Section 135(5) of the Act

| For the year ended | Opening Balance* | Amount required to be spent during the year | Amount spent during the year | Closing Balance$ |
|---|---|---|---|---|
| 31.03.2026 | 7.97 | 725.75 | 729.01 | 11.23 |
| 31.03.2025 | 5.40 | 821.69 | 824.26 | 7.97 |

*The excess CSR amount of the previous year has been utilised first during the year as approved by the board.
$The board has approved to carryforward the excess CSR expenditure for set off in succeeding years, as permitted under Act

### 44. Disclosures as required by Indian Accounting Standard (Ind-AS) 33 "Earnings Per Share"

(₹ Per Share)

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| (a) Basic earnings per share | 7.30 | 11.98 |
| (b) Diluted earnings per share | 7.30 | 11.98 |

**Basic/diluted earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic/diluted earnings per share are as follows:

| Particulars | (₹ in lakhs) For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Profit after tax for the year attributable to the equity share holders of the Company | 14,461.46 | 23,721.59 |
| Weighted average number of equity shares used in the calculation of basic / diluted earnings per share | 19,80,54,340 | 19,80,54,340 |



## Notes Accompanying to the Standalone Financial Statements

for the year ended March 31, 2026

### 45. Disclosures as required by Indian Accounting Standard (Ind-AS) 19 "Employee Benefits"

**Defined Contribution Plans:**

Amount of ₹1,264.66 lakhs (previous year ₹1,266.50 lakhs) is recognised as an expense and included in Employee Benefits Expense under the following defined contribution plans (Refer Note 35):

| Particulars | (₹ in lakhs) For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Provident Fund | 1,194.89 | 1,189.19 |
| Employee State Insurance Scheme | 67.15 | 74.57 |
| Labour Welfare Scheme | 2.62 | 2.74 |
| **TOTAL** | **1,264.66** | **1,266.50** |

**Defined contribution plans**

Provident Fund: The Company makes contribution to respective regional provident fund commissioners in relation to the workers/ employees employed at various locations of the Company (as applicable). The Company recognises such contributions as an expense when incurred. The Company has no further contractual or constructive obligations beyond its yearly contribution.

Employee State Insurance Scheme: The Company makes contribution towards Employees State Insurance scheme operated by ESIC Corporation (as applicable). The contributions payable to these plans by the Company are at rates specified in the rules of the scheme. The Company recognises such contributions as an expense when incurred. The Company has no further contractual or constructive obligations beyond its yearly contribution.

Labour Welfare Scheme: The Company makes contribution to state government in relation to labour employed at various locations of the Company (as applicable). The Company recognises such contributions as an expense when incurred. The Company has no further contractual or constructive obligations beyond its yearly contribution.

**Defined Benefit Plans:**

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Code on Social Security, 2020. Every permanent employee is entitled to a benefit equivalent to fifteen days wages (as defined in the Labour Codes) based on the rate of wages last drawn by the permanent employee for each completed year of service or part thereof in excess of six months. Gratuity is payable to the employee on the termination of employment (due to superannuation, retirement or resignation, death or disablement) after having rendered continuous service for the number of years as prescribed in the Code on Social Security, 2020 at an amount based on the respective employee's salary and the tenure of employment.

**Risk exposure to defined benefit plans**

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

**Asset volatility**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Longevity risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the defined benefit obligation was carried out at March 31, 2026. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The Company makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

(₹ in lakhs)

| Sr. No. | Particulars | GRATUITY 2025-26 (funded) | GRATUITY 2024-25 (funded) |
|---|---|---|---|
| **I** | **Change in Present Value of Defined Benefit Obligation during the Year** | | |
| 1 | Present Value of Defined Benefit Obligation at the beginning of the Year | 4,288.96 | 3,712.65 |
| 2 | Interest Cost | 291.30 | 254.20 |
| 3 | Current Service Cost | 409.60 | 344.23 |
| 4 | Past Service Cost *# | 881.92 | - |
| 5 | Benefits Paid | (255.98) | (147.69) |
| 6 | Actuarial Changes Arising from Changes in Financial Assumptions | (231.47) | 136.35 |
| 7 | Actuarial Changes Arising from Changes in Experience Adjustments | (281.28) | (10.78) |
| 8 | Present Value of Defined Benefit Obligation at the end of the Year | 5,103.05 | 4,288.96 |
| **II** | **Change in Fair Value of Plan Assets during the Year** | | |
| 1 | Fair Value of Plan Assets at the beginning of the Year | 2,721.90 | 2,512.11 |
| 2 | Interest Income | 185.36 | 181.37 |
| 3 | Contributions Paid by the Employer | 250.42 | 163.94 |
| 4 | Benefits Paid from the Fund | (255.98) | (147.69) |
| 5 | Return on plan assets, excluding amounts included in interest income | (58.62) | 12.17 |
| 6 | Fair Value of Plan Assets at the end of the Year | 2,843.08 | 2,721.90 |
| **III** | **Net Asset / (Liability) recognised in the Balance Sheet** | | |
| 1 | Present Value of Defined Benefit Obligation at the end of the Year | 5,103.05 | 4,288.96 |
| 2 | Fair Value of Plan Assets at the end of the Year | 2,843.08 | 2,721.90 |
| 3 | Amount recognised in the Balance Sheet | 2,259.97 | 1,567.06 |
| 4 | Net (Liability) / Asset - Current | - | - |
| 5 | Net (Liability) / Asset - Non-Current | (2,259.97) | (1,567.06) |
| **IV** | **Expenses recognised in the Statement of Profit and Loss for the Year** | | |
| 1 | Current service Cost* | 409.60 | 344.23 |
| 2 | Past Service Cost *# | 881.92 | - |
| 3 | Interest Cost on Benefit Obligation (Net)** | 105.94 | 72.83 |
| 4 | Total Expenses included in Statement of Profit and Loss | 1,397.46 | 417.06 |



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Sr. No. | Particulars | GRATUITY 2025-26 (funded) | GRATUITY 2024-25 (funded) |
|---|---|---|---|
| **V** | **Recognised in Other Comprehensive Income for the Year** | | |
| 1 | Actuarial Changes Arising from Changes in Demographic Assumptions | - | - |
| 2 | Actuarial Changes Arising from Changes in Financial Assumptions | (231.47) | 136.35 |
| 3 | Actuarial Changes Arising from Changes in Experience Adjustments | (281.28) | (10.78) |
| 4 | Return on Plan Assets excluding Interest Income | 58.61 | (12.17) |
| 5 | Recognised in Other Comprehensive Income | (454.14) | 113.40 |
| **VI** | **Expected Maturity Profile of undiscounted Defined Benefit Obligation** | | |
| 1 | Within the next 12 Months (Next Annual Reporting Period) | 653.30 | 523.26 |
| 2 | Between 2 and 5 Years | 1,602.50 | 1,229.29 |
| 3 | Between 6 and 10 Years | 2,302.39 | 2,044.90 |
| 4 | Above 10 years | 5,855.05 | 4,526.21 |
| **VII** | **Quantitative Sensitivity Analysis for Significant Assumption is as below:** | | |
| | Present Value of Defined Benefits Obligation at the end of the Year | | |
| | (i) One Percentage Point increase in Discount Rate | 4,747.14 | 3,969.03 |
| | (ii) One Percentage Point decrease in Discount Rate | 5,508.63 | 4,655.34 |
| | (i) One Percentage Point increase in Rate of Salary Increase | 5,489.48 | 4,640.07 |
| | (ii) One Percentage Point decrease in Rate of Salary Increase | 4,755.37 | 3,974.82 |

*Recognised in Employee benefit expenses

**Recognised in Finance Cost

#On November 21, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Company has assessed the incremental impact of these changes and considered such incremental impact as past service cost and presented it under employee benefits expense in the standalone statement of profit and loss for the Year Ended March 31, 2026. The incremental impact primarily arises due to change in wages definition. The Company continues to monitor the finalisation of all applicable Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

**VIII The major categories of plan assets as a percentage of total**

| Particulars | Gratuity 2025-26 | Gratuity 2024-25 |
|---|---|---|
| Insurer Managed Funds | 100% | 100% |

**IX Actuarial Assumptions**

| Particulars | Gratuity 2025-26 (funded) | Gratuity 2024-25 (funded) |
|---|---|---|
| Discount Rate | 7.37% p.a. | 6.81% p.a. |
| Expected Return on Plan Assets | 7.37% p.a. | 6.81% p.a. |
| Salary Escalation | 6.00% p.a. | 6.00% p.a. |
| Mortality Rate during Employment | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(i) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(ii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

**Sensitivity analysis method**

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumption may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years and same data, method and assumptions have been used in preparing the sensitivity analysis which are used to determine period end defined benefit obligation.

**Expected contribution to the defined benefit plan for the next annual reporting period :**

Contribution expected to be paid for the Plan of the Company during the year ended March 31, 2027 - ₹653.30 lakhs. (Previous year ₹523.26 lakhs).

Weighted Average duration of the Plan is 12.29 years (previous year 12.59 years).

## 46. Details of Expenditure incurred during the year for Research and Development

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | **2025-26** | **2024-25** |
| Capital Expenditure (Plant and Machinery) | - | 0.52 |
| **TOTAL** | **-** | **0.52** |

No revenue expenditure was incurred for research and development during the current or previous year.

## 47. Financial Instruments - Accounting Classifications and Fair Value Measurements

**I Fair value measurement**

| Particulars | (₹ in lakhs) Carrying amount | |
|---|---|---|
| | **As at 31st March, 2026** | **As at 31st March, 2025** |
| **Financial Assets at Amortised Cost:** | | |
| Trade Receivables | 67,280.40 | 78,922.51 |
| Loans | 13,988.16 | 12,607.56 |
| Other non current financial assets (Security deposit) | 501.83 | 562.69 |
| Other current financial assets | 501.40 | 1,469.58 |
| Cash and bank balance | 8,675.44 | 8,705.86 |
| **Total** | **90,947.23** | **1,02,268.20** |
| **Financial Assets at Fair Value through Profit and Loss:** | | |
| Investments | 19,007.32 | 13,930.34 |
| Derivative Instruments | - | 43.11 |
| **Total** | **19,007.32** | **13,973.45** |



Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

| Particulars | (₹ in lakhs) Carrying amount | |
|---|---|---|
| | **As at 31st March, 2026** | **As at 31st March, 2025** |
| **Financial Assets at Fair Value through Other Comprehensive Income:** | | |
| Derivative Instruments | 22.13 | 88.56 |
| **Total** | **22.13** | **88.56** |
| **Financial Liabilities at Amortised Cost:** | | |
| Non-Current Borrowings | 8,439.87 | 8,320.24 |
| Current Borrowings | 69,005.57 | 92,589.93 |
| Trade Payables | 22,606.76 | 16,235.06 |
| Other Financial Liabilities (Current) | 10,430.44 | 5,868.58 |
| **Total** | **1,10,482.64** | **1,23,013.81** |
| **Financial Liabilities at Fair Value through Profit and Loss:** | | |
| Derivative instruments | 3,717.27 | 472.67 |
| **Total** | **3,717.27** | **472.67** |
| **Financial Liabilities at Fair Value through Other Comprehensive Income:** | | |
| Derivative instruments | 4,153.66 | 457.25 |
| **Total** | **4,153.66** | **457.25** |

**II. Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

Fair value of cash and short-term deposits, security deposits, trade receivables and other current financial assets, trade payables, other current financial liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments. Carrying value of non-current borrowings and loans are approximately same to the fair value as the borrowings are taken and loans are given at floating rates.

**III. Assets and liabilities which are measured at FVPL or FVOCI**

This note provides information about how the Company determines fair values of various financial assets and financial liabilities measured at FVPL or FVOCI. Fair value of the Company's financial assets and financial liabilities are measured on a recurring basis.

The Company has made temporary investments in bonds and mutual funds for short term business purposes, with the intent to liquidate these investments as needed for operational requirements.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

# Notes Accompanying to the Standalone Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

| Financial assets/ financial liabilities | Fair value 31-Mar-26 | Fair value 31-Mar-25 | Fair value hierarchy | Valuation technique |
|---|---|---|---|---|
| **Financial Assets at Fair Value through Profit and Loss:** | | | | |
| Investments in mutual funds | 3,601.40 | 3,199.77 | Level 1 | Based on NAV from mutual fund house |
| Investments in bonds | 15,405.92 | 10,730.57 | Level 2 | Based on dealer quotes |
| Derivative Instruments | - | 43.11 | Level 2 | Based on market observable rates and published prices together with forecasted cash flow information where applicable. |
| **Total** | **19,007.32** | **13,973.45** | | |
| **Financial Assets at Fair Value through Other Comprehensive Income:** | | | | |
| Derivative Instruments | 22.13 | 88.56 | Level 2 | Same as above |
| **Financial Liabilities at Fair Value through Profit and Loss:** | | | | |
| Derivative instruments | 3,717.27 | 472.67 | Level 2 | Same as above |
| **Financial Liabilities at Fair Value through Other Comprehensive Income:** | | | | |
| Derivative instruments | 4,153.66 | 457.25 | Level 2 | Same as above |

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

## 48. Financial Risk Management Objectives and Policies

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and equity security price risk), credit risk and liquidity risk.

**A) Market Risk**

The Company seeks to minimise the effects of price and currency risk by using derivative financial instruments to hedge risk exposures. The company has Risk Management Policies to mitigate the risks in commodity prices and foreign exchange. The use of financial derivatives is governed by the company's policies approved by the Board of Directors (BOD), which provide principles to use financial derivatives and non-derivative financial instruments, to hedge currency risk and commodity price risk. The Company does not enter into or trade financial instruments, including derivative financial instruments and non-derivative financial instruments for speculative purposes.

During the year, the Company has not taken any derivative contracts to hedge fluctuation in Commodity prices.

The periodical forex management report and commodity risk report as reviewed and approved by the management is placed before the Board of directors for review.

**i) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. Majority of the Company's borrowings are linked to variability in Bank MCLR rate, repo rate and T Bills.



Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

According to the Company, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, an analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. Above 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**a) Exposure to Interest Rate Risk**

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Total Borrowings | 77,445.44 | 1,00,910.17 |
| % of Borrowings out of above bearing Variable Rate of Interest | 100.00% | 100.00% |

**b) Interest Rate Sensitivity**

A change of 50 bps in interest rates would have following impact on Profit before Tax:

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| 50 bps increase would decrease the Profit before Tax by | 387.23 | 504.55 |
| 50 bps decrease would increase the Profit before Tax by | (387.23) | (504.55) |

**ii) Foreign Currency Risk**

The Company operates internationally and portion of the business is transacted in multiple currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

**a) Exposure to Foreign Currency Risk**

Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward/option contracts to hedge exposure to foreign currency risk.

| Particulars | USD (in lakhs) | EUR (in Lakhs) | GBP (in Lakhs) | CAD (in Lakhs) | (₹ In lakhs) |
|---|---|---|---|---|---|
| **Foreign Currency Balance as at 31 March, 2025** | | | | | |
| Trade and Other Receivables | 874.16 | - | 16.92 | - | 76,585.84 |
| Non-Current Loan | 147.50 | - | - | - | 12,607.56 |
| Bank Balances | 77.26 | - | - | 0.20 | 6,615.61 |
| Trade and Other Payables | (33.88) | (0.31) | (3.31) | - | (3,295.53) |
| **Foreign Currency Balance as at 31 March, 2026** | | | | | |
| Trade and Other Receivables | 603.62 | 10.02 | 28.33 | - | 61,897.68 |
| Non-Current Loan | 147.50 | - | - | - | 13,988.16 |
| Bank Balances | 69.43 | - | - | 0.20 | 6,598.33 |
| Trade and Other Payables | (58.95) | (0.21) | (4.68) | - | (6,101.75) |

# Notes Accompanying to the Standalone Financial Statements

for the year ended March 31, 2026

Receivables hedged against forward/option contracts - USD 494.81 lakhs (₹43,426.09 lakhs) [Previous year USD 429.89 lakhs (₹36,521.51 lakhs)].

Further, the Company has certain option contracts against receivables which are not designated as hedge - USD Nil (₹ Nil) (Previous year USD 215.00 lakhs (₹18,495.85 lakhs))

**Forward and Option Contracts**

Foreign currency derivative contracts taken by the Company against export trade receivables/Firm commitments/probable exposure are as under:

| Particulars | Number of Contracts | Foreign Currency in lakhs (USD) | (₹ in lakhs) | Buy / Sell |
|---|---|---|---|---|
| As at 31.03.2026 | 181 | 1,403.87 | 1,26,985.59 | Sell |
| | 1 | 20.00 | 1,886.80 | Buy |
| As at 31.03.2025 | 180 | 1,459.89 | 1,25,247.78 | Sell |
| | 9 | 101.04 | 8,730.21 | Buy |

**b) Foreign Currency Sensitivity**

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax and the impact on other components of equity arises from foreign exchange forward contracts designated as cash flow hedges: (₹ in lakhs)

| Particulars | 2025-26 | | 2024-25 | |
|---|---|---|---|---|
| | 5 % Increase | 5 % decrease | 5 % Increase | 5 % decrease |
| **Impact on profit before tax** | | | | |
| USD | 1,265.06 | (1,265.06) | 1,795.58 | (1,795.58) |
| EUR | 53.46 | (53.46) | (1.44) | 1.44 |
| GBP | 148.44 | (148.44) | 75.30 | (75.30) |
| CAD | 0.68 | (0.68) | 0.60 | (0.60) |
| **INCREASE / (DECREASE) IN PROFIT AND LOSS** | **1,467.64** | **(1,467.64)** | **1,870.04** | **(1,870.04)** |
| **Impact on other components of equity** | | | | |
| USD | (2,873.81) | 2,873.81 | (2,560.66) | 2,560.66 |
| **INCREASE / (DECREASE) IN OTHER COMPONENTS OF EQUITY** | **(2,873.81)** | **2,873.81** | **(2,560.66)** | **2,560.66** |

**iii) Price Risk**

**Exposure to price risk**

The Company's exposure to securities' price risk arises from investments held by the Company and classified in the Balance Sheet at fair value. To manage its price risk arising from investments in securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

**B) Credit Risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

**Expected credit loss on financial assets:**

The Company has balances in cash and cash equivalents, term deposits with banks, investments, loans to related parties, trade receivables, security deposit, interest receivable on loans to related parties and other financials assets.



# Notes Accompanying to the Standalone Financial Statements

for the year ended March 31, 2026

**i) Cash and cash equivalent (including term deposits with Banks) and investments.**

The Company is having balances in cash and cash equivalents, term deposits with banks which are nationalised and scheduled banks having high credit rating. Further, investments are made in reputed institutions/funds houses/banks and having high credit ratings. At each reporting date management assesses if there are any risk involved on account of adverse credit ratings, media events, regulator such as RBI updates on the bank etc. Considering its assessment, these balances are considered to have low credit risk of default.

**ii) Loans and Guarantees to related parties**

Loans and interest receivable from related parties and guarantees provided on behalf of related parties have low credit risk and the same has low credit risk as the borrower has a capacity to meet its contractual cash flow obligations in the near term, and adverse changes in economic and business conditions in the longer term might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations. Hence risk of default is considered to be low for these balances.

**iii) Other financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

**Exposure to Credit Risk**

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Financial Assets for which loss allowance is measured using 12-months' Expected Credit Losses (ECL)** | | |
| Loans | 13,988.16 | 12,607.56 |
| Cash and Bank Balances | 8,675.44 | 8,705.86 |
| Non Current finanicial assets (security deposits) | 501.83 | 562.69 |
| Other current financial assets | 501.40 | 1,469.58 |

**iv) Trade receivables:**

Credit Risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, credit rating analysis of major customers and analysis of historical bad-debts and ageing of trade receivables. The Company has customers with capacity to meet the obligations and do not believe that there are any particular customer or group of customers that would subject to any significant credit risks in the collection of trade receivable.

Based on management assessment, trade receivable are collectible in full considering analysis of customer credit risk. Further, the historical default rate is minimal. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information on macro economic factors affecting the ability of the customers to settle the receivables. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates.

The default, if any, of export receivables are covered by Export Credit Guarantee Corporation of India (ECGC).

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Concentration of credit risk**

**Information about Major Customers**

Revenue arising from following customers/ group of entities under common control contributing to more than 10% of the revenue individually (in any of the reporting period):

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Customer 1 | 73,347.71 | 69,529.16 |
| Customer 2 | 57,357.73 | 81,318.40 |

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Trade Receivables | 67,299.52 | 78,922.51 |

The ageing analysis of the Trade Receivables (gross of provision) has been considered from the date the invoice falls due. (₹ in lakhs)

| Particulars | Trade Receivables | Expected Credit Loss % | Expected Credit Loss |
|---|---|---|---|
| **As at 31.03.2026** | | | |
| Not Due | 54,343.63 | 0.00% | 0.64 |
| 0-30 Days | 1,654.30 | 0.01% | 0.18 |
| 31-60 Days | 758.22 | 0.01% | 0.06 |
| 61-90 Days | 750.05 | 0.00% | 0.01 |
| 91-120 Days | 1,694.18 | 0.00% | 0.01 |
| More than 120 Days | 8,099.14 | 0.22% | 18.22 |
| | **67,299.52** | | **19.12** |
| **As at 31.03.2025** | | | |
| Not Due | 71,474.05 | - | - |
| 0-30 Days | 4,410.68 | - | - |
| 31-60 Days | 1,384.81 | - | - |
| 61-90 Days | 763.24 | - | - |
| 91-120 Days | 287.13 | - | - |
| More than 120 Days | 602.60 | - | - |
| | **78,922.51** | **-** | **-** |

Note: In previous year, the expected credit loss rates on trade receivable were not material.

**C) Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities. As disclosed in note 26, the Company has entered into a supplier finance arrangement. This has improved the Company's working capital. The Company has no significant concentration of liquidity risk with any individual finance provider.



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Maturity Profile of Financial Liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

**As at 31st March, 2026**

| Particulars | (₹ in lakhs) Less than 6 months | 6-12 months | between 1-2 years | between 2-5 years | Over 5 Years | Total | Carrying Value |
|---|---|---|---|---|---|---|---|
| Lease Liability (Non Current) | - | - | 1,275.73 | 2,159.43 | 1,580.66 | 5,015.82 | 3,988.09 |
| Lease Liability (Current) | 741.12 | 654.20 | - | - | - | 1,395.32 | 1,004.02 |
| Long Term Borrowings | 2,095.70 | 2,229.04 | 4,763.20 | 3,676.68 | - | 12,764.62 | 12,764.62 |
| Short Term Borrowings | 64,680.82 | - | - | - | - | 64,680.82 | 64,680.82 |
| Trade Payables | 22,606.76 | - | - | - | - | 22,606.76 | 22,606.76 |
| Other Current Financial Liabilities | 16,388.48 | 1,912.89 | - | - | - | 18,301.37 | 18,301.37 |

**As at 31st March, 2025**

| Particulars | (₹ in lakhs) Less than 6 months | 6-12 months | between 1-2 years | between 2-5 years | Over 5 Years | Total | Carrying Value |
|---|---|---|---|---|---|---|---|
| Lease Liability (Non Current) | - | - | 1,174.43 | 2,415.11 | 2,043.35 | 5,632.89 | 4,343.86 |
| Lease Liability (Current) | 638.00 | 655.43 | - | - | - | 1,293.43 | 879.22 |
| Long Term Borrowings | 2,811.75 | 2,964.25 | 4,428.49 | 3,891.75 | - | 14,096.24 | 14,096.24 |
| Short Term Borrowings | 86,813.93 | - | - | - | - | 86,813.93 | 86,813.93 |
| Trade Payables | 16,235.06 | - | - | - | - | 16,235.06 | 16,235.06 |
| Other Current Financial Liabilities | 6,544.48 | 254.02 | - | - | - | 6,798.50 | 6,798.50 |

The amount of unused borrowing facilities (fund and non-fund based) available for future operating activities and to settle commitments is ₹97,286.00 lakhs as at March 31, 2026 (₹62,282.98 lakhs as at March 31, 2025).

**D) Derivative Financial instruments**

The Company has adopted a Risk Management policy approved by the Board of Directors of the Company for managing foreign currency exposure. The policy enumerates the mechanism for Risk Identification, Risk Measurement and Risk Monitoring. The policy has approved a set of financial instruments for hedging foreign currrency risk. The Company mainly uses forward contracts to manage the foreign currency risk.

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(a) The Company has designated following forward and option contracts as cash flow hedges and fair value hedges which are outstanding as under:

| Outstanding Contracts | Foreign Currency (USD in Lakhs) | | Nominal amounts (₹ In Lakhs) | | Change in fair value of assets/(liabilities) (₹ in Lakhs) | |
|---|---|---|---|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 |
| **(i) Cash flow hedge** | | | | | | |
| **Foreign exchange forward contracts** | | | | | | |
| **Sell USD/INR** | | | | | | |
| Less than 12 months | 649.06 | 695.00 | 59,363.40 | 59,940.42 | (3,226.53) | (219.01) |
| More than 12 months | - | - | - | - | - | - |
| **Buy USD/INR** | | | | | | |
| Less than 12 months | 20.00 | 101.04 | 1,886.80 | 8,730.21 | 22.13 | (72.65) |
| More than 12 months | - | - | - | - | - | - |
| **Foreign currency options** | | | | | | |
| **Buy Put / Sell Call - USD/INR** | | | | | | |
| Less than 12 months | 260.00 | 120.00 | 24,196.10 | 10,290.00 | (927.13) | (77.03) |
| More than 12 months | - | - | - | - | - | - |
| **(ii) Fair value hedge** | | | | | | |
| **Foreign exchange forward contracts** | | | | | | |
| **Sell USD/INR** | | | | | | |
| Less than 12 months | 384.81 | 254.89 | 33,810.69 | 21,656.16 | (2,861.19) | (233.51) |
| More than 12 months | - | - | - | - | - | - |
| **Foreign currency options** | | | | | | |
| **Buy Put / Sell Call - USD/INR** | | | | | | |
| Less than 12 months | 110.00 | 175.00 | 9,615.40 | 14,865.35 | (856.08) | (116.24) |
| More than 12 months | - | - | - | - | - | - |

Further, the Company has certain option contracts against receivables which are not designated as hedge - USD Nil (₹ Nil) (Previous year USD 215.00 lakhs (₹18,495.85 lakhs)) with a carrying value of ₹ Nil and ₹ Nil (Previous year ₹36.76 lakhs and ₹116.57 lakhs) presented as derivative asset and liability respectively.

The line item in the balance sheet that include the above instruments are "Other Financial Assets" and "Other financial Liabilities"

(b) The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follow: (₹ in lakhs)

| Risk hedged | Change in the value of hedging instrument recognised in other comprehensive income* | Hedges ineffectiveness recognised in profit and loss (loss)/gain | Amount reclassified from cash flow hedging reserve to statement of profit and (loss) / gain | Line item affected in statement of profit and loss because of the reclassification |
|---|---|---|---|---|
| **Foreign exchange risk** | | | | |
| March 31, 2026 | (3,762.84) | - | (1,319.97) | Revenue |
| March 31, 2025 | (534.04) | - | (429.56) | Revenue |

*net off the amount reclassified to statement of profit and loss



## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

(c) Disclosure of effects of hedge accounting on financial position:

| Types of hedge and risks | Nominal value (USD in Lakhs) | | Carrying Value (₹ in Lakhs) | | Maturity date | Hedge ratio | Weighted average strike rate for outstanding hedging instruments | Change in intrinsic value of outstanding hedging instruments since inception of the hedge (₹ in Lakhs) | Change in the value of hedged item used to determine hedge ineffectiveness |
|---|---|---|---|---|---|---|---|---|---|
| | Asset | Liabilities | Asset | Liabilities | | | | | |
| **FY 2025-26** | | | | | | | | | |
| **Cash flow hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | - | 649.06 | - | 3,226.53 | July 2026 - March 2027 | 1:1 | 91.46 | (3,226.53) | - |
| (ii) Foreign exchange forward contracts (Buy) | 20.00 | - | 22.13 | - | June 2026 | 1:1 | 94.34 | 22.13 | - |
| (iii) Foreign currency options | - | 260.00 | - | 927.13 | July 2026 - March 2027 | 1:1 | * | (927.13) | - |
| **Fair value hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | | 384.81 | | 2,861.19 | April 2026 - June 2026 | 1:1 | 87.86 | (2,861.19) | - |
| (ii) Foreign currency options | - | 110.00 | | 856.08 | April 2026 - June 2026 | 1:1 | * | (856.08) | - |
| **FY 2024-25** | | | | | | | | | |
| **Cash flow hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | 130.00 | 565.00 | 88.56 | 307.57 | July 2025 - January 2026 | 1:1 | 86.25 | (219.01) | - |
| (ii) Foreign exchange forward contracts (Buy) | - | 101.04 | - | 72.65 | April 2025 - May 2025 | 1:1 | 86.41 | (72.65) | - |
| (iii) Foreign currency options | - | 120.00 | - | 77.03 | July 2025 - December 2025 | 1:1 | * | (77.03) | - |
| **Fair value hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | 15.00 | 239.89 | 5.92 | 239.43 | April 2025 - June 2025 | 1:1 | 84.96 | (233.51) | - |
| (ii) Foreign currency options | 45.00 | 130.00 | 0.44 | 116.68 | April 2025 - December 2025 | 1:1 | * | (116.24) | - |

*this is based on various combinations and conditions, hence, weighted average cannot be determined

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**Movements in cash flow hedging reserve**

| Derivative instruments | (₹ in Lakhs) |
|---|---|
| **As at 1 April 2024** | **123.73** |
| Add: Changes in discounted spot element of foreign exchange forward contracts / options | (963.60) |
| Less: Amounts reclassified to profit or loss | 429.56 |
| Less: Deferred tax relating to above (net) | 134.41 |
| **As at 31 March 2025** | **(275.90)** |
| Add: Changes in discounted spot element of foreign exchange forward contracts / options | (5,082.81) |
| Less: Amounts reclassified to profit or loss | 1,319.97 |
| Less: Deferred tax relating to above (net) | 947.03 |
| **As at 31 March 2026** | **(3,091.71)** |

## 49A. Capital Management

### (a) Risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity. The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

The Company is not subject to any externally imposed capital requirements.

**Gearing ratio**

The gearing ratio at end of the reporting period is as follows.

| | Particulars | (₹ in Lakhs) March 31, 2026 | March 31, 2025 |
|---|---|---|---|
| A | Debt* | 82,567.24 | 1,06,351.12 |
| B | Cash and cash equivalents | 8,128.05 | 8,036.07 |
| **C** | **Net debt (A-B)** | **74,439.19** | **98,315.05** |
| **D** | **Total equity** | **2,31,648.05** | **2,23,623.65** |
| **Net Debt to equity ratio (C / D)** | | **0.32** | **0.44** |

*Debt is defined as Non - Current and Current borrowings, as described in Notes 22 and 26 and includes interest accrued thereon as per Note 28 and lease liabilities as per Note 40.

**Loan covenants**

Under the terms of the major borrowing facilities, the Company has complied with applicable financial covenants through the current and previous year.

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 49B. Net Debt Reconciliation

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Cash and Cash Equivalents | 8,128.05 | 8,036.07 |
| Non-Current Borrowings (including Current Maturities) | (12,764.62) | (14,096.24) |
| Current Borrowings (excluding supplier finance arrangement) | (58,592.87) | (76,447.66) |
| Liabilities under supplier finance arrangement | (6,087.95) | (10,366.27) |
| Lease Liabilities | (4,992.11) | (5,223.08) |
| Interest Accrued but not Due | (129.69) | (217.87) |
| **NET DEBT** | **(74,439.19)** | **(98,315.05)** |

(₹ in lakhs)

| Particulars | Cash and Cash Equivalents | Non Current Borrowings (including Current Maturities) | Current Borrowings and interest accrued but not due (excluding Liabilities under Supplier Finance Arrangements) | Liabilities under supplier finance arrangements | Lease Liabilities | Total |
|---|---|---|---|---|---|---|
| **As at 31st March, 2025** | | | | | | |
| Opening Net Debt | 8,080.59 | (19,507.22) | (72,162.16) | - | (2,222.85) | (85,811.64) |
| Cash Flows (Refer note (i)) | (44.52) | 5,410.99 | (4,546.34) | (10,462.23) | 902.88 | (8,739.22) |
| New Leases | - | - | - | - | (4,147.45) | (4,147.45) |
| Discontinued Leases | | | | | 244.34 | 244.34 |
| Finance Cost | - | (1,542.82) | (7,127.15) | (295.86) | (228.89) | (9,194.72) |
| Interest Paid | - | 1,542.82 | 7,170.12 | 391.82 | 228.89 | 9,333.65 |
| **Other Changes (Refer note (ii))** | | | | | | |
| Liabilities under supplier finance arrangement transferred from trade payables | - | - | - | (23,762.61) | - | (23,762.61) |
| Payments to suppliers by the bank under supplier finance arrangement (presented as operating cash flows within 'Increase/(decrease) in trade payables') | - | - | - | 23,762.61 | - | 23,762.61 |
| **CLOSING NET DEBT** | **8,036.07** | **(14,096.24)** | **(76,665.53)** | **(10,366.27)** | **(5,223.08)** | **(98,315.05)** |
| **As at 31st March, 2026** | | | | | | |
| Opening Net Debt | 8,036.07 | (14,096.24) | (76,665.53) | (10,366.27) | (5,223.08) | (98,315.05) |
| Cash Flows (Refer note (i)) | 91.98 | 1,331.62 | 17,854.79 | 4,323.51 | 899.26 | 24,501.16 |
| New Leases | - | - | - | - | (751.58) | (751.58) |
| Discontinued Leases | - | - | - | - | 83.29 | 83.29 |
| Finance Cost | - | (929.34) | (4,043.51) | (574.78) | (417.46) | (5,965.09) |
| Interest Paid | - | 929.34 | 4,131.69 | 529.59 | 417.46 | 6,008.08 |
| **Other Changes (Refer note (ii))** | | | | | | |
| Liabilities under supplier finance arrangement transferred from trade payables | - | - | - | (36,913.78) | - | (36,913.78) |
| Payments to suppliers by the bank under supplier finance arrangement (presented as operating cash flows within 'Increase/(decrease) in trade payables') | - | - | - | 36,913.78 | - | 36,913.78 |
| **CLOSING NET DEBT** | **8,128.05** | **(12,764.62)** | **(58,722.56)** | **(6,087.95)** | **(4,992.11)** | **(74,439.19)** |

# Notes Accompanying to the Standalone Financial Statements

for the year ended March 31, 2026

(i) Financing cash flows under a supplier finance arrangement include proceeds received under a supplier finance arrangement of ₹36,913.78 lakhs (2024-25 – ₹23,762.61 lakhs) and repayments to a financial institution under a supplier finance arrangement of ₹41,237.29 lakhs (2024-25 – ₹13,300.38 lakhs). These financing cash flows are presented separately in the standalone statement of cash flows.

(ii) Other changes include non-cash movements, such as transfers from trade payables to borrowings (i.e., liabilities under a supplier finance arrangement).

## 50. Details of Loans given, Investments made and Guarantee given covered under section 186(4) of the companies act, 2013

**Loan and Financial guarantee given by the Company :**

| Name of the Company | Nature | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 (₹ in lakhs) |
|---|---|---|---|
| Indo Count Global Inc., USA (Subsidiary) | Guarantee | 29,285.05 | 26,394.68 |
| Indo Count Global East Inc.(Subsidiary) | Guarantee | 11,380.20 | - |
| Indo Count Global Inc., USA (Subsidiary) | Loan | 13,988.16 | 12,607.56 |
| **TOTAL** | | **54,653.41** | **39,002.24** |

The above guarantee is given to bank for securing long term / working capital arrangements and for loan refer note no 9.1.

## 51. Ratios

| S. No. | Ratio | Times / % | Numerator | Denominator | March 2026 | March 2025 | Variance | Reasons for the Variances, if more than 25 % |
|---|---|---|---|---|---|---|---|---|
| (a) | Current Ratio | Times | Current Assets | Current Liabilities | 1.91 | 1.75 | 9.35% | |
| (b) | Debt-Equity Ratio | Times | Total Debt (Refer note 8) | Shareholders' Equity | 0.36 | 0.47 | -25.02% | Due to decrease in Total Debt and Increase in Shareholders' Equity |
| (c) | Debt Service Coverage Ratio | Times | Earning for Debt Service (Refer note 1) | Debt Service (Refer note 2) | 2.08 | 2.59 | -19.49% | |
| (d) | Return on Equity Ratio | % | Profit for the year | Average Shareholder's Equity | 6.35% | 11.08% | -42.64% | Due to decrease in Profit for the year and increase in Average Shareholder's Equity |
| (e) | Inventory Turnover Ratio | Times | Cost of Goods Sold (Refer note 3) | Average Inventories | 2.74 | 3.16 | -13.14% | |
| (f) | Trade Receivable Turnover Ratio | Times | Net Revenue from Opertions ((Refer note 4)) | Average Trade Receivables | 3.87 | 5.09 | -24.01% | |
| (g) | Trade Payable Ratio | Times | Net Purchases (Refer note 5) | Average Trade Payables | 12.66 | 11.71 | 8.07% | |
| (h) | Net Capital Turnover Ratio | Times | Revenue from Operations | Working Capital | 2.98 | 4.23 | -29.65% | Due to decrease in Revenue from Opertions |
| (i) | Net Profit Ratio | % | Profit for the year | Revenue from Operations | 4.67% | 6.29% | -25.79% | Reduced profit after tax due to product mix and sales realisation |
| (j) | Return on Capital Employed | % | Earning before Interest and Taxes (Refer note 6) | Capital Employed (Refer note 7) | 8.95% | 12.79% | -30.05% | Due to decrease in Earning before Interest and Taxes in proportion more than decrease in capital employed |
| (k) | Return on Investment | % | Interest, Dividend, Gain/(Loss) on Redemption/ Sales & Changes in NAV | Average Short Term Investments | 6.86% | 8.20% | -16.35% | |

**Notes**

1 Earning for Debt Service = Net Profit after taxes + Non- cash operating expenses like depreciation and other amortizations + interest + other adjustments like loss on sale of fixed assets-Profit on sale of fixed assets

2 Debt Service = Finance Cost + Lease expense + Long term borrowings paid during the year

3 Cost of goods sold = Cost of Materials Consumed + Purchase of Stock-In-Trade + Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods + Employee costs excluding Director's remuneration + Depreciation + Other expenses (exclusion in other expenses - Commission, freight outwards, other selling expenses, loss on sale of assets, Provision for doubtful debts, donation to political party, CSR Expenses, Auditor's Remuneration and miscellaneous expenses excluding certain direct production expenses)

4 Net Revenue from Operations = Revenue from Operations - Other Operating Revenue

5 Net Purchases = Total purchases of Raw material and components, Purchase of Stock-In-Trade and Purchases of Stores, Dyes and Packing Materials and other expenses related to Trade Payable

6 Earning before Interest and Taxes = Profit before taxes + Finance Costs

7 Capital Employed = Equity + Non Current borrowings + Current Borrowings + Deferred Tax Liabilities + Lease Liabilities - Intangible Assets - Intangible Assets under development

8 Total Debt = Non Current borrowings + Current borrowings + Lease Liabilities

# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 52(a). Additional regulatory information required by Schedule III

i) **Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.

ii) **Borrowing secured against current assets**

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets (including revised returns/statements) filed by the Company with banks and financial institutions were in agreement with the unaudited books of account.

iii) **Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any other lendor.

iv) **Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) **Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) **Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii) **Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii) **Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) **Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) **Valuation of Property, plant and equipments, right-of-use assets and intangible asset**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.



# Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

## 52(b). Other regulatory information

i) **Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company except as disclosed below:

| S. N. | Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value (₹ in lakhs) | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director | Property held since which date | Reason for not being in the name of the Company |
|---|---|---|---|---|---|---|---|
| (a) | Property, Plant and Equipments | A portion of freehold land (Property, plant and equipment) at Bhilad (Gujarat) | 80.03 | GHCL Limited | No | Since April 2, 2022 | The title deeds are held in the name of GHCL Limited. It was acquired during FY 2022-23 as part of a business purchase and the process of transfer of the title in favour of the company is under process. |

ii) **Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

iii) **Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**53.** During the current year, the Company has reclassified/regrouped certain previous year figures for better presentation and in compliance with Indian Accounting Standards as under: (₹ in lakhs)

| Particulars | Balances as at March 31, 2025 (Reported) | Reclassification | Balances as at March 31, 2025 (after Reclassification / Regrouping) |
|---|---|---|---|
| Investments (Current) (Refer Note a below) | 13,457.35 | 472.99 | 13,930.34 |
| Other Financial Assets (Current) (Refer Note a below) | 2,074.24 | (472.99) | 1,601.25 |
| Other Current Assets (Refer Note b below) | 16,435.63 | (95.95) | 16,339.68 |
| Borrowings (Current) (Refer Note b below) | 92,685.88 | (95.95) | 92,589.93 |

a) Interest accrued on bonds measured at fair value through profit and loss account reclassified as Current Investments.

b) Prepaid interest on supplier finance arrangement reduced from Current Borrowings.

## Notes Accompanying to the Standalone Financial Statements
for the year ended March 31, 2026

**54.** The Company has approved its Financial Statements in its board meeting dated May 30, 2026.

**55.** The Group (as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025) has six CICs as part of the Group.

**56. Events occurring after reporting period**

The Company evaluated subsequent events through May 30, 2026, the date the financial statements were available for issuance, and determined that there were no additional material subsequent events requiring disclosure.

Signatures to Note 1 to 56 which form an integral part of Financial Statements

**The accompanying notes form an integral part of Standalone Financial Statement**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026



# Independent Auditor's Report

**To the Members of Indo Count Industries Limited**

**Report on the Audit of the Consolidated Financial Statements**

## Opinion

1. We have audited the accompanying consolidated financial statements of Indo Count Industries Limited (hereinafter referred to as the "Holding Company ") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), refer Note 1 (i) (c) to the consolidated financial statements, which comprise the consolidated Balance Sheet as at 31st March, 2026, and the consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2026, and consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

## Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Appropriateness of Revenue Recognition in respect of sale of products**<br>(Refer Notes 2.5 and 32 to the consolidated financial statements)<br>The Group recognises revenue in accordance with Ind AS 115 'Revenue from Contracts with Customers'. | Our audit procedures relating to revenue recognition included the following:<br>• Understanding, and evaluating the design and testing the operating effectiveness of controls surrounding the recording of revenue in accordance with the principles of Ind AS 115.<br>• Testing the reconciling items on a sample basis between sales register and revenue recognized to assess completeness of revenue recognized. |

| Key audit matter | How our audit addressed the key audit matter |
| --- | --- |
| Revenue is the key performance indicator considered by the Group and its stakeholders. Revenue from sale of products is recognised on transfer of control to customers. The terms of transfer of control of products on their sale differs with different customers and therefore, the timing of recognition of revenue depends on the terms agreed with each customer.<br>The determination of timing of revenue recognition (including at the year end) based on terms agreed with customers is considered significant by the management for ensuring that the revenue is recognised in the correct period.<br>We identified appropriateness of revenue recognition as a key audit matter considering the above factors and in view of the risk of inappropriate revenue recognition. | • Testing of customer contracts on a sample basis, to assess the terms for identification of performance obligations in accordance with Ind AS 115 and comparing those to the management assessment.<br>• On a sample basis, testing the underlying supporting documents such as invoices, customer's purchase orders and delivery documents to check the accuracy and occurrence of the revenue transactions.<br>• Testing the appropriateness of timing of recognition of revenue (including procedures related to cut off testing) in line with the terms of the customer contracts.<br>• Testing of journal entries impacting revenue by understanding their rationale and agreeing to supporting documentation.<br>• Evaluating appropriateness of the presentation and disclosures made in the consolidated financial statements. |
| **Assessment of fair valuation of net assets acquired in business combination**<br>(Refer Notes 2.13 and 46 to the consolidated financial statements)<br>The Group had acquired a controlling stake in Fluvitex USA, Inc. and Modern Home Textiles Inc. through a wholly-owned subsidiary Indo Count Global Inc., USA during the previous financial year for a total consideration of ₹26,442.52 lakhs and had accounted for these acquisitions in accordance with the acquisition method specified in Ind AS 103 'Business Combinations' in the previous year. The purchase price allocation at the time of acquisition was carried out based on provisional amounts as permitted under paragraph 45 of Ind AS 103, and was finalised during the year, within the measurement period as specified therein.<br>The Management had engaged an independent valuer (the "management expert") to determine the acquisition date fair values of acquired assets and assumed liabilities, and the resultant goodwill.<br>We considered this to be a key audit matter due to significant management judgement and assumptions involved in determination of the fair values of certain assets such as sales growth rate, EBITA margins, royalty rate, discount rate, estimated useful life of intangible assets in the discounted cash flow, and the estimated useful life of property, plant and equipment. | Our audit procedures included the following:<br>• Evaluated the Holding Company's accounting policy for accounting for business combinations and determination of fair values as per the requirements of the relevant accounting standards<br>• Perused the audit report of the wholly-owned subsidiary, obtained understanding of the procedures performed by their auditors on the purchase price allocation and evaluated their work, which inter-alia included:<br>➢ Understanding and evaluation of the controls around determination of fair values in business combinations.<br>➢ Evaluating independence, capability, competence and objectivity of the management's expert.<br>➢ Checking the completeness of assets and liabilities considered in the purchase price allocation.<br>➢ Assessing, with the involvement of auditor's expert, where considered necessary, the appropriateness of the valuation approach and methodology, and assessing the reasonableness of assumptions used in determination of fair values.<br>• Tested the mathematical accuracy of the calculations involved, including determination of goodwill in accordance with Ind AS 103.<br>• Assessed the adequacy of the disclosures in the financial statements in line with the requirements of the applicable accounting standards. |

## Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the respective companies.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

14. The consolidated financial statements of one subsidiary located outside India (including four step-down subsidiaries) reflect total assets of ₹122,231.64 lakhs and net assets of ₹9,004.12 lakhs as at March 31, 2026, total revenue of ₹122,094.30 lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹1,556.61 lakhs and net cash outflows amounting to ₹43.87 lakhs for the year ended on that date, has been considered in the consolidated financial statements. The financial statements of this subsidiary have been prepared under accounting principles generally accepted in India and have been audited by other auditor under generally accepted auditing standards who have furnished their report to us and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary, is based on the reports of the other auditor and the procedures performed by us.

15. The financial statements of two subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of ₹5,913.09 lakhs and net assets of ₹1,328.94 lakhs as at March 31, 2026, total revenue of ₹5,084.58 lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹85.11 lakhs and net cash inflows amounting to ₹685.77 lakhs for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

16. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹5.81 lakhs and net assets of ₹2.58 lakhs as at March 31, 2026, total revenue of ₹4.22 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹1.14 lakhs and net cash outflows amounting to ₹0.45 lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of this subsidiary is unaudited and have been furnished to us by the management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements certified by the management.

## Report on Other Legal and Regulatory Requirements

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 report issued by us in respect of the standalone financial statements of the Holding Company. The statutory audit report of Indo Count Retail Ventures Limited (CIN: U52100PN2016PLC158599), subsidiary company, has not been issued until the date of this report. Accordingly, qualifications or adverse remarks, if any, have not been included under this clause.

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except that the back-up of certain books of account and other books and papers maintained in electronic mode has not been kept on servers physically located in India on a daily basis by the Holding company but maintained everyday between Monday and Friday during the year and the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in absence of sufficient appropriate evidence, we are unable to verify whether the back-up of certain other books and papers maintained in electronic mode has been kept on servers physically located in India on a daily basis during the year.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(b) above and paragraph 18(h)(vi) below.

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 40A to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2026 for which there were any material foreseeable losses.

iii. The instances of delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026 is as follows:

| Nature | Amount (₹ in lakhs) | Due date | Date of Payment | Delay (in days) |
|---|---|---|---|---|
| Unclaimed Interim Dividend for FY 2017-18 | 15.44 | April 21, 2025 | May 6, 2025 | 15 |

iv. (a) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 55 (a) (vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 55 (a) (vii) to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The final dividend paid by the Holding Company during the year in respect of the prior year ended March 31, 2025 is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

Further, as stated in Note 20(A)(f) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Holding Company has used multiple accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that:

(a) the audit trail in respect of the core accounting software was not enabled at the database level to log any direct data changes and was not maintained at the application level in case of modifications made by certain users with specific access;

(b) the audit trail in respect of another accounting software used for maintaining certain records was not enabled as it did not have a feature of audit trail (edit log) facility.

(c) in respect of certain accounting softwares operated by third-party service providers, the ISAE type II reports are not available from the service providers and, accordingly, we are unable to comment on whether the audit trail feature was enabled and operated throughout the year for all the relevant transactions recorded in the software and in respect of another accounting software operated by third party service provider, the database layer audit log of modification does not contain pre modified values.

During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Holding Company as per the statutory requirements for record retention.

19. Except for managerial remuneration aggregating to ₹296.43 lakhs in respect of the Holding Company, the managerial remuneration paid/ provided for by the Group, is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. As stated in Note 42 to the consolidated financial Statements, the amount paid/ provided by the Holding Company is subject to approval of shareholders of the Holding Company by way of special resolution in the ensuing annual general meeting of Holding Company as required by Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sd/-
**Sachin Parekh**
Partner
Membership Number: 107038
UDIN: 26107038HCJJIW5715

Place: Mumbai
Date: May 30, 2026

## Annexure A to Independent Auditor's Report

**Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Indo Count Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2026**

**Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to financial statements of Indo Count Industries Limited (hereinafter referred to as "the Holding Company") as of that date. The statutory audit report of one subsidiary of the Holding Company incorporated in India have not been issued till the date of this report.

## Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on the company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system with reference to financial statements.

## Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sd/-
**Sachin Parekh**
Partner
Membership Number: 107038
UDIN: 26107038HCJJIW5715

Place: Mumbai
Date: May 30, 2026

# Consolidated Balance Sheet

as at 31st March, 2026

(₹ in lakhs)

| Particulars | Note No. | As at 31st March, 2026 | As at 31st March, 2025 (Refer Note 46) |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 6 | 1,50,010.14 | 1,38,001.65 |
| (b) Right-of-Use assets | 7 | 26,237.22 | 24,242.87 |
| (c) Capital Work-In-Progress | 6 | 442.81 | 2,775.79 |
| (d) Goodwill | 8A | 12,381.62 | 11,159.58 |
| (e) Other Intangible Assets | 8B | 19,770.50 | 16,091.32 |
| (f) Intangible Assets under development | 8B | 55.99 | 2,245.27 |
| (g) Financial Assets | | | |
| (i) Other Financial Assets | 9 | 1,229.18 | 1,151.97 |
| (h) Deferred Tax Assets (Net) | 24B | 59.58 | - |
| (i) Non-Current Tax Assets (net) | 10 | - | 4,544.08 |
| (j) Other Non-Current Assets | 11 | 5.82 | 3,424.42 |
| **Total Non-Current Assets** | | **2,10,192.86** | **2,03,636.95** |
| **(2) Current Assets** | | | |
| (a) Inventories | 12 | 1,25,086.71 | 1,15,802.47 |
| (b) Financial Assets | | | |
| (i) Investments | 13 | 19,007.32 | 13,930.34 |
| (ii) Trade Receivables | 14 | 51,295.93 | 59,183.05 |
| (iii) Cash and Cash Equivalents | 15 | 11,356.37 | 10,622.92 |
| (iv) Bank balances other than (iii) above | 16 | 1,021.56 | 1,097.17 |
| (v) Other Financial Assets | 17 | 5,444.10 | 3,732.20 |
| (c) Current Tax Assets (Net) | 18 | 4,859.42 | 247.96 |
| (d) Other Current Assets | 19 | 20,918.72 | 17,245.84 |
| **Total Current Assets** | | **2,38,990.13** | **2,21,861.95** |
| **TOTAL ASSETS** | | **4,49,182.99** | **4,25,498.90** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| (a) Equity Share Capital | 20A | 3,961.08 | 3,961.08 |
| (b) Other Equity | 20B | 2,31,568.79 | 2,24,201.35 |
| **Total Equity** | | **2,35,529.87** | **2,28,162.43** |
| **LIABILITIES** | | | |
| **(1) Non-Current Liabilities** | | | |
| **(a) Financial Liabilities** | | | |
| (i) Borrowings | 21 | 33,997.99 | 26,996.60 |
| (ii) Lease Liabilities | 41 | 22,161.35 | 20,692.92 |
| (iii) Other Financial Liabilities | 23 | 4,111.62 | 3,467.06 |
| (b) Provisions | 22 | 2,275.93 | 1,576.88 |
| (c) Deferred Tax Liabilities (Net) | 24B | 7,968.04 | 10,002.37 |
| (d) Other Non-Current Liabilities | 25 | 3,572.99 | 3,300.96 |
| **Total Non Current Liabilities** | | **74,087.92** | **66,036.79** |
| **(2) Current Liabilities** | | | |
| **(a) Financial Liabilities** | | | |
| (i) Borrowings | 26 | 73,367.98 | 94,665.43 |
| (ii) Lease Liabilities | 41 | 4,706.02 | 2,421.34 |
| (iii) Trade Payables | | | |
| - Total outstanding dues of Micro and Small Enterprises | 27 | 6,406.62 | 4,508.53 |
| - Total outstanding dues of other than Micro and Small Enterprises | 27 | 30,744.41 | 18,606.57 |
| (iv) Other Financial Liabilities | 28 | 20,788.98 | 8,256.29 |
| (b) Other Current Liabilities | 29 | 2,513.11 | 2,292.92 |
| (c) Provisions | 30 | 444.12 | 495.42 |
| (d) Current Tax Liabilities (Net) | 31 | 593.96 | 53.18 |
| **Total Current Liabilities** | | **1,39,565.20** | **1,31,299.68** |
| **Total Liabilities** | | **2,13,653.12** | **1,97,336.47** |
| **TOTAL EQUITY AND LIABILITIES** | | **4,49,182.99** | **4,25,498.90** |
| **MATERIAL ACCOUNTING POLICIES** | 2 | | |

**The accompanying notes form an integral part of Consolidated Financial Statements**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026



# Consolidated Statement of Profit and Loss

for the year ended 31st March, 2026

(₹ in lakhs)

| | Particulars | Note No. | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 (Refer Note 46) |
|---|---|---|---|---|
| **I** | **INCOME** | | | |
| | Revenue from Operations | 32 | 4,14,134.88 | 4,15,139.13 |
| | Other Income | 33 | 6,949.74 | 3,950.85 |
| | **TOTAL INCOME** | | **4,21,084.62** | **4,19,089.98** |
| **II** | **EXPENSES** | | | |
| | Cost of Materials Consumed | 34 | 1,71,654.64 | 1,76,615.14 |
| | Purchase of Stock-In-Trade | | 12,737.70 | 10,794.03 |
| | Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods | 35 | 4,788.93 | (2,839.34) |
| | Employee Benefits Expense | 36 | 51,590.12 | 43,251.37 |
| | Finance Costs | 37 | 13,604.20 | 12,315.71 |
| | Depreciation and Amortisation Expense | 38 | 15,917.54 | 11,593.26 |
| | Other Expenses | 39 | 1,34,166.45 | 1,33,595.08 |
| | **TOTAL EXPENSES** | | **4,04,459.58** | **3,85,325.25** |
| **III** | **Profit before Tax (I-II)** | | **16,625.04** | **33,764.73** |
| **IV** | **Income Tax Expense** | 24 | | |
| | a) Current Tax | | 5,235.99 | 8,049.58 |
| | b) Deferred Tax | | (1,278.57) | 715.32 |
| | **Total Tax Expense** | | **3,957.42** | **8,764.90** |
| **V** | **Profit for the Year (III-IV)** | | **12,667.62** | **24,999.83** |
| **VI** | **Other Comprehensive Income/(Loss)** | | | |
| | A Items that will not be reclassified to Profit and Loss: | | | |
| | (i) Gain/(Loss) on remeasurement of post-employment benefit obligations | 48 | 454.14 | (113.40) |
| | (ii) Income tax related to above | 24B | (114.30) | 28.54 |
| | B Items that will be reclassified to Profit and Loss: | | | |
| | (i) Net Loss on cash flow hedges | 20B | (3,762.84) | (534.04) |
| | (ii) Income tax related to above | 24B | 947.03 | 134.41 |
| | (iii) Exchange Difference on translating finanical statements of Foreign Operations | 20B | 1,136.88 | (902.33) |
| | **Total Other Comprehensive Loss for the year, net of tax** | | **(1,339.09)** | **(1,386.82)** |
| **VII** | **Total Comprehensive Income for the Year (V+VI)** | | **11,328.53** | **23,613.01** |
| **VIII** | **Profit attributable to:** | | | |
| | Owners of the Company | | 12,667.62 | 24,999.83 |
| | Non-Controlling Interests | | - | - |
| **IX** | **Other Comprehensive Loss attributable to:** | | | |
| | Owners of the Company | | (1,339.09) | (1,386.82) |
| | Non-Controlling Interests | | - | - |
| **X** | **Total Comprehensive Income attributable to:** | | | |
| | Owners of the Company | | 11,328.53 | 23,613.01 |
| | Non-Controlling Interests | | - | - |
| **XI** | **Earnings per Equity Share (Face value per share - ₹2 (Previous year ₹2))** | 45 | | |
| | a) Basic (₹) | | 6.40 | 12.62 |
| | b) Diluted (₹) | | 6.40 | 12.62 |
| | **MATERIAL ACCOUNTING POLICIES** | 2 | | |

**The accompanying notes form an integral part of Consolidated Financial Statements**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026

# Consolidated Statement of Changes in Equity

for the year ended 31st March, 2026

## A. EQUITY SHARE CAPITAL

| Particulars | Note No. | (₹ in lakhs) |
|---|---|---|
| **As at 31st March, 2024** | | **3,961.08** |
| Changes in Equity Share Capital | 20(A) | - |
| **As at 31st March, 2025** | | **3,961.08** |
| Changes in Equity Share Capital | 20(A) | - |
| **As at 31st March, 2026** | | **3,961.08** |

## B. OTHER EQUITY

(₹ in lakhs)

| Particulars | Reserves and Surplus | | | | Effective Portion of Cash Flow Hedges [Gain/(Loss)] | Exchange Differences on translating the Financial Statements of Foreign Operations | Total |
|---|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Remeasurement of defined benefit obligations [Gain/(Loss)] | Retained Earnings | | | |
| **Balance as at 31.03.2024** | **1,071.36** | **1,653.72** | **(357.75)** | **2,05,161.93** | **123.73** | **(2,707.50)** | **2,04,945.49** |
| Profit for the Year | - | - | - | 24,999.83 | - | - | 24,999.83 |
| Other Comprehensive Income / (Loss) for the Year (net of tax) | - | - | (84.86) | - | (399.63) | (902.33) | (1,386.82) |
| Final Dividend on Equity Shares | - | - | - | (4,357.20) | - | - | (4,357.20) |
| Others | | | | 0.05 | | | 0.05 |
| **Balance as at 31.03.2025** | **1,071.36** | **1,653.72** | **(442.61)** | **2,25,804.61** | **(275.90)** | **(3,609.83)** | **2,24,201.35** |
| Profit for the Year | - | - | - | 12,667.62 | - | - | 12,667.62 |
| Other Comprehensive Income / (Loss) for the Year (net of tax) | - | - | 339.84 | - | (2,815.81) | 1,136.88 | (1,339.09) |
| Final Dividend on Equity Shares | - | - | - | (3,961.09) | - | - | (3,961.09) |
| **Balance as at 31.03.2026** | **1,071.36** | **1,653.72** | **(102.77)** | **2,34,511.14** | **(3,091.71)** | **(2,472.95)** | **2,31,568.79** |

**The accompanying notes form an integral part of Consolidated Financial Statements**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026

# Consolidated Statement of Cash Flows

for the year ended 31st March, 2026

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2026 | | For the year ended 31st March, 2025 | |
|---|---|---|---|---|
| **A) CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| Profit before Tax | | 16,625.04 | | 33,764.73 |
| **Adjustments for:-** | | | | |
| Depreciation and Amortisation Expense | | 15,917.54 | | 11,593.26 |
| Gain on disposal of Property, Plant and Equipment | | (41.65) | | (11.77) |
| Finance Costs | | 13,604.20 | | 12,315.71 |
| Interest Income | | (1,951.35) | | (1,189.32) |
| Income from Government Grants | | (301.09) | | (186.37) |
| Mark to Market Loss on Derivative Contracts (Net) | | 3,287.71 | | 429.55 |
| Provision for Doubtful debts / Advances | | - | | (737.07) |
| Loss Allowance made for expected credit loss on trade receivables | | 19.12 | | - |
| Unrealised Forex Gain | | (1,582.67) | | (644.22) |
| Loss on Sale of Assets | | 253.29 | | 116.94 |
| Gain on Redemption of Mutual Funds | | (36.26) | | (4.34) |
| Gain on changes in value of NAV of Mutual Funds | | (1.66) | | (161.82) |
| | | **45,792.22** | | **55,285.28** |
| **Changes in Operating Assets and Liabilities:** | | | | |
| **Adjustment for (Increase) / Decrease in Operating Assets:** | | | | |
| Non-Current Financial Assets | (77.20) | | (216.66) | |
| Inventories | (9,284.24) | | 4,276.37 | |
| Trade Receivables | 8,070.06 | | (11,105.01) | |
| Other Current Financial Assets | (1,746.28) | | 4,490.93 | |
| Other Current Assets | (4,549.99) | (7,587.65) | 4,878.67 | 2,324.30 |
| **Adjustment for Increase / (Decrease) in Operating Liabilities:** | | | | |
| Other Non Current Financial Liabilities | 644.56 | | 364.94 | |
| Non Current Provisions | 1,153.19 | | 257.82 | |
| Trade Payables | 16,553.42 | | (11,958.09) | |
| Other Current Financial Liabilities | 5,330.83 | | 2,590.81 | |
| Other Current Liabilities | 196.27 | | 390.40 | |
| Current Provisions | (51.30) | 23,826.97 | 225.22 | (8,128.90) |
| Net Taxes paid | | (4,745.20) | | (10,066.38) |
| **Net Cash flow from Operating Activities (A)** | | **57,286.34** | | **39,414.30** |
| **B) CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Payment for Property, Plant & Equipment and Intangible Assets | | (20,229.73) | | (25,157.86) |
| Receipt from Sale of Property, Plant & Equipment | | 165.72 | | 72.00 |
| Payment for Acquisition of Subsidiary, net of Cash acquired | | - | | (25,528.19) |
| Purchase of Current Investments (net) | | (4,827.10) | | (24.08) |
| Receipt of Government Grants | | 1,474.13 | | 950.83 |
| Interest Received | | 1,739.82 | | 1,177.97 |
| **Net Cash Flow used in Investing Activities (B)** | | **(21,677.16)** | | **(48,509.33)** |

# Consolidated Statement of Cash Flows (contd.)

for the year ended 31st March, 2026 (₹ in lakhs)

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| **C) CASH FLOW FROM FINANCING ACTIVITIES.** | | |
| Repayment of Long Term Borrowings | (7,250.61) | (5,410.99) |
| Proceeds from Long Term Borrowings | 16,180.20 | 19,659.33 |
| (Repayments) / Proceeds in Short Term Borrowings (net) | (18,947.33) | 3,594.64 |
| Proceeds received under a supplier finance arrangement | 36,913.78 | 23,762.61 |
| Repayments under a supplier finance arrangement | (41,237.29) | (13,300.38) |
| Finance Cost Paid | (14,010.53) | (11,995.34) |
| Principal elements of lease payments | (2,562.86) | (1,490.34) |
| Final Dividend on Equity Shares | (3,961.09) | (4,357.20) |
| **Net Cash Flow generated (used in) / from Financing Activities (C)** | **(34,875.73)** | **10,462.33** |
| **Net Increase in Cash and Cash Equivalents (A+B+C)** | **733.45** | **1,367.29** |
| **Cash and Cash Equivalents at the beginning of the year** | **10,622.92** | **9,255.63** |
| **Cash and Cash Equivalents at the end of the year** | **11,356.37** | **10,622.92** |
| **Non-Cash Financing and Investing Activities:** | | |
| - Acquisition of Right of Use Assets | (4,173.58) | (20,821.83) |
| **Cash and Cash Equivalents at the end of the year comprises of:** | | |
| (a) Cash in Hand (See note 15) | 11.31 | 16.93 |
| (b) Balance with Banks (See note 15) | | |
| (i) In Current/EEFC Accounts | 10,988.79 | 10,605.99 |
| (ii) In Fixed Deposits | 356.27 | - |
| **Total** | **11,356.37** | **10,622.92** |

**Note:**

1. The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7, 'Statement of Cash Flows'.

**The accompanying notes form an integral part of Consolidated Financial Statements**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026

# Notes Accompanying to the Consolidated Financial Statements

## 1. Corporate information and basis of preparation:

**Corporate information:**

Indo Count Industries Limited (the Holding Company) is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Office No.1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur-416109, Maharashtra, India.

The Holding Company including its subsidiaries [as detailed in note 1 (i) (c)] is herein after together referred to as the 'Group'.

The Group mainly deals in top of the bed items in textiles business. The Group has its wide network of operations in local as well as in overseas market.

The Financial statements of the Group for the year ended 31 March, 2026 were authorized for issue in accordance with a resolution of the Board of Directors on May 30, 2026.

**Basis of preparation:**

**(i) (a) Compliance with Ind AS**

The consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

**(b) Basis of consolidation**

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group does not have any non-controlling interests as at and for the year ended. Refer Note 1(i)(c).

**(c) Interests in other entities:**

The Group's subsidiaries along with country of incorporation are set out below:

| Name of Subsidiary | Ownership interest held by the Group | | Country of incorporation |
|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | |
| Indo Count Global Inc. | 100% | 100% | United States of America |
| Indo Count UK Limited | 100% | 100% | United Kingdom |
| Indo Count Global DMCC | 100% | 100% | Dubai, UAE |
| Indo Count Retail Ventures Limited (formerly known as Indo Count Retail Ventures Private Limited) | 100% | 100% | India |
| Fluvitex USA Inc.,* | 81%* | 81%* | United States of America |
| Modern Home Textiles Inc. | 100% | 100% | United States of America |
| Indo Count Global East, Inc. | 100% | 100% | United States of America |
| Indo Count (Shanghai) Co., Ltd. | 100% | - | China |

*The erstwhile owner retains 19% of the shares in Fluvitex USA Inc. in their name, however, pursuant to share purchase agreement it has waived dividend and voting rights in respect of these shares. Therefore, the group has 100% control over voting rights and return of Fluvitex USA Inc. Also refer Note 46.

**(ii) Historical cost convention:**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) measured at fair value
- defined benefit plans – plan assets measured at fair value

**(iii) Rounding off:**

The financial statements are presented in Indian Rupees ('INR') and all amounts are rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise indicated.

# Notes Accompanying to the Consolidated Financial Statements

**(iv)** All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle which is based on the nature of business and the time elapsed between deployment of resources and the realisation of cash and cash equivalents. The Group has considered an operating cycle of 12 months.

**(v) Recent Accounting Pronouncements:**

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 1 – Presentation of financial statements relating to classification of liabilities as current or non-current subject to covenants, Ind AS 12 – Income Taxes relating to international tax reforms – Pillar Two Model Rules, Ind AS 21 – the effect of changes in foreign exchange rates and Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 - Statement of Cashflows relating to disclosure of supplier financing arrangements, applicable from April 01, 2025 and certain amendments to Ind AS 1 relating to classification of liabilities as current or non-current and non-current liabilities with covenants, applicable from April 01, 2026.

The Group has assessed that there is no significant impact on its financial statements with respect to the amendments in Ind AS 1, Ind AS 12 and Ind AS 21. The Group has evaluated and provided disclosure with respect to supplier financing arrangement in note 26(b).

## 2. Material Accounting Policies

### 2.1 Property, plant and equipment (including capital work-in-progress):

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are added to the asset's carrying amount or recognized as a separate asset only if future economic benefits are probable and the cost is reliably measurable. Components accounted for separately are derecognized when replaced. Other repairs and maintenance are expensed as incurred.

Gains and losses on disposals are calculated by comparing the proceeds with the carrying amount and are included in profit or loss within other income/expenses.

Capital work-in-progress mainly comprises of new property, plant and equipment. Expenditure incurred on assets in the course of construction are capitalised under Capital work in progress.

General and specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset, are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily takes substantial period of time (twelve months or more) to get ready for their intended use.

At the point when the construction of the asset is completed and it is ready to be operated as per management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

| Particulars | Estimated useful life followed by the Group (in years) | Useful life as specified in Schedule II to the Act |
|---|---|---|
| Buildings (other than factory buildings-RCC Frame Structure) | 60 | 60 |
| Buildings (Factory Buildings) | 30 | 30 |
| Buildings (Others) | 3 to 10 | 3 to 10 |
| Plant and machinery (Power Generation Plant) | 40 | 40 |
| Plant and machinery (Continuous process plant) | 25 | 25 |
| Plant and Machinery (Others) | 7 to 15 | 10 to 15 |
| Furniture and Fixtures | 2 to 10 | 10 |
| Computer and Office equipment | 2 to 8 | 3 to 6 |
| Vehicles | 5 to 8 | 8 |

Leasehold improvements are depreciated over the shorter of their useful life or the lease term.

The assets residual value and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.



Notes Accompanying to the Consolidated Financial Statements

### 2.2 Financial assets: Investments and other financial assets

**i) Classification:**

The Group classifies its financial assets in the following measurement categories

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss)
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

**ii) Initial recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

**iii) Measurement**

At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Subsequent measurement (Debt instrument):**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments, which is explained below.

**(a) At amortised cost:**

The Group measures its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

**(b) At fair value through other comprehensive income (FVOCI):**

Debt instruments are measured at FVOCI where the contractual cash flows are solely principal and interest and the objective of the group's business model is achieved both by collecting contractual cash flows and selling financial assets.

**(c) At fair value through profit or loss:**

Debt instruments that do not qualify for measurement at amortised cost or FVOCI are measured at fair value through profit or loss.

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

**Subsequent measurement (Equity instrument):**

The Group subsequently measures all equity instruments at fair value. Where the Group's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**iv) Impairment of financial assets:**

For trade receivables, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the consolidated statement of profit and loss.

# Notes Accompanying to the Consolidated Financial Statements

The Group assesses on a forward-looking basis the expected credit losses associated with financial assets other than trade receivables. The impairment methodology applied depends on whether there has been a significant increase in credit risk. At each reporting date, the group assesses whether the credit risk on these financial instruments has increased significantly since initial recognition. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

**2.3 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as the group has applied practical expedient in accordance with paragraph 63 of Ind AS 115. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**2.4 Inventories**

Inventories are valued at the lower of cost and net realisable value. The costs of individual items are determined on weighted average basis. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

**a) Raw materials, traded goods, packing material, stores & spares:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

**b) Finished goods and work in progress:**

Cost comprises of direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

**c) Product Waste is valued at estimated realizable value.**

Slow moving, non-moving, obsolete and defective inventories are duly provided based on estimate made by management considering their condition and future sales forecasts.

**2.5 Revenue Recognition**

**a) Sale of Products**

The Group derives revenues primarily from sale of products/goods. The Group has assessed revenue contracts and revenue is recognized upon satisfying performance obligations in accordance with provisions of contract with the customer.

It recognizes revenue when control over the promised goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange of those goods. This is generally determined when goods are shipped to the customer at specific location in accordance with the agreed terms, following which the customer has full discretion over responsibility, manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods and there is no unfulfilled obligation that would affect customer's acceptance of the product. All the foregoing occurs at a point in time upon shipment or delivery of the goods at the specific location.

The Group considers terms of the contract/purchase order in determining the transaction price. In most customer contracts, the Group considers freight, duties, insurance and handling activities as costs to fulfil the promise to transfer the related goods depending upon the terms of contracts and the customer payments for such activities are recorded as a component of revenue. Revenue excludes any taxes and duties collected on behalf of the government.

Contract with a customer includes separate performance obligation of reaching the goods to customer's warehouse abroad. The amount of ₹11,783.27 lakhs (March 31, 2025: ₹487.21 lakhs) attributable to such performance obligation is embedded in the contract price for sale of products. The Group recognises revenue for such performance obligation over the period and accordingly, defers the revenue recognition relating to such performance obligation which is unsatisfied at the period-end.



Notes Accompanying to the Consolidated Financial Statements

The consideration in a contract includes a variable amount in relation to discounts, rebates, quality related claims and other deductions wherein the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue from sale of by-products are included in revenue.

As a practical expedient, the Group do not adjust the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

**b) Sale of services**

The Group's sale of services also includes job work services to other customers. Revenue from providing such services is recognised in the accounting period in which the services are rendered upon satisfying performance obligations in accordance with the terms of contract with the customer.

**c) Export incentives:**

Export incentives and subsidies (Rebate of State and Central Levies and Taxes (RoSCTL), Remission of Duties and Taxes on Export Products (RoDTEP) and duty drawback scheme) are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. These are recognised on shipment for export at the prescribed rates and is included in other operating income.

**2.6 Income Taxes**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Group generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss) and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

# Notes Accompanying to the Consolidated Financial Statements

**2.7 Leases**

**The Group as a lessee:**

The Group leases land, buildings and Plant and machinery. Rental contracts are typically made for fixed periods of one month to 99 years.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Any escalation/increment in the lease payments which are fixed in nature, are included in the initial recognition of the lease liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**Right-of-use assets:**

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

For the lease term determination, the following factors are normally the most relevant:

- If there is significant penalty payments to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate)
- Otherwise, the Group considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

**The Group as a lessor:**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

**2.8 Employee benefits**

**i) Short-term employee benefits**

Liabilities for salaries, wages, bonus, ex-gratia, and incentives etc. that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**ii) Post-employment benefits**

**a) Defined contribution plans**

Central Government Provident fund Scheme is a defined contribution plan. The Group has no further payment obligations once the contributions have been paid. The contribution paid /payable under the scheme is



# Notes Accompanying to the Consolidated Financial Statements

recognized in the statement of profit and loss during the period in which the employee renders the related services.

**b) Defined Benefit Plans**

The employee Gratuity Fund scheme managed by a Trust is a defined benefit plan.

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary at the year end using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the finance cost in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in reserves and surplus in other equity. Remeasurement gain or loss are not reclassified to the statement of profit and loss in subsequent periods.

**iii) Other Long-term employee benefit**

The Group has liabilities for compensated absences that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet as the Group does not have a right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**2.9 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that arises from past events where either it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate cannot be made. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**2.10 Derivative financial instruments and hedge accounting**

The Group enters into derivative contracts to hedge foreign currency risk on unexecuted firm commitments and highly probable forecast transactions. Derivatives held include foreign exchange forward contracts and options. The hedging transaction entered into by the Group is within the overall scope of the Foreign Exchange Risk Management Policy of the group as approved by the Board from time to time. All derivative contracts are recognised on the Balance Sheet and measured at fair value.

Derivatives are only used for economic hedging purposes and not as speculative investments.

Derivatives which are not designated for hedge accounting are measured at fair value through profit or loss (FVTPL). Mark to Market for these instruments is classified as current assets or liabilities if they are anticipated to be settled within 12 months following the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

# Notes Accompanying to the Consolidated Financial Statements

The Group designates certain derivatives as either hedges of a particular risk associated with the cash flows of recognised assets and liabilities or highly probable forecast transactions (cash flow hedges).

At inception of the hedging relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

**Cash flow hedges**

The Group applies hedge accounting to manage foreign currency risk associated with highly probable forecasted sales and purchases in foreign currencies. Under Ind AS 109, the Group designates foreign exchange forward and option contracts as cash flow hedges to offset the variability in cash flows arising from these forecasted transactions.

Hedge effectiveness is assessed using dollar offset approach, ensuring the hedge is highly effective in offsetting changes in cash flows.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss within other income/other expenses.

For cash flow hedging relationships that span multiple reporting periods, the ineffectiveness for the period is calculated as the difference between the cumulative ineffectiveness as at reporting date (based on the 'lesser of' the cumulative change in the fair value of the hedging instrument and the hedged item), and the cumulative ineffectiveness reported in prior periods.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item, hereby aligning the timing of the hedge's impact with the underlying transaction. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability as a basis adjustment.

When option contracts are used to hedge forecast transactions, the gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity and is recognized when the forecasted transaction is ultimatelty recognized in the Statement of Profit and Loss. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income/other expenses.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

**Fair value hedge**

The Group employs fair value hedge accounting to mitigate the risk of changes in the fair value of foreign currency debtors and creditors expected to be realized in the future. Upon sales or purchase, the cash flow hedge against forecasted sales or purchase converts into fair value hedge against outstanding debtor or creditor balances in foreign



Notes Accompanying to the Consolidated Financial Statements

currency exposure. The forward and option contracts are continued to hedge against fluctuations in the fair value of these receivables and payables.

Hedge effectiveness is assessed using dollar offset approach, upon comparison of key parameters like notionals, maturity date and underlying currency of the hedging instrument and hedged item. Gains or losses on the hedging instrument and adjustments to the carrying amount of the hedged receivables and payables are recognized in profit or loss, aligning the impact of currency fluctuations with the economic impact of the hedge.

**2.11 Government Grants**

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Government grants relating to the purchase of property, plant and equipment are recognized once reasonable certainty is established and are included in non-current liabilities as deferred income and are credited to the statement of profit or loss on a straight-line basis over the remaining expected lives of the related assets and presented within other income.

**2.12 Foreign currency translations**

**(a) Functional and presentation currency**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (INR), which is also the functional and the presentation currency of Indo Count industries Limited.

**(b) Transactions and balances**

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions)
- All resulting exchange differences are recognized in other comprehensive income.

On the disposal of a foreign operation, the associated exchange differences are reclassified to the statement of consolidated profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**2.13 Business combination**

The acquisition method of accounting is used to account for all business combinations. The acquisition related cost are recognized under the statement of profit and loss as incurred. The Acquiree's identifiable assets, liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of the net identifiable assets acquired is recognized as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the difference is recognised directly in equity as capital reserve.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amounts. The only adjustments that are made are

# Notes Accompanying to the Consolidated Financial Statements

to harmonise accounting policies and tax adjustments as per the applicable statute. The difference between consideration and the carrying value is recognized as capital reserve.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.
Also Refer Note 46.

**2.14 Intangible assets**

Separately acquired intangible assets are shown at historical cost, less any accumulated amortisation and accumulated impairment losses, if any. Patents, Trademark, Brands and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. These assets have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

The Group amortises intangible assets using the straight-line method over their estimated useful lives as follows:

| | |
|---|---|
| Software | Over the period of 3 to 7 years |
| Patents and Trademarks | 8 to 20 years |
| Brands | 15 years |
| Customer relationship | 10 - 15 years |
| Know How | 12 years |

The assets useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

Expenditure incurred for getting the trademark and patents registered in the Group's name (which generally takes four to five years) are capitalized under Intangible assets under development. At the point when the trademarks and patents are registered in the Group's name, the relevant costs are transferred to the appropriate category of intangible assets and amortisation commences. Further, software capitalized during the year includes costs related to customisation and implementation of software.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

**2.15 Impairment assessment of goodwill**

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

**2.16 Borrowing costs**

Borrowing costs other than mentioned in Note 2.1 of material accounting policies are expensed in the period in which they are incurred.

**2.17 Borrowings**

Borrowings are initially recognised at fair value net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

## 3. Other Accounting Policies

**3.1 Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

(i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and



Notes Accompanying to the Consolidated Financial Statements

(ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

**3.2 Impairment of non-current assets**

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, intangible assets (other than goodwill) and right of use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units)

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses for Non-financial assets other than goodwill, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

**3.3 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and for the purpose of presentation in the statement of cash flow, bank overdrafts is classified as cash and cash equivalents.

**3.4 Other Income**

**Lease Income:**

Lease agreements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor are recognized as operating leases.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

**Other income:**

All other income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

**3.5 Earnings per share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares, if any.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

# Notes Accompanying to the Consolidated Financial Statements

**3.6 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The CODM of Indo Count Industries Limited is responsible for allocating resources and assessing performance of the operating segment. Executive Directors have been identified as CODM.

**3.7 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their transaction value which represents their fair value and subsequently measured at amortised cost using the effective interest method.

**3.8 Provisions**

Provisions for legal claims are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

## 4. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with carrying value of all of its property, plant and equipment and intangible assets measured as per previous GAAP and use the carrying value as the deemed cost of property, plant and equipment and intangible assets.

## 5. Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes.

- Right of Use – Assessment of Lease term (Note 2.7)
- Estimation of Defined benefit obligation (Note 2.8)
- Contingent liabilities (Note 2.9)
- Fair valuation of Derivatives (Note 2.10)
- Fair Valuation of Net Assets acquired in business combination (Refer Note 2.13 and 46)
- Estimated useful life of Property, plant and equipment and Intangible assets (Note 2.1 and 2.14)
- Assessment of carrying value of goodwill (Note 2.15)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.



# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

## 6. Property, Plant and Equipment

**FY 25-26** (₹ in lakhs)

| Particulars | Land - Freehold | Buildings* | Plant and Machinery | Furniture and Fixtures | Leasehold Improvements | Office Equipment# | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | | | |
| **As at 01.04.2025** | **12,379.51** | **39,266.73** | **1,41,472.50** | **1,956.03** | **4,194.62** | **3,353.17** | **709.81** | **2,03,332.37** |
| Additions | - | 1,507.97 | 15,697.21 | 360.00 | 1,882.51 | 458.64 | 49.71 | 19,956.04 |
| Disposals | - | - | 930.97 | - | - | 22.40 | 0.01 | 953.38 |
| Effect of Foreign Currency Translation | - | - | 1,831.02 | 22.05 | 491.27 | 39.26 | 3.00 | 2,386.60 |
| **As at 31.03.2026** | **12,379.51** | **40,774.70** | **1,58,069.76** | **2,338.08** | **6,568.40** | **3,828.67** | **762.51** | **2,24,721.63** |
| **Accumulated Depreciation** | | | | | | | | |
| **As at 01.04.2025** | **-** | **9,073.17** | **52,100.28** | **1,066.17** | **663.88** | **2,021.67** | **405.55** | **65,330.72** |
| Depreciation charged for the year | - | 1,340.88 | 6,944.49 | 212.49 | 667.93 | 455.79 | 55.63 | 9,677.21 |
| Disposals | - | - | 554.73 | - | - | 21.27 | - | 576.00 |
| Effect of Foreign Currency Translation | - | - | 169.48 | 3.14 | 95.26 | 10.87 | 0.81 | 279.56 |
| **As at 31.03.2026** | **-** | **10,414.05** | **58,659.52** | **1,281.80** | **1,427.07** | **2,467.06** | **461.99** | **74,711.49** |
| **Net Carrying Amount** | | | | | | | | |
| **As at 31.03.2026** | **12,379.51** | **30,360.65** | **99,410.24** | **1,056.28** | **5,141.33** | **1,361.61** | **300.52** | **1,50,010.14** |

*a) Includes 10 shares of ₹50 each of Arcadia Premises Co-operative Society Limited.

*b) Includes 10 shares of ₹50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

For details of Property, Plant & Equipment hypothecated as security against borrowings, Refer Note No. 21.

#includes computers with gross carrying amount of ₹1,346.54 lakhs; and with net carrying amount of ₹333.14 lakhs as at 31.03.2026.

**Capital work in progress**

**FY 25-26**

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2025** | **2,775.79** |
| Addition during the year | 16,556.96 |
| Capitalised during the year | 18,894.12 |
| Effect of Foreign Currency Translation | 4.18 |
| **Balance as at 31.03.2026** | **442.81** |

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**Capital work in progress ageing**

**FY 25-26**

**Projects in Progress** (₹ in lakhs)

| Particulars | Amount in Capital work-in-progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at 31.03.2026** | **311.37** | **131.44** | **-** | **-** | **442.81** |

There are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

There are no projects which are temporarily suspended.

**PROPERTY, PLANT AND EQUIPMENT**

**FY 24-25** (₹ in lakhs)

| Particulars | Land - Freehold | Buildings* | Plant and Machinery | Furniture and Fixtures | Leasehold Improvements | Office Equipment# | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | | | |
| **As at 01.04.2024** | **12,305.82** | **37,606.71** | **1,29,066.58** | **1,610.31** | **1,115.61** | **2,829.91** | **716.64** | **1,85,251.58** |
| Assets acquired on account of business combination | - | - | 8,413.31 | 18.79 | 1,867.76 | 155.86 | 26.96 | 10,482.68 |
| Additions | 73.69 | 1,718.62 | 4,275.96 | 323.06 | 1,150.46 | 514.20 | 74.10 | 8,130.09 |
| Disposals / Transfers | - | 58.60 | 451.24 | - | - | 152.49 | 108.39 | 770.72 |
| Effect of Foreign Currency Translation | - | - | 167.89 | 3.87 | 60.79 | 5.69 | 0.50 | 238.74 |
| **As at 31.03.2025** | **12,379.51** | **39,266.73** | **1,41,472.50** | **1,956.03** | **4,194.62** | **3,353.17** | **709.81** | **2,03,332.37** |
| **Accumulated Depreciation** | | | | | | | | |
| **As at 01.04.2024** | **-** | **7,774.95** | **46,379.82** | **871.13** | **317.01** | **1,818.52** | **446.69** | **57,608.12** |
| Depreciation charged for the year | - | 1,321.22 | 6,036.10 | 194.81 | 339.72 | 347.17 | 61.77 | 8,300.79 |
| Disposals / Transfers | - | 23.00 | 323.13 | - | - | 144.44 | 102.95 | 593.52 |
| Effect of Foreign Currency Translation | - | - | 7.49 | 0.23 | 7.15 | 0.42 | 0.04 | 15.33 |
| **As at 31.03.2025** | **-** | **9,073.17** | **52,100.28** | **1,066.17** | **663.88** | **2,021.67** | **405.55** | **65,330.72** |
| **Net Carrying Amount** | | | | | | | | |
| **As at 31.03.2025** | **12,379.51** | **30,193.56** | **89,372.22** | **889.86** | **3,530.74** | **1,331.50** | **304.26** | **1,38,001.65** |

*a) Includes 10 shares of ₹50 each of Arcadia Premises Co-operative Society Limited.

*b) Includes 10 shares of ₹50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

For details of Property, Plant & Equipment hypothecated as security against borrowings, Refer Note No. 21.

#includes computers with gross carrying amount of ₹1,283.52 lakhs; and with net carrying amount of ₹350.30 lakhs as at 31.03.2025.

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**Capital work in progress**

**FY 24-25**

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2024** | **2,468.20** |
| Addition during the year | 6,914.70 |
| Capitalised during the year | 6,608.64 |
| Effect of Foreign Currency Translation | 1.53 |
| **Balance as at 31.03.2025** | **2,775.79** |

**Capital work-in-progress ageing**

**Projects in Progress** (₹ in lakhs)

| Particulars | Amount in Capital work-in-progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at 31.03.2025** | **2,761.67** | **14.12** | **-** | **-** | **2,775.79** |

There are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

There are no projects which are temporarily suspended.

### 7. Right-of-Use (ROU) assets

**FY 25-26** (₹ in lakhs)

| Particulars | Land - Leasehold | Buildings | Plant and Machinery | Total |
|---|---|---|---|---|
| **Gross Carrying Amount** | | | | |
| **As at 01.04.2025** | **1,640.89** | **25,452.09** | **152.64** | **27,245.62** |
| Additions | - | 4,158.17 | 15.40 | 4,173.57 |
| Disposals | - | 269.37 | - | 269.37 |
| Effect of Foreign Currency Translation | | 2,230.14 | | 2,230.14 |
| **As at 31.03.2026** | **1,640.89** | **31,571.03** | **168.04** | **33,379.96** |
| **Accumulated Depreciation** | | | | |
| **As at 01.04.2025** | **127.13** | **2,864.68** | **10.94** | **3,002.75** |
| Depreciation charged for the year | 20.04 | 3,947.75 | 38.76 | 4,006.55 |
| Disposals | - | 181.64 | - | 181.64 |
| Effect of Foreign Currency Translation | - | 315.08 | - | 315.08 |
| **As at 31.03.2026** | **147.17** | **6,945.87** | **49.70** | **7,142.74** |
| **Net Carrying Amount** | | | | |
| **As at 31.03.2026** | **1,493.72** | **24,625.16** | **118.34** | **26,237.22** |

Refer Note No. 41 for information about Leases.

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

FY 24-25 (₹ in lakhs)

| Particulars | Land - Leasehold | Buildings | Plant and Machinery | Total |
|---|---|---|---|---|
| **Gross Carrying Amount** | | | | |
| **As at 01.04.2024** | **1,640.89** | **5,520.77** | **-** | **7,161.66** |
| Additions | - | 20,669.19 | 152.64 | 20,821.83 |
| Disposals | - | 1,030.12 | - | 1,030.12 |
| Effect of Foreign Currency Translation | - | 292.25 | - | 292.25 |
| **As at 31.03.2025** | **1,640.89** | **25,452.09** | **152.64** | **27,245.62** |
| **Accumulated Depreciation** | | | | |
| **As at 01.04.2024** | **107.15** | **1,416.69** | **-** | **1,523.84** |
| Depreciation charged for the year | 19.98 | 2,052.50 | 10.94 | 2,083.42 |
| Disposals | - | 628.39 | - | 628.39 |
| Effect of Foreign Currency Translation | - | 23.88 | - | 23.88 |
| **As at 31.03.2025** | **127.13** | **2,864.68** | **10.94** | **3,002.75** |
| **Net Carrying Amount** | | | | |
| **As at 31.03.2025** | **1,513.76** | **22,587.41** | **141.70** | **24,242.87** |

Refer Note No. 41 for information about Leases.

## 8A. GOODWILL

FY 25-26 (₹ in lakhs)

| Particulars | Goodwill |
|---|---|
| **Gross Carrying Amount** | |
| **As at 01.04.2025** | 11,159.58 |
| Addition on account of business combination | - |
| Effect of Foreign Currency Translation | 1,222.04 |
| **As at 31.03.2026** | **12,381.62** |
| **Impairment** | |
| **As at 01.04.2025** | - |
| Impairment charged for the year | - |
| Effect of Foreign Currency Translation | - |
| **As at 31.03.2026** | **-** |
| **Net Carrying Amount** | |
| **As at 31.03.2026** | **12,381.62** |



Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

FY 24-25 (₹ in lakhs)

| Particulars | Goodwill |
|---|---|
| **Gross Carrying Amount** | |
| **As at 01.04.2024** | - |
| Addition on account of business combination (Refer Note 46) | 10,962.20 |
| Effect of Foreign Currency Translation | 197.38 |
| **As at 31.03.2025** | **11,159.58** |
| **Impairment** | |
| **As at 01.04.2024** | - |
| Impairment charged for the year | - |
| Effect of Foreign Currency Translation | - |
| **As at 31.03.2025** | **-** |
| **Net Carrying Amount** | |
| **As at 31.03.2025** | **11,159.58** |

The carrying value of goodwill for each of CGU are given below: (₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Fluvitex | 6,294.16 | 5,672.94 |
| Modern Home Textiles | 6,087.46 | 5,486.64 |
| **Total** | **12,381.62** | **11,159.58** |

The entire goodwill relates to Group's segment - 'Textile Business'.

The calculations use cash flow projections based on financial budgets approved by management covering ten years depending upon CGU's financial budgeting process. Cash flows beyond the ten-year period are extrapolated using the estimated growth rates stated below.

The key assumptions used in the estimation of the recoverable amount of CGU's are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and economic environment and have been based on historical data from both external and internal sources.

| Particulars | As at 31.03.2026 | As at 31.03.2025 |
|---|---|---|
| **Fluvitex** | | |
| Post tax discount rate (a) | 13.20% | 13.40% |
| Pre tax discount rate (a) | 16.32% | 16.32% |
| Terminal growth rate (b) | 3.00% | 3.00% |
| **Modern Home Textiles** | | |
| Post tax discount rate (a) | 14.30% | 13.60% |
| Pre tax discount rate (a) | 18.57% | 18.57% |
| Terminal growth rate (b) | 3.00% | 3.00% |

(a) These projected cash flows are discounted to the present value using a post tax weighted average cost of capital (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions.

(b) The group uses specific growth assumptions for each reporting unit based on history and economic conditions.

As a result of annual goodwill impairment assessment as of March 31, 2026 and March 31, 2025, no impairment in carrying value of goodwill was identified.

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

**Impact of possible change in key assumptions:**

The recoverable amount of each CGU would equal its carrying amount if the key assumptions were to change as follows:

| As at March 31, 2026 | | | | |
|---|---|---|---|---|
| **Particulars** | **Fluvitex** | | **Modern Home Textile** | |
| | **From** | **To** | **From** | **To** |
| Post Tax discount rate (a) | 13.20% | 14.77% | 14.30% | 17.30% |
| Terminal growth rate (b) | 3.00% | -1.00% | 3.00% | * |

| As at March 31, 2025 | | | | |
|---|---|---|---|---|
| **Particulars** | **Fluvitex** | | **Modern Home Textile** | |
| | **From** | **To** | **From** | **To** |
| Post Tax discount rate (a) | 13.40% | * | 13.60% | 14.60% |
| Terminal growth rate (b) | 3.00% | * | 3.00% | 1.60% |

*The Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating units.

## 8B. Other Intangible Assets

**FY 25-26** (₹ in lakhs)

| Particulars | Software | Patents and Trademarks | Brands | Customer Relationships | Know How | Total |
|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | |
| **As at 01.04.2025** | **2,283.19** | **1,752.77** | **9,213.34** | **4,252.38** | **971.86** | **18,473.54** |
| Additions | 3,996.85 | 60.41 | 133.94 | - | - | 4,191.20 |
| Disposals | - | - | - | - | - | - |
| Effect of Foreign Currency Translation | 221.83 | 140.37 | 814.85 | 465.67 | 106.41 | 1,749.13 |
| **As at 31.03.2026** | **6,501.87** | **1,953.55** | **10,162.13** | **4,718.05** | **1,078.27** | **24,413.87** |
| **Accumulated Depreciation** | | | | | | |
| **As at 01.04.2025** | **949.40** | **623.46** | **588.23** | **173.88** | **47.25** | **2,382.22** |
| Depreciation charged for the year | 999.44 | 185.60 | 633.80 | 330.94 | 84.00 | 2,233.78 |
| Disposals | - | - | - | - | - | - |
| Effect of Foreign Currency Translation | 11.82 | 57.45 | (94.76) | 41.82 | 11.04 | 27.37 |
| **As at 31.03.2026** | **1,960.66** | **866.51** | **1,127.27** | **546.64** | **142.29** | **4,643.37** |
| **Net Carrying Amount** | | | | | | |
| **As at 31.03.2026** | **4,541.21** | **1,087.04** | **9,034.86** | **4,171.41** | **935.98** | **19,770.50** |

**Intangible Assets under Development**

**FY 25-26**

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2025** | **2,245.27** |
| Addition during the year | 911.00 |
| Capitalised during the year | 3,108.05 |
| Effect of Foreign Currency Translation | 7.77 |
| **Balance as at 31.03.2026*** | **55.99** |

*includes costs of ₹2.05 lakhs incurred towards registration of patents/trademarks which is pending as at year end.

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

**a) Intangible assets under Development ageing** (₹ in lakhs)

| Particulars | Amount in Intangible assets under Development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31.03.2026 | 17.33 | 38.30 | 0.03 | 0.33 | 55.99 |

No Intangible assets under Development mentioned above is overdue or exceeded its cost compared to its original plan.

There are no projects which are temporarily suspended.

**FY 24-25** (₹ in lakhs)

| Particulars | Software | Patents and Trademarks | Brands* | Customer Relationships | Know How | Total |
|---|---|---|---|---|---|---|
| **Gross Carrying Amount** | | | | | | |
| **As at 01.04.2024** | **1,760.94** | **1,640.11** | **-** | **-** | **-** | **3,401.05** |
| Assets acquired on account of business combination (Refer Note 46) | - | - | - | 4,174.92 | 955.19 | 5,130.11 |
| Additions | 363.91 | 75.72 | 9,087.91 | - | - | 9,527.54 |
| Disposals / Transfers | - | - | - | - | - | - |
| Effect of Foreign Currency Translation | 158.34 | 36.94 | 125.43 | 77.46 | 16.67 | 414.84 |
| **As at 31.03.2025** | **2,283.19** | **1,752.77** | **9,213.34** | **4,252.38** | **971.86** | **18,473.54** |
| **Accumulated Depreciation** | | | | | | |
| **As at 01.04.2024** | **733.82** | **431.93** | **-** | **-** | **-** | **1,165.75** |
| Depreciation charged for the year | 233.90 | 176.82 | 580.22 | 171.51 | 46.60 | 1,209.05 |
| Disposals / Transfers | - | - | - | - | - | - |
| Effect of Foreign Currency Translation | (18.32) | 14.71 | 8.01 | 2.37 | 0.65 | 7.42 |
| **As at 31.03.2025** | **949.40** | **623.46** | **588.23** | **173.88** | **47.25** | **2,382.22** |
| **Net Carrying Amount** | | | | | | |
| **As at 31.03.2025** | **1,333.79** | **1,129.31** | **8,625.11** | **4,078.50** | **924.61** | **16,091.32** |

*On April 19, 2024, the Company's wholly owned subsidiary, Indo Count Global Inc., USA, acquired the registered trademarks, trademark applications, associated intellectual property contracts and all domain names of the brand name 'Wamsutta' for a total consideration of $10.25 Mn (equivalent ₹8,549.01 lakhs). All the directly attributable costs to acquire the intangible assets have also been capitalized.

**Intangible Assets under Development**

**FY 24-25**

| Particulars | (₹ in Lakhs) |
|---|---|
| **Balance as at 01.04.2024** | **986.99** |
| Addition during the year | 1,695.06 |
| Capitalised during the year | 439.63 |
| Effect of Foreign Currency Translation | 2.85 |
| **Balance as at 31.03.2025*** | **2,245.27** |

*includes costs of ₹75.43 lakhs incurred towards registration of patents/trademarks which is pending as at year end.

**a) Intangible assets under Development ageing** (₹ in lakhs)

| Particulars | Amount in Intangible assets under Development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31.03.2025 | 1,558.33 | 636.37 | 16.98 | 33.59 | 2,245.27 |

No Intangible under Development mentioned above is overdue or exceeded its cost compared to its original plan.

There are no projects which are temporarily suspended.

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 9. Other Non-Current Financial Assets

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Unsecured - Considered good:** | | |
| Security Deposits | 1,229.18 | 1,151.97 |
| **TOTAL** | **1,229.18** | **1,151.97** |

## 10. Non-Current Tax Assets (Net)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Income Tax Assets (Net of Provisions) | - | 4,544.08 |
| **TOTAL** | **-** | **4,544.08** |

## 11. Other Non-Current Assets

(Unsecured-considered good)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Capital Advances | 5.82 | 3,424.42 |
| **TOTAL** | **5.82** | **3,424.42** |

## 12. Inventories

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Raw Materials* | 32,571.23 | 21,919.64 |
| Work-in-Progress | 38,085.03 | 35,624.03 |
| Finished Goods** | 44,356.52 | 51,457.89 |
| Traded Goods*** | 4,149.19 | 2,244.79 |
| Product Waste | 86.56 | 93.05 |
| Stores and Spares**** | 4,988.54 | 3,519.53 |
| Dyes and Chemicals | 849.64 | 943.54 |
| **TOTAL** | **1,25,086.71** | **1,15,802.47** |

*Includes goods in transit ₹3,480.73 lakhs (previous year ₹709.64 lakhs).
**Includes goods in transit ₹6,301.16 lakhs (previous year ₹5,179.79 lakhs).
***Includes goods in transit ₹531.42 lakhs (previous year ₹744.31 lakhs).
****Includes goods in transit ₹76.39 lakhs (previous year NIL).

Write downs of inventories to net realisable value amounted to ₹84.12 lakhs (previous year ₹77.48 lakhs) as at year end. Impact of these were recognised as an expense/income during the year and included in 'changes in value of inventories of work-in-progress, stock-in trade and finished goods' and 'consumption of stores, spares, dyes and packing materials' in statement of profit and loss as at year end.



Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 13. Current Investments

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Investments measured at fair value through profit or loss** | | |
| **Unquoted** | | |
| In Mutual Funds | 3,601.40 | 3,199.77 |
| **Quoted** | | |
| In Bonds (including interest accrued of ₹684.96 lakhs, March 31, 2025: ₹472.99 lakhs) | 15,405.92 | 10,730.57 |
| **Total** | **19,007.32** | **13,930.34** |
| **Aggregate Value of:** | | |
| Unquoted Investments | 3,601.40 | 3,199.77 |
| Quoted Investments | 15,405.92 | 10,730.57 |
| Impairment in the value of Investments | - | - |

## 14. Current Trade Receivables

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **(a) Considered good - Unsecured** | | |
| Trade receivables from contract with customers | 51,315.05 | 59,183.05 |
| **(b) Trade receivables which have significant increase in Credit Risk** | - | - |
| **(c) Trade receivables - Credit Impaired** | - | - |
| **Subtotal** | **51,315.05** | **59,183.05** |
| Less: Loss allowance | 19.12 | - |
| **Total** | **51,295.93** | **59,183.05** |

**Notes:**

**a) Trade Receivable Ageing** (₹ in Lakhs)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 Months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at March 31, 2026** | | | | | | | |
| **Undisputed Trade receivables:** | | | | | | | |
| considered good | 43,452.49 | 6,619.34 | 1,198.98 | 44.21 | 0.03 | - | 51,315.05 |
| which have significant increase in credit risk | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - |
| **Total** | **43,452.49** | **6,619.34** | **1,198.98** | **44.21** | **0.03** | **-** | **51,315.05** |
| **As at March 31, 2025** | | | | | | | |
| **Undisputed Trade receivables:** | | | | | | | |
| considered good | 50,162.29 | 8,737.02 | 228.84 | 53.77 | 1.13 | - | 59,183.05 |
| which have significant increase in credit risk | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - |
| **Total** | **50,162.29** | **8,737.02** | **228.84** | **53.77** | **1.13** | **-** | **59,183.05** |

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 15. Cash and Cash Equivalents

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Balances with Banks :** | | |
| - In Current Acounts | 4,390.46 | 3,990.39 |
| - In EEFC Accounts | 6,598.33 | 6,615.60 |
| - In Fixed Deposits with Banks with original maturity period of less than three months | 356.27 | - |
| Cash in hand | 11.31 | 16.93 |
| **TOTAL** | **11,356.37** | **10,622.92** |

## 16. Bank Balances other than Cash and Cash Equivalents

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Balances with Banks** | | |
| - In Unclaimed Dividend Accounts | 262.41 | 276.31 |
| - Held as Margin / Fixed Deposits (Refer note 1 below) | 759.15 | 820.86 |
| **TOTAL** | **1,021.56** | **1,097.17** |

**Note 1:**

a) Includes ₹222.64 lakhs (previous year ₹368.29 lakhs) held with bank as margin money against bank guarantees and Letter of Credit facilities.

b) Includes ₹0.05 lakhs (previous year ₹0.05 lakhs) of receipt which is lodged with Excise Department.

c) Includes ₹53.52 lakhs (previous year ₹11.10 lakhs) held with bank as margin money against guarantee given to Maharashtra State Electricity Board.

d) Includes ₹8.77 lakhs (previous year ₹14.04 lakhs) of receipt which is lodged with Maharashtra Pollution Control Board.

e) Includes ₹474.17 lakhs (previous year ₹427.38 lakhs) held with bank as collateral for factoring arrangement by a Foreign Subsidiary.

## 17. Other Current Financial Assets
**(Unsecured - considered good)**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Security Deposits | 197.82 | 149.40 |
| Derivative Asset (Refer Note 51D) | 22.13 | 131.67 |
| Due from Factor (Refer Note 53) | 4,920.57 | 3,196.38 |
| Interest accrued on Loans and Deposits | 9.79 | 10.23 |
| Others | 293.79 | 244.52 |
| **TOTAL** | **5,444.10** | **3,732.20** |

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 18. Current Tax Assets (Net)

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Income Tax Assets (Net of Provisions) | 4,859.42 | 247.96 |
| **TOTAL** | **4,859.42** | **247.96** |

## 19. Other Current Assets
**(Unsecured-considered good)**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Export Incentives | 3,475.85 | 4,117.96 |
| Balances with Government authority-Excise/Service Tax | 45.73 | 69.39 |
| Balances with Government authority-VAT/GST | 10,709.69 | 6,737.07 |
| Subsidy Receivable | 3,654.42 | 2,691.93 |
| Advance to Suppliers | 968.79 | 1,845.92 |
| Prepaid expenses | 1,831.52 | 1,518.35 |
| Others | 535.36 | 567.86 |
| **TOTAL** | **21,221.36** | **17,548.48** |
| Less: Provision for Doubtful Receivables | 302.64 | 302.64 |
| **TOTAL** | **20,918.72** | **17,245.84** |

## 20(A). Share Capital

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Authorised:** | | |
| **Equity Shares** | | |
| 371,350,000 Shares (previous year 371,350,000) of ₹2 each | 7,427.00 | 7,427.00 |
| **Preference Shares** | | |
| 5,000,000 Shares (previous year 5,000,000) of ₹10 each | 500.00 | 500.00 |
| **TOTAL** | **7,927.00** | **7,927.00** |
| **Issued, Subscribed and Paid-Up:** | | |
| **Equity Shares** | | |
| 198,054,340 Equity Shares (previous year 198,054,340) of ₹2 each, fully paid up | 3,961.08 | 3,961.08 |
| **TOTAL** | **3,961.08** | **3,961.08** |

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

Notes:

(a) **Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

| Particulars | Number of shares | (₹ in lakhs) |
|---|---|---|
| **Equity shares outstanding as at April 01, 2024** | **19,80,54,340** | **3,961.08** |
| Add: Shares issued during the year | - | - |
| **Equity shares outstanding as at March 31, 2025** | **19,80,54,340** | **3,961.08** |
| Add: Shares issued during the year | - | - |
| **Equity shares outstanding as at March 31, 2026** | **19,80,54,340** | **3,961.08** |

(b) **Terms / rights attached to equity shares**

(i) The Holding Company has only one class of equity shares having a par value of ₹2 each. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(ii) In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to their shareholding.

(c) **Details of Equity Shares in the Holding Company held by each shareholder holding more than 5% of shares is as under:**

| Particulars | As at 31st March, 2026 | | As at 31st March, 2025 | |
|---|---|---|---|---|
| | No. of Shares | Percentage | No. of Shares | Percentage |
| Indo Count Securities Limited | 3,10,41,385 | 15.67% | 3,10,41,385 | 15.67% |
| Sandridge Investments Limited | 6,20,02,455 | 31.31% | 6,20,02,455 | 31.31% |

d) **There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.**

e) **Disclosure of Shareholding of Promoters**

| Name of the Shareholder | As at 31st March, 2026 | | As at 31st March, 2025 | | Percentage change during the year | Percentage change during the previous year |
|---|---|---|---|---|---|---|
| | No. of Shares | Per-centage | No. of Shares | Per-centage | | |
| Sandridge Investments Limited | 6,20,02,455 | 31.31% | 6,20,02,455 | 31.31% | 0.00% | 0.00% |
| Indocount Securities Limited | 3,10,41,385 | 15.67% | 3,10,41,385 | 15.67% | 0.00% | 0.00% |
| Gayatri Devi Jain | 66,85,855 | 3.38% | 66,85,855 | 3.38% | 0.00% | 0.00% |
| Shikha Mohit Jain | 52,48,825 | 2.65% | 52,48,825 | 2.65% | 0.00% | 0.00% |
| Yarntex Exports Ltd. | 23,12,500 | 1.17% | 23,12,500 | 1.17% | 0.00% | 0.00% |
| Neha Singhvi | 22,79,137 | 1.15% | 22,79,137 | 1.15% | 0.00% | 0.00% |
| Shivani Patodia | 21,73,750 | 1.10% | 21,73,750 | 1.10% | 0.00% | 0.00% |
| Anil Kumar Jain | 18,67,565 | 0.94% | 18,67,565 | 0.94% | 0.00% | 0.00% |
| Margo Finance Limited | 15,20,020 | 0.77% | 15,20,020 | 0.77% | 0.00% | 0.00% |
| Mohit Anilkumar Jain | 6,92,850 | 0.35% | 6,92,850 | 0.35% | 0.00% | 0.00% |
| Slab Promoters Private Limited | 3,08,325 | 0.16% | 3,08,325 | 0.16% | 0.00% | 0.00% |
| Rini Investment and Finance Private Limited | 1,19,100 | 0.06% | 1,19,100 | 0.06% | 0.00% | 0.00% |
| Anil Kumar Jain HUF | 75,000 | 0.04% | 75,000 | 0.04% | 0.00% | 0.00% |
| Sunita Jaipuria | 20,000 | 0.01% | 20,000 | 0.01% | 0.00% | 0.00% |
| **TOTAL** | **11,63,46,767** | **58.76%** | **11,63,46,767** | **58.76%** | **0.00%** | **0.00%** |



# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

(f) **Dividend paid and proposed**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | 2025-26 | 2024-25 |
| (i) Dividend paid and recognised during the reporting period | | |
| Final Dividend for F.Y. 2023-24: ₹2.20 per share (face value of ₹2 each) | - | 4,357.20 |
| Final Dividend for F.Y. 2024-25: ₹2 per share (face value of ₹2 each) | 3,961.09 | - |
| (ii) Dividends not recognised at the end of the reporting period | | |
| In addition to the above dividends, subsequent to the year end the directors have recommended the payment of a final dividend of ₹1.50 per fully paid equity share (previous year ₹2.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. | 2,970.82 | 3,961.09 |

## 20(B). Other Equity

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Reserves and Surplus | 2,37,133.45 | 2,28,087.08 |
| Effective Portion of Cash Flow Hedges | (3,091.71) | (275.90) |
| Exchange Differences on translating the Financial Statements of Foreign Operations | (2,472.95) | (3,609.83) |
| **Total** | **2,31,568.79** | **2,24,201.35** |

RESERVES AND SURPLUS

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Capital Reserve (Refer note i below) | 1,071.36 | 1,071.36 |
| Retained Earnings (Refer note iii below) | 2,34,511.14 | 2,25,804.61 |
| Securities Premium (Refer note ii below) | 1,653.72 | 1,653.72 |
| Remeasurement of defined benefit obligation (Refer note vi below) | (102.77) | (442.61) |
| **Total Reserves and Surplus** | **2,37,133.45** | **2,28,087.08** |
| **(a) Capital Reserve** | | |
| Opening Balance | 1,071.36 | 1,071.36 |
| Addition during the year | - | - |
| **Closing Balance** | **1,071.36** | **1,071.36** |
| **(b) Retained Earnings** | | |
| Opening Balance | 2,25,804.61 | 2,05,161.93 |
| Profit for the Year | 12,667.62 | 24,999.83 |
| Final Dividend on Equity Shares | (3,961.09) | (4,357.20) |
| Others | - | 0.05 |
| **Closing Balance** | **2,34,511.14** | **2,25,804.61** |

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **(c) Securities Premium** | | |
| Opening Balance | 1,653.72 | 1,653.72 |
| Addition during the year | - | - |
| **Closing Balance** | **1,653.72** | **1,653.72** |
| **(d) Remeasurement of defined benefit obligations.** | | |
| Opening Balance | (442.61) | (357.75) |
| (Reduction) / Addition during the year (net of tax) | 339.84 | (84.86) |
| **Closing Balance** | **(102.77)** | **(442.61)** |

**Other Comprehensive Income** (₹ in lakhs)

| Particulars | Effective Portion of Cash Flow Hedges (Refer note iv below) | Exchange Differences on translating the Financial Statements of Foreign Operations (Refer note v below) | Total |
|---|---|---|---|
| **As at 1 April 2024** | **123.73** | **(2,707.50)** | **(2,583.77)** |
| Other comprehensive income for the year (net of tax) | (399.63) | (902.33) | (1,301.96) |
| **As at 31 March 2025** | **(275.90)** | **(3,609.83)** | **(3,885.73)** |
| Other comprehensive income for the year (net of tax) | (2,815.81) | 1,136.88 | (1,678.93) |
| **As at 31 March 2026** | **(3,091.71)** | **(2,472.95)** | **(5,564.66)** |

**Notes**

**(i) Capital Reserve:**

Majorly consists of capital reserve standing in books against acquisition of business unit and will be utilised in accordance with the provision of the Act.

**(ii) Securities Premium:**

Securities Premium is created when shares were issued at premium and will be utilised in accordance with the provision of the Act.

**(iii) Retained Earnings:**

Retained earnings represents accumulated profit as on reporting date and can be utilised in accordance with the provision of the Act.

**(iv) Effective Portion of Cash Flow Hedges:**

Represents effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges as described in accounting policy Note 2.10. These are subsequently reclassified to statement of Profit and loss.

**(v) Exchanges Differences on translating finanical statements of foreign operations:**

Foreign currency translation reserve pertains to exchange difference arising on translating financial statements of the foreign operation are recognised in other comprehensive income as described in accounting policy Note 2.12 and accumulated in as separate reserve within equity. The cumulative amount reclassified to profit or loss when the net investment is disposed-off.

**(vi) Remeasurement of defined benefit obligation:**

Effects of remeasurement of defined benefit obligations on account of actuarial gains and losses are recognised in other comprehensive income and disclosed separately under Reserves and Surplus. These are not subsequently reclassified to statement of Profit and loss.



## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

### 21. Non-Current Borrowings

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Secured (measured at amortised cost)** | | |
| **1) Term Loan** | | |
| i) Rupee loans | | |
| - From Banks (a) | 6,512.12 | 4,946.24 |
| - From Financial Institutions (a) | 6,252.59 | 9,150.00 |
| **Unsecured (measured at amortised cost)** | | |
| **1) Term Loan** | | |
| - From Banks outside India (USD 23 Mn) (a) | 29,920.44 | 19,659.33 |
| Less: Current maturity of long term borrowings | (8,687.16) | (6,758.97) |
| **TOTAL** | **33,997.99** | **26,996.60** |

a) **Non-Current Borrowings (Terms of Repayment and security)** (₹ in lakhs)

| Particulars | Outstanding | | | |
|---|---|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 | Repayment Schedule | Security |
| **1) TERM LOAN** | | | | |
| **Rupee loans** | | | | |
| **- From Banks (Loan detail from each bank is given below)** | | | | |
| a) | 1,712.12 | 3,446.24 | Quarterly Repayments from December 2022 to September 2027 | First Pari passu charge with existing term lenders on both present and future movable assets of Home Textile division of the Holding Company located at Kolhapur. |
| b) | - | 1,500.00 | Monthly Repayments from April 2022 to March 2026 | Second charge of entire current assets of the Home Textile division of the Holding Company located at Kolhapur - inventory / receivables |
| c) | 4,800.00 | - | Monthly Repayments from March 2027 to February 2030 | Second Pari passu charge on the entire current assets of the Holding Company, both present and future along with 100% Guarantee cover from National Credit Guarantee Trustee Company Limited |
| **- From Financial Institutions** | | | | |
| a) | 6,252.59 | 9,150.00 | Quarterly Repayments from July 2023 to May 2028 | a) Exclusive charge over the movable fixed assets of Holding Company pertaining to the spinning unit at Kolhapur, Maharashtra financed under this loan.<br>b) Exclusive charge over the factory building of the Holding Company pertaining to the spinning unit at Kolhapur, Maharashtra financed under this loan.<br>c) Exclusive charge over the land of the Holding Company situated at Plot No.266, village Alte, Kumbhoj Road, Hatkanangale Taluka, Kolhapur, Maharashtra. |

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

| Particulars | Outstanding | | | |
|---|---|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 | Repayment Schedule | Security |
| - From Banks outside India | | | | |
| a) | 12,091.46 | 12,821.33 | Quarterly Repayments from September 2025 to June 2030 | Unsecured. Guaranteed by the Holding Company |
| b) | 6,448.78 | 6,838.00 | Quarterly Repayments from September 2025 to June 2030 | Unsecured. Guaranteed by the Holding Company |
| c) | 11,380.20 | - | Quarterly Repayments from September 2027 to December 2030 | Unsecured. Guaranteed by the Holding Company |
| TOTAL | 42,685.15 | 33,755.57 | | |

Coupan rates for the above borrowings ranged between 5.35% to 8.75% p.a (previous year 6.40% to 9.50% p.a).

## 22. Non - Current Provisions

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Employee Benefit Obligations** | | |
| Gratuity (Refer Note No 48) | 2,259.97 | 1,567.06 |
| Staff end of service Benefits (Refer Note No 48) | 15.96 | 9.82 |
| **TOTAL** | **2,275.93** | **1,576.88** |

## 23. Non-Current Financial Liabilities

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Put-Options Liability (Refer Note No 46) | 3,921.95 | 3,296.11 |
| Other Payables | 189.67 | 170.95 |
| **TOTAL** | **4,111.62** | **3,467.06** |



# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

## 24(A). Income Tax

The major components of Income Tax expense for the years ended 31 March, 2026 and 31 March, 2025 are:

**Income Tax expenses recognised in the Statement of Profit and Loss**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Current Income Tax:** | | |
| Current Income Tax charge | 5,634.43 | 8,020.47 |
| Adjustments in respect of Income Tax of previous years | (398.44) | 29.11 |
| **Deferred Tax:** | | |
| Relating to origination and reversal of temporary differences | (1,278.57) | 715.32 |
| **Income Tax expense reported in the Statement of Profit and Loss** | **3,957.42** | **8,764.90** |

**Income Tax Credit recognised in Other Comprehensive Income (OCI)**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| On remeasurement of post employment benefit obligation and on exchange fluctuation with respect to cash flow hedges. | (832.73) | (162.95) |
| **Income Tax Credited to OCI** | **(832.73)** | **(162.95)** |

## 24(B). Deferred Tax (Liabilities)/Assets (Net))

Significant components of deferred tax liabilities (net) of the Group are as follows : (₹ in lakhs)

| Particulars | Opening Balance (As at 1st April, 2025) | Recognised in Consolidated Statement of Profit and Loss | Acquired in Business Combination | Recognised in Other Comprehensive Income (OCI) | Exchange Difference on Translation | Closing Balance (As at 31st March, 2026) |
|---|---|---|---|---|---|---|
| **Deferred tax (liabilities)/assets recognised in relation to:** | | | | | | |
| Property, Plant and Equipment and Intangible assets (including Right of Use assets) | (13,135.81) | (1,667.67) | - | - | (241.77) | (15,045.25) |
| Incomes credited to the Consolidated Statement of Profit and Loss of the Group taxable in subsequent years | (47.80) | 0.42 | - | - | - | (47.38) |
| Allowance for doubtful debts, loans and advances | 76.17 | 4.81 | - | - | - | 80.98 |
| Expenses allowable in subsequent years | 1,365.17 | 524.03 | - | (114.30) | 89.49 | 1,864.39 |
| Unabsorbed Tax Losses and Depreciation | 26.83 | 1,379.63 | - | - | 99.26 | 1,505.72 |
| Lease Liability | 1,512.17 | 209.90 | - | - | 35.63 | 1,757.70 |
| Net (Gain) / Losses on Cash flow hedges | 200.90 | 827.45 | - | 947.03 | - | 1,975.38 |
| **Deferred Tax (Liabilities)/Assets (net)** | **(10,002.37)** | **1,278.57** | **-** | **832.73** | **(17.39)** | **(7,908.46)** |

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

| Particulars | Opening Balance (As at 1st April, 2024) | Recognised in Consolidated Statement of Profit and Loss | Acquired in Business Combination (Refer Note No. 46) | Recognised in Other Comprehensive Income (OCI) | Exchange Difference on Translation | Closing Balance (As at 31st March, 2025) (Refer Note No. 46) |
|---|---|---|---|---|---|---|
| **Deferred tax (liabilities)/Assets recognised in relation to:** | | | | | | |
| Property, Plant and Equipment and Intangible assets (including Right of Use assets) | (10,249.21) | (1,931.11) | (926.67) | - | (28.82) | (13,135.81) |
| Incomes credited to the Consolidated Statement of Profit and Loss of the Group taxable in subsequent years | (7.07) | (40.73) | - | - | - | (47.80) |
| Allowance for doubtful debts, loans and advances | 261.68 | (185.51) | - | - | - | 76.17 |
| Expenses allowable in subsequent years | 687.27 | 637.72 | 0.77 | 28.54 | 10.87 | 1,365.17 |
| Unabsorbed Tax Losses and Depreciation | 205.84 | (181.61) | - | - | 2.60 | 26.83 |
| Lease Liability | 642.09 | 867.38 | - | - | 2.70 | 1,512.17 |
| Net (Gain) / Losses on Cash flow hedges | (52.05) | 118.54 | - | 134.41 | - | 200.90 |
| **Deferred Tax (Liabilities)/ Assets (net)** | **(8,511.45)** | **(715.32)** | **(925.90)** | **162.95** | **(12.65)** | **(10,002.37)** |

**Deferred Tax Assets reflected in the Balance Sheet:**

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Deferred tax assets as per above table | 7,184.17 | 3,181.24 |
| Less: Set-off of deferred tax liabilities pursuant to set-off provisions | (7,124.59) | (3,181.24) |
| **Net deferred tax assets** | **59.58** | **-** |

**Deferred Tax Liabilities reflected in the Balance Sheet:**

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Deferred tax liabilities as per above table | 15,092.63 | 13,183.61 |
| Less: Set-off of deferred tax assets pursuant to set-off provisions | (7,124.59) | (3,181.24) |
| **Net deferred tax liabilities** | **7,968.04** | **10,002.37** |



Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 24(C). The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit and loss is as follow:

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Profit before income tax expense** | 16,625.04 | 33,764.73 |
| Tax at Indian Tax rate of 25.168% | 4,184.19 | 8,497.91 |
| Income Tax with respect to previous year | (398.44) | 29.11 |
| Donation to political party | - | 251.68 |
| Corporate social responsibility expenses | 183.48 | 207.64 |
| Tax effect of amounts taxable at different Tax Rates | (59.31) | (265.64) |
| Others | 47.50 | 44.20 |
| **Income Tax Expense** | **3,957.42** | **8,764.90** |

**Note:**

The Subsidiary of the Holding Company has undistributed earnings of ₹7,615.26 Lakhs (March 31, 2025 - ₹10,393.86 Lakhs), which if paid out as dividend would be taxable in the hands of the recipient. An assessable temporary difference exists but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from the subsidiary. The subsidiary is not expected to distribute these profits in the forseeable future.

## 25. Other Non-Current Liabilities

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Deferred Government Grants related to Property, Plant & Equipment* | 3,572.99 | 3,300.96 |
| **TOTAL** | **3,572.99** | **3,300.96** |

***Movement in Deferred Government Grant (Current and Non current combined)**

| Particulars | (₹ in lakhs) |
|---|---|
| **Balance as at April 01, 2024** | **3,673.70** |
| Add: Accrued during the year | - |
| Less: Recognised as income during the year | 186.37 |
| **Balance as at March 31, 2025** | **3,487.33** |
| Add: Accrued during the year | 597.00 |
| Less: Recognised as income during the year | 301.09 |
| **Balance as at March 31, 2026** | **3,783.24** |

## 26. Current Borrowings

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Secured** | | |
| Working Capital loans From Banks (Refer Note a below) | 58,592.87 | 76,447.65 |
| Current Maturities of Long Term Borrowings (Refer Note 21) | 4,324.75 | 5,776.01 |
| **Unsecured** | | |
| From Third Party (Refer Note a below) | - | 1,092.54 |
| Liabilities under supplier finance arrangement (Refer Note a and b below) | 6,087.95 | 10,366.27 |
| Current Maturities of Long Term Borrowings (Refer Note 21) | 4,362.41 | 982.96 |
| **TOTAL** | **73,367.98** | **94,665.43** |

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

a) **Current Borrowings-Terms of repayment and security** (₹ in lakhs)

| Particulars | Outstanding As at 31st March, 2026 | Outstanding As at 31st March, 2025 | Repayment Schedule | Security |
|---|---|---|---|---|
| **1) Packing Credit Loan** | | | | |
| **Rupee loans** | | | | |
| - From Banks | 58,558.61 | 74,836.16 | Upto 180 Days | First pari passu charge on the entire current assets of the Holding Company, both present and future |
| **2) Post Shipment Credit Loan** | | | | |
| **Rupee loans** | | | | |
| - From Banks | - | 695.48 | Upto 180 Days | First pari passu charge on the entire current assets of the Holding Company, both present and future |
| **3) Cash Credit facility from bank** | 26.31 | 916.02 | Repayable on Demand | First pari passu charge on the entire current assets of the Holding Company, both present and future |
| **4) Foreign Currency loans** | | | | |
| - From Third Party | | | | |
| a) | - | 981.42 | Monthly installments payable up to September 2025 | Unsecured |
| b) | - | 111.12 | Monthly installments payable up to May 2025 | Unsecured |
| **5) Liabilities under supplier finance arrangement** | 6,087.95 | 10,366.27 | Upto 90 Days | Unsecured |
| **6) Working Capital Demand Loan** | 7.95 | - | 7 Days | First pari passu charge on the entire current assets of the Holding Company, both present and future |
| **TOTAL** | **64,680.82** | **87,906.47** | | |

Coupon rates for the above borrowings ranged between 5.54% to 9.00% p.a (previous year 4.00% to 9.00% p.a).

b) **Liabilities under supplier finance arrangement**

The Group has entered into an agreement with service providers wherein participating finance providers would make an early payment to suppliers compared to the original due dates and the Group would then pay to the participating finance providers. The Group considers this arrangement as short-term borrowings considering the terms and conditions of the arrangements. The key terms and conditions of the arrangement are:

- The Group decides which invoices will be financed.
- The financier pays the supplier on or before the 45th day from the date of receipt of goods or services.
- The Group pays the financier within 90 days from the date of reverse factoring.
- The financing terms are negotiated by the Company, and it bears interest in the range of 5.54% to 6.45% p.a. (previous year 6.55% to 7.30% p.a.).





# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

| Range of payment due dates | 31st March, 2026 | 31st March, 2025 | 01st April, 2024 |
|---|---|---|---|
| Liabilities under supplier finance arrangement | 90 days from the date of reverse factoring | N/A* | N/A* |
| Comparable trade payables that are not part of the supplier finance arrangement (same category of suppliers) | 7 to 45 days from date of receipt of goods or services | N/A* | N/A* |

| Carrying amount of liabilities under supplier finance arrangement | 31st March, 2026 | 31st March, 2025 | 01st April, 2024 |
|---|---|---|---|
| Liabilities under supplier finance arrangement | 6,087.95 | 10,366.27 | N/A* |
| of which the supplier has received payment from the finance provider | 6,087.95 | N/A* | N/A* |

*The Group has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior periods.

**Presentation in the balance sheet and statement of cash flows**

The Group derecognises the original trade payable when those payable become part of the supplier finance arrangement and such amounts are presented under short-term borrowings considering the settlement period.

Accordingly, in the statement of cash flow, the payment made by participatiing finance providers to suppliers are considered as operating cash outflow and financing cash inflow. When the Group subsequently pays the amount outstanding to the participating finance provider, this is presented as a financing cash outflow.

## 27. Trade Payables

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Trade payables** | | |
| (i) Total outsanding dues of micro and small enterprises | 6,406.62 | 4,508.53 |
| (ii) Total outsanding dues of creditors other than micro and small enterprises | 30,744.41 | 18,606.57 |
| **TOTAL** | **37,151.03** | **23,115.10** |

**Note:**

**Trade Payables Ageing** (₹ in lakhs)

| Particulars | Unbilled dues | Not due | Outstanding for following periods from due date of payment: Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| **As at March 31, 2026** | | | | | | | |
| **Undisputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | 122.44 | 6,201.05 | - | - | - | - | 6,323.49 |
| (ii) Others | 2,310.86 | 13,453.26 | 14,694.52 | 134.22 | 32.70 | 28.50 | 30,654.06 |
| **Disputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | - | - | 83.13 | - | - | - | 83.13 |
| (ii) Others | - | - | - | - | 3.19 | 87.16 | 90.35 |
| **TOTAL** | **2,433.30** | **19,654.31** | **14,777.65** | **134.22** | **35.89** | **115.66** | **37,151.03** |

## Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Unbilled dues | Not due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at March 31, 2025** | | | | | | | |
| **Undisputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | - | 4,253.42 | - | - | - | - | 4,253.42 |
| (ii) Others | 5,736.33 | 9,133.17 | 3,535.85 | 81.19 | 5.06 | 24.62 | 18,516.22 |
| **Disputed Trade payables** | | | | | | | |
| (i) Micro and Small Enterprise | - | - | 252.52 | 2.59 | - | - | 255.11 |
| (ii) Others | - | - | - | 3.19 | 13.25 | 73.91 | 90.35 |
| **TOTAL** | **5,736.33** | **13,386.59** | **3,788.37** | **86.97** | **18.31** | **98.53** | **23,115.10** |

### 28. Other Current Financial Liabilities

| Particulars | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 |
|---|---|---|
| Interest Accrued but not due on Borrowings | 129.69 | 581.21 |
| Unpaid Dividend* | 262.41 | 276.31 |
| Derivative Liabilities (Refer note 51D) | 7,870.93 | 929.92 |
| Director's Remuneration Payable (Refer note 42) | 626.28 | 1,057.82 |
| Commission Payable | 292.06 | 330.79 |
| Capital Creditors** | 986.10 | 273.73 |
| Contractual Liability to Customers | 5,904.81 | 2,603.25 |
| Employee Benefits Payable | 1,421.73 | 1,736.37 |
| Other Payables*** | 3,294.97 | 466.89 |
| **TOTAL** | **20,788.98** | **8,256.29** |

*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

**Includes outstanding dues of micro and small enterprises ₹54.16 lakhs (previous year ₹50.17 lakhs).

***Includes ₹3,266.48 lakhs (March 31, 2025: Nil) being amount due to a Factor and outstanding at year-end.

### 29. Other Current Liabilities

| Particulars | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 |
|---|---|---|
| Advance from Customers | 313.83 | 678.35 |
| Deferred Government Grants related to Property, Plant and Equipment (Refer note 25) | 210.25 | 186.37 |
| **Other Payables** | | |
| - Statutory dues | 1,086.26 | 1,314.28 |
| - Rates and Taxes | 320.47 | 32.35 |
| - Others | 582.30 | 81.57 |
| **TOTAL** | **2,513.11** | **2,292.92** |

## Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

### 30. Current Provisions

| Particulars | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 |
|---|---|---|
| **Employee Benefit Obligations** | | |
| Compensated absences | 444.12 | 495.42 |
| **TOTAL** | **444.12** | **495.42** |

### 31. Current Tax Liabilities (Net)

| Particulars | As at 31st March, 2026 (₹ in lakhs) | As at 31st March, 2025 |
|---|---|---|
| Provision for Income Tax (Net of Advance Taxes) | 593.96 | 53.18 |
| **TOTAL** | **593.96** | **53.18** |

### 32. Revenue from Operations

| Particulars | For the year 1st April, 2025 to 31st March, 2026 (₹ in lakhs) | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **A) Revenue from Contracts with Customers:** | | |
| 1) Sale of Products* | | |
| - Manufactured | 3,15,376.20 | 3,68,696.99 |
| - Stock-In-Trade | 70,015.89 | 11,782.00 |
| 2) Sale of Services* | 1,834.72 | 1,203.34 |
| **B) Other Operating Revenue:** | | |
| - Export Incentives / Benefits | 26,908.07 | 33,456.80 |
| **REVENUE FROM OPERATIONS** | **4,14,134.88** | **4,15,139.13** |

***Disaggregation of Revenue from Contracts with Customers based on Geography**

| Particulars | For the year 1st April, 2025 to 31st March, 2026 (₹ in lakhs) | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| India | 12,108.45 | 11,244.31 |
| Outside India | 3,75,118.36 | 3,70,438.02 |
| **REVENUE FROM CONTRACTS WITH CUSTOMERS** | **3,87,226.81** | **3,81,682.33** |

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

***Reconciliation of Revenue from Contracts with Customers**

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **Contract Price** | 4,10,249.29 | 4,03,591.35 |
| Less: | | |
| Sales Returns | **3,573.97** | **3,846.25** |
| Rebates and Discounts | **2,282.80** | **3,448.63** |
| Other deductions# | **17,165.71** | **14,614.14** |
| **REVENUE FROM CONTRACTS WITH CUSTOMERS** | **3,87,226.81** | **3,81,682.33** |

#Mainly includes contractual deductions on account of defects, delays and other charges.

The Group has no unsatisfied (or partially satisfied) performance obligation as at year end. Amount of unsatisfied (or partially satisfied) performance obligations does not includes contracts with original expected duration of one year or less since the Group has applied the practical expedient in Ind AS 115.

### 33. Other Income

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Interest on Financial assets at Amortised Cost | 45.17 | 92.47 |
| Interest on Financial assets at FVTPL | 1,030.76 | 1,041.31 |
| Interest Others* | 875.42 | 55.55 |
| Government Grants related to Property, Plant and Equipment (Refer note 25) | 301.09 | 186.37 |
| Miscellaneous Receipts and Incomes | 75.08 | 74.26 |
| Investment measured at FVTPL | 1.66 | 161.82 |
| Gain on Redemption of Mutual funds | 36.26 | 4.34 |
| Profit on Sale of Assets | 41.65 | 11.77 |
| Exchange Rate Difference (Net) | 4,437.04 | 2,269.89 |
| Lease Rent Income | 5.18 | 5.95 |
| Sundry balances / Excess provision written back (Net) | 28.22 | 23.05 |
| Liability no longer payable written back | 72.21 | 24.07 |
| **TOTAL** | **6,949.74** | **3,950.85** |

*Includes ₹834.49 lakhs (previous year ₹ Nil) with respect to interest on income tax refund.



## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

### 34. Cost of Materials Consumed

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **Raw Material Consumed** | | |
| Raw material at the beginning of the year | 21,919.64 | 25,781.48 |
| Add: Purchases and addition on account of business combination* | 1,82,306.23 | 1,72,753.30 |
| Less : Raw material at the end of the year | 32,571.23 | 21,919.64 |
| **Total Cost of Materials Consumed** | **1,71,654.64** | **1,76,615.14** |

*includes inventory of ₹ NIL (previous year ₹3,924.88 lakhs) acquired on account of business acquisition.

### 35. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods

(₹ in lakhs)

| Particulars | | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|---|
| **Opening Balance** | | | |
| Finished Goods | | 51,457.89 | 46,925.06 |
| Traded Goods | | 2,244.79 | - |
| Work-in-Progress | | 35,624.03 | 37,395.55 |
| Product Waste | | 93.05 | 103.46 |
| **Total Opening Balance** | A | **89,419.76** | **84,424.07** |
| **Less: Closing Stock** | | | |
| Finished Goods | | 44,356.52 | 51,457.89 |
| Traded Goods | | 4,149.19 | 2,244.79 |
| Work-in-Progress | | 38,085.03 | 35,624.03 |
| Product Waste | | 86.56 | 93.05 |
| **Total Closing Balance** | B | **86,677.30** | **89,419.76** |
| **Add: Currency translation adjustment** | C | **2,046.47** | **-** |
| **Add: Inventory Acquired on Acquisition** | D | **-** | **2,156.35** |
| **Total changes in inventories of Work-in-Progress, Stock-in-Trade and Finished Goods** | A-B+C+D | **4,788.93** | **(2,839.34)** |

### 36. Employee Benefits Expense

(₹ in lakhs)

| Particulars | For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Salaries, Wages and Bonus* | 45,997.52 | 37,950.14 |
| Directors' Remuneration (Refer Note No. 42) | 2,293.17 | 2,994.82 |
| Contribution to Provident and Other Funds (Refer Note No. 48) | 1,431.33 | 1,402.33 |
| Gratuity (Refer Note No. 48) | 1,291.52 | 344.23 |
| Staff Welfare Expenses | 523.94 | 516.50 |
| Recruitment and Training Expenses | 52.64 | 43.35 |
| **TOTAL** | **51,590.12** | **43,251.37** |

*Also includes costs where the Holding Company is considered principal employer under applicable regulations.

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

## 37. Finance Cost

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **Interest Expense for Financial Liability not classified as FVTPL:** | | |
| - On Long Term Loans | 3,095.56 | 2,412.22 |
| - Working Capital Loans | 4,618.29 | 7,423.01 |
| Interest Others* | 1,784.71 | 262.76 |
| Interest on Bill discounting | 1,646.69 | 1,050.30 |
| Interest expense on lease liability (Refer note 41) | 1,711.38 | 532.50 |
| Bank Charges | 717.59 | 561.68 |
| Finance Procurement Charges | 29.98 | 73.24 |
| **TOTAL** | **13,604.20** | **12,315.71** |

*Includes interest of ₹1,281.81 lakhs (previous year Nil) paid on delayed refund of IGST by the Holding Company to the Maharashtra State GST authorities pursuant to their search and inspection of records in March 2026. The Holding Company does not expect any additional liability in this matter.

## 38. Depreciation and Amortisation Expenses

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Depreciation on Property, plant and equipments | 9,677.21 | 8,300.79 |
| Depreciation on Right of Use assets | 4,006.55 | 2,083.42 |
| Amortisation on Intangible assets | 2,233.78 | 1,209.05 |
| **TOTAL** | **15,917.54** | **11,593.26** |

## 39. Other Expenses

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Consumption of Stores, Spares, Dyes and Packing Materials | 24,583.11 | 29,757.10 |
| Jobwork Charges | 29,246.35 | 34,399.56 |
| Power and Fuel | 18,841.96 | 20,028.12 |
| Rent (Refer note 41) | 4,376.33 | 4,400.84 |
| Rates, Taxes and Fees | 673.34 | 367.96 |
| Legal and Professional Expenses | 9,332.46 | 4,722.34 |
| Insurance | 1,124.59 | 928.73 |
| Repairs to Plant and Equipments | 1,216.30 | 1,205.77 |
| Repairs to Buildings | 191.40 | 330.19 |
| Commission and Brokerage | 890.95 | 1,105.37 |
| Freight Outward | 19,898.96 | 15,947.39 |
| Other Selling Expenses | 17,589.86 | 13,224.08 |
| Loss on Sale of Assets | 253.29 | 116.94 |
| Bad Debts / Advances written off | 136.43 | - |



# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| Exchange Rate Difference (Net) | 3.45 | - |
| Expected credit loss / Provision for Doubtful Receivables (net) | 19.12 | (428.09) |
| Donation to Political Party | - | 1,000.00 |
| Corporate Social Responsibility (Refer Note No. 44) | 729.01 | 825.00 |
| Payment to Auditors (Includes payment to subsidiary's auditors) | 210.19 | 178.51 |
| Miscellaneous Expenses | 4,849.35 | 5,485.27 |
| **TOTAL** | **1,34,166.45** | **1,33,595.08** |

## 40. Contingent Liabilities and Commitments

### A. Contingent Liabilities

| Particulars | (₹ in lakhs) For the year 1st April, 2025 to 31st March, 2026 | For the year 1st April, 2024 to 31st March, 2025 |
|---|---|---|
| **1) Claims against Group not acknowledged as Debt:** | | |
| i) Indirect Tax matters under appeal | 2,083.11 | 5,052.62 |
| ii) Direct Tax matters under appeal | - | 1,144.36 |
| iii) Other Litigation Claims (Including Pending Labour cases) | 212.56 | 220.06 |

2) One of the largest customers of the Indo Count Global Inc., USA (ICGI), wholly owned subsidiary of the Holding Company, and its affiliates (referred to as 'debtors") filed for bankruptcy protection in April 2023. In November 2023, ICGI received a demand letter from counsel of the debtors concerning alleged certain receipts of amount as avoidable and are recoverable as preferential payments under section 547(b) of the United States Bankruptcy Code, 11 U.S.C. On February 13, 2025, the plan administrator for the debtors filed a complaint against ICGI seeking the avoidance and recovery of transfers. ICGI has responded to the complaint on May 20, 2025. The court granted the motion but permitted ICGI to assert its counterclaims through its answer and other legal means. Mediation on the matter began on September 29, 2025, and is ongoing. ICGI intends to defend the matter and, accordingly, no adjustments have been recorded in respect of the same.

ICGI is involved in certain litigations as defendant's incidental to the conduct of its business. However, ICGI is not a party to any lawsuit or proceeding which, in the opinion of ICGI's management, is likely to have a materially adverse effect on ICGI's financial position.

**Notes:**

(a) It is not practicable for the Group to estimate the timing of cash outflow, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Group does not expect any reimbursement in respect of the above contingent liabilities.

**Significant Estimates:** The Group has litigations in respect of certain matters. The management does assessment of all outstanding matters and whenever required, further obtain legal advices including those relating to interpretation of law. Based on such assessment, it concludes whether a provision should be recognised or a disclosure should be made.

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**B. Commitments**

| Particulars | | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| a) | Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for against property, plant and equipments. | 1,447.39 | 4,389.81 |
| b) | Letter of credits opened for which the material has not yet been shipped | 1,495.03 | 1,362.47 |

c) In terms of EPCG Licence issued and utilised, the Group has an export obligation for ₹3,915.75 lakhs (previous year ₹15,581.14 lakhs), which is to be fulfilled over an average period of 6 years. The Group has completed the export obligation to the extent of ₹3,697.48 lakhs (previous year ₹13,866.78 lakhs) till the year end and are under process of redemption. Further, there are licenses issued by the DGFT amounting to ₹218.27 lakhs (previous year ₹1,714.36 lakhs) for which capital goods are under imports.

d) Refer note 51B regarding credit risk.

## 41. Leases

| Particulars | | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| (i) | **The Balance sheet Shows the following amounts relating to leases:** | | |
| | **Right of use assets** | | |
| | Building | 24,625.16 | 22,587.41 |
| | Plant and Machinery | 118.34 | 141.70 |
| | Land - Leasehold | 1,493.72 | 1,513.76 |
| | **Lease Liabilities** | | |
| | Current | 4,706.02 | 2,421.34 |
| | Non-Current | 22,161.35 | 20,692.92 |
| (ii) | **Amount recognised in statement of Profit and Loss** | | |
| | **Depreciation Charge on Right of use assets** | | |
| | Building | 3,947.75 | 2,052.50 |
| | Plant and Machinery | 38.76 | 10.94 |
| | Land - Leasehold | 20.04 | 19.98 |
| (iii) | Interest expense included in finance costs | 1,711.38 | 532.50 |
| (iv) | Expense relating to short-term leases (included in other expenses) | 4,376.33 | 4,400.84 |
| (v) | Expense relating to leases of low-value assets that are not shown above as short -term leases | - | - |
| (vi) | Expense relating to variable lease payments not included in lease liability | - | - |
| (vii) | Amount recognised in profit and loss arising from rent concessions | - | - |

(a) Total cash outflow for leases during current financial year is ₹8,650.57 lakhs (previous year ₹6,423.68 lakhs).

(b) Refer Note 7 for additions to the Right-of-use assets.

(c) There are no sale and leaseback transactions.

(d) When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate. The weighted average incremental borrowing rate applied is in range of 6.55% - 9.00% p.a. (previous year in range of 6.55% - 9.00% p.a.).



# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 42. Related Party Disclosures

**Related party disclosures as required by IND-AS 24 "Related Party Disclosures" are given below:**

**A. i) Key Management Personnel**

| | | |
|---|---|---|
| 1. | Shri Anil Kumar Jain | Executive Chairman |
| 2. | Shri Mohit Jain | Executive Vice Chairman |
| 3. | Shri Kailash. R. Lalpuria# | Executive Director & C.E.O. |
| 4. | Shri Kamal Mitra | Whole-time Director |
| 5. | Shri Dilip Thakkar* | Independent Director |
| 6. | Shri Prem Malik* | Independent Director |
| 7. | Dr. (Mrs.) Vaijayanti Pandit* | Independent Director |
| 8. | Shri Sanjay Kumar Panda | Independent Director |
| 9. | Shri Siddharth Mehta | Independent Director |
| 10. | Shri Akash Nandkishor Kagliwal | Independent Director |
| 11. | Shri Viswanathan Lakshmanan | Independent Director |
| 12. | Smt. Ambika Sharma** | Independent Director |

*Ceased to be Directors w.e.f. 16th August, 2024

**Appointed as an Independent Director w.e.f. 27th May, 2024

#Ceased to be Executive Director w.e.f. 11th February, 2026 and C.E.O. w.e.f. 13th February, 2026

**ii) Relatives of Key Management Personnel**

1. Smt. Gayatri Devi Jain
2. Mr. Ayaan Jain

**iii) Entities/Parties Controlled by KMPs and their relatives**

1. A. K. Jain HUF
2. Kids Creation
3. SVA Advisors LLP
4. Indo Count Foundation

**B. Details of transactions and balances.**

(₹ in lakhs)

| Particulars | Entities Controlled by KMPs and their relatives exists |
|---|---|
| **Transactions during the year** | |
| **Lease Rent expenses** | **40.61** |
| - A. K. Jain HUF | 40.61 |
| | **(40.61)** |
| - A. K. Jain HUF | (40.61) |
| **Reimbursement of Expenes** | **-** |
| - SVA Advisors LLP | - |
| | **(6.92)** |
| - SVA Advisors LLP | (6.92) |

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Entities Controlled by KMPs and their relatives exists |
|---|---|
| **Design Charges (Other expenses - Other selling expenses)** | **24.65** |
| - Kids Creation | - |
| - SVA Advisors LLP | 24.65 |
| | **(24.95)** |
| - Kids Creation | (15.95) |
| - SVA Advisors LLP | (9.00) |
| **CSR Expenses** | **729.01** |
| - Indo Count Foundation | 729.01 |
| | **(825.00)** |
| - Indo Count Foundation | (825.00) |
| **Balance Outstanding at the end of year** | |
| **a) Deposit - Rent** | **15.60** |
| - A. K. Jain HUF | 15.60 |
| | **(15.60)** |
| - A. K. Jain HUF | (15.60) |
| **b) Lease Rent Payable** | **1.03** |
| - A. K. Jain HUF | 1.03 |
| | **(0.61)** |
| - A. K. Jain HUF | (0.61) |
| | |
| **c) Design Charges Payable** | **1.89** |
| - SVA Advisors LLP | 1.89 |
| | **(6.80)** |
| - SVA Advisors LLP | (6.80) |

**C. Transactions with key Management Personnel and their relatives.**

(₹ in lakhs)

| Particulars | Key Management Personnel | Relatives of Key Management Personnel |
|---|---|---|
| **Transactions during the year** | | |
| Commission to Independent Directors | 7.50 | - |
| | (9.75) | (-) |
| **Short term employee benefits (Refer note (d) and (e) below)** | **2,293.17** | **54.00** |
| - Executive Chairman | 1,209.18 | - |
| - Executive Vice Chairman | 957.29 | - |
| - Others | 126.70 | 54.00 |
| | **(2,994.82)** | **(53.95)** |
| - Executive Chairman | (1,416.06) | (-) |
| - Executive Vice Chairman | (1,129.12) | (-) |
| - Others | (449.64) | (53.95) |



## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Particulars | Key Management Personnel | Relatives of Key Management Personnel |
|---|---|---|
| **Post-employment benefits (Refer note (d) below)** | **77.19** | **-** |
| - Executive Chairman | 41.74 | - |
| - Executive Vice Chairman | 30.14 | - |
| - Others | 5.31 | - |
| | **(76.72)** | **(-)** |
| - Executive Chairman | (41.74) | (-) |
| - Executive Vice Chairman | (30.14) | (-) |
| - Others | (4.84) | (-) |
| **Sitting fees** | **57.50** | **-** |
| | **(76.75)** | **(-)** |
| **Balance outstanding during the year** | | |
| Commission Payable to Independent Directors | 6.75 | - |
| | **(8.78)** | **(-)** |
| Remuneration Payable | 626.28 | - |
| | **(1,057.82)** | **(0.61)** |

(a) Previous year figures are given in brackets.

(b) Related parties enlisted above are those having transactions with the Group during the year or previous year.

(c) The above transactions were done in the ordinary course of business.

(d) As the liabilities for defined benefit plans and leave entitlements are provided on actuarial basis for the Group as a whole, the amounts pertaining to Key Management Personnel or relative of key management personnel are not identified separately and therefore not included.

(e) The Holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act except for managerial remuneration aggregating to ₹296.43 lakhs. The Holding Company proposes to seek necessary approval of the shareholders by way of a special resolution at the ensuing Annual General Meeting.

**43.** Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The Executive Directors of the Holding Company are the chief operating decision makers. The Group operates only in one Business Segment i.e. 'Textile Business' which constitutes a single reporting segment.

The Holding Company is domiciled in India. For details of revenue from operations from external customer location wise, refer note 32 and 51B of the Consolidated Financial Statements.

Details of non-current assets (other than financial assets) based on geographical area are as below:

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| India | 1,34,084.73 | 1,43,065.71 |
| Outside India | 74,819.37 | 59,419.27 |
| **Total** | **2,08,904.10** | **2,02,484.98** |

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 44. Expenditure on Corporate Social Responsibilities (CSR)

(₹ in lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| a) Gross amount required to be spent by the Holding company during the year | 725.75 | 821.69 |
| b) Amount spent during the year on: | | |
| (i) Construction / acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | 729.01 | 824.26 |
| c) Details of Contribution | - | - |
| Contribution to related party - Indo Count Foundation | 729.01 | 825.00 |

d) Nature of CSR activities includes education, health, water and sanitation, environment, farmer livelihood, differently abled and old age care, sports promotion and community infrastructure.

e) There is no shortfall in CSR expenditure reported u/s 135 (5) of the Act in the current year and previous year. At the year end, there is no liability which is incurred but not paid.

f) **Details of excess CSR expenditure under Section 135(5) of the Act**

| For the year ended | Opening Balance* | Amount required to be spent during the year | Amount spent during the year | Closing Balance$ |
|---|---|---|---|---|
| 31.03.2026 | 7.97 | 725.75 | 729.01 | 11.23 |
| 31.03.2025 | 5.40 | 821.69 | 824.26 | 7.97 |

*The excess CSR amount of the previous year has been utilised first during the year as approved by the board.
$The board has approved to carryforward the excess CSR expenditure for set off in succeeding years, as permitted under Act.

## 45. Disclosures as required by Indian Accounting Standard (Ind-AS) 33 "Earnings Per Share"

(₹ Per Share)

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| (a) Basic earnings per share | 6.40 | 12.62 |
| (b) Diluted earnings per share | 6.40 | 12.62 |

**Basic/diluted earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic/diluted earnings per share are as follows:

(₹ in lakhs)

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Profit after tax for the year attributable to the equity share holders of the Holding Company | 12,667.62 | 24,999.83 |
| Weighted average number of equity shares used in the calculation of basic / diluted earnings per share | 19,80,54,340 | 19,80,54,340 |



# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 46. Business Combinations

During the financial year 2024-25, the Holding Company's wholly owned subsidiary, Indo Count Global Inc., USA (ICG), acquired following businesses and the transaction was accounted for in accordance with the acquisition method specified under Ind AS 103 – Business Combinations.The purchase price allocation which was earlier done on a provisional basis have been finalised in the quarter ended September 30, 2025 (within the measurement period, i.e. within one year from the acquisition date in accordance with paragraph 45 of Ind AS 103) based on the final valuation report from an independent valuer. Accordingly, the provisional amounts of assets and liabilities recognised at the acquisition date have been retrospectively adjusted.

### 1. Fluvitex USA, Inc., Ohio

On September 1, 2024, ICG acquired 81% controlling stake in Fluvitex USA, Inc., Ohio ("Fluvitex") for an all cash consideration of US$ 19.63 Mn (equivalent ₹16,446.35 lakhs). Fluvitex is a manufacturer of pillows, comforters, and similar products. This acquisition has enabled the Group to improve its presence in the utility bedding segment in North America thereby increasing its market share.

As part of the purchase agreement, ICG holds an exclusive and irrevocable option to acquire the remaining 19% equity interest (the "Balance Company Shares") in Fluvitex at a pre-determined Additional Purchase Price of US$ 4.6 Mn (equivalent ₹3,938.52 lakhs), exercisable within next 5 years i.e, by September 30, 2029. Additionally, the Seller holds an irrevocable option to require ICG to purchase the balance company shares during the period from October 1, 2027 to September 30, 2029, at the same Additional Purchase Price. The Seller has contractually waived rights to future dividends and voting rights associated with the balance therefore retains no substantive rights or ability to influence the operations of Fluvitex. Accordingly, ICG is considered to have acquired control over 100% of company shares and the equity interests as of the acquisition date. A financial liability has been recognized for the obligation to acquire the remaining shares, measured at its present value in accordance with the applicable accounting standards. No non-controlling interest has been recorded in the consolidated financial statements.

### 2. Modern Home Textiles Inc., USA, Arizona

On October 11, 2024, ICG acquired 100% controlling stake in Modern Home Textiles Inc., USA, Arizona ("MHT") for an all cash consideration of US$ 11.89 Mn (equivalent ₹9,996.17 lakhs). MHT is in the business of manufacturing and wholesaling high-quality bedding products including pillows, mattress pads, and similar bedding articles. This acquisition has enabled the Group to improve its presence in the utility bedding segment in North America thereby increasing its market share.

(₹ in lakhs)

| Particular of Assets and Liabilities Acquired | Provisional | | | Final | | |
|---|---|---|---|---|---|---|
| | Fluvitex | MHT | Total | Fluvitex | MHT | Total |
| **Fair value of net identifiable assets acquired :** | | | | | | |
| **Assets** | | | | | | |
| Property, Plant and Equipment | 8,195.02 | 2,287.66 | 10,482.68 | 8,192.13 | 2,287.66 | 10,479.79 |
| Intangible Asset (Customer Relationships) | 6,544.45 | - | 6,544.45 | 3,124.19 | 1,050.73 | 4,174.92 |
| Intangible Asset (Trade Names) | 704.41 | - | 704.41 | - | - | - |
| Intangible Asset (Know How) | - | - | - | 955.19 | - | 955.19 |
| Other Non-Current Assets | 246.59 | 55.32 | 301.91 | 246.59 | 55.32 | 301.91 |
| Other Current Assets | 257.73 | 132.69 | 390.42 | - | 132.69 | 132.69 |
| Inventories | 4,752.64 | 1,868.27 | 6,620.91 | 4,742.61 | 1,154.29 | 5,896.90 |
| Trade Receivables | 2,260.55 | - | 2,260.55 | 2,260.55 | - | 2,260.55 |
| Cash and Cash Equivalents | 914.33 | - | 914.33 | 914.33 | - | 914.33 |

## Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

| Particular of Assets and Liabilities Acquired | Provisional | | | Final | | |
|---|---|---|---|---|---|---|
| | Fluvitex | MHT | Total | Fluvitex | MHT | Total |
| **Liabilities** | | | | | | |
| Current Borrowings | (2,046.03) | - | (2,046.03) | (2,046.03) | - | (2,046.03) |
| Deferred Tax Liabilities (Net) | (1,676.15) | - | (1,676.15) | (925.90) | - | (925.90) |
| Trade Payables | (2,875.93) | - | (2,875.93) | (2,875.93) | - | (2,875.93) |
| Other Current Financial Liabilities | (453.74) | (11.81) | (465.55) | (453.74) | (79.78) | (533.52) |
| Tax Payable | - | - | - | (145.37) | - | (145.37) |
| **Net Identifiable Assets Acquired** | **16,823.87** | **4,332.13** | **21,156.00** | **13,988.62** | **4,600.91** | **18,589.53** |
| **Calculation of Goodwill** | | | | | | |
| Consideration transferred | 16,446.35 | 9,996.17 | 26,442.52 | 16,446.35 | 9,996.17 | 26,442.52 |
| Add: Fair Value of Put Option Liability | 3,131.28 | - | 3,131.28 | 3,109.21 | - | 3,109.21 |
| Less: Net Identifiable Assets Acquired | (16,823.87) | (4,332.13) | (21,156.00) | (13,988.62) | (4,600.91) | (18,589.53) |
| **Goodwill at the time of acquisition*** | **2,753.76** | **5,664.04** | **8,417.80** | **5,566.94** | **5,395.26** | **10,962.20** |

*Goodwill is attributable to workforce and high profitability of the acquired entities. Goodwill for Fluvitex is not deductible for tax purposes. There were no acquisitions in the year ended 31 March 2026.

| Purchase Consideration - Cash Outflow | Fluvitex | MHT | Total |
|---|---|---|---|
| **Cash Outflow, net off cash acquired** | | | |
| Cash Consideration | 16,446.35 | 9,996.17 | 26,442.52 |
| Less: Balances acquired | (914.33) | - | (914.33) |
| **Net outflow of cash - investing activities** | **15,532.02** | **9,996.17** | **25,528.19** |

The acquired business contributed revenues and profits before tax to the group for the year ended March 31, 2025, as below:

1. Fluvitex: revenue of ₹12,940.03 lakhs and profit of ₹1,142.34 lakhs for the period September 1, 2024, to March 31, 2025.
2. MHT, revenue of ₹7,293.26 lakhs and profit of ₹882.59 lakhs for the period October 11, 2024, to March 31, 2025.

If the acquisitions had occurred on 1 April 2024, unaudited consolidated pro-forma revenue and profit before tax for the year ended 31 March 2025 would have been as below:

1. Fluvitex revenue of ₹21,390.69 lakhs and profit of ₹2,178.40 lakhs.
2. MHT revenue of ₹11,645.83 lakhs and profit of ₹1,087.17 lakhs.

**The Reconciliation of the reported and restated financial statements are as below :-**

**Consolidated Statement of Profit and Loss** (₹ in Lakhs)

| Particulars | Year ended 31st March, 2025 | |
|---|---|---|
| | Reported | Restated |
| Cost of Material Consumed | 1,76,957.67 | 1,76,615.14 |
| Depreciation and Amortisation Expense | 11,657.52 | 11,593.26 |
| Profit before Tax | 33,357.94 | 33,764.73 |
| Deferred Tax | 707.96 | 715.32 |
| Profit for the year | 24,600.40 | 24,999.83 |
| Other Comprehensive Income/(Loss) (net of tax) | (1,392.34) | (1,386.82) |
| Total Comprehensive Income | 23,208.06 | 23,613.01 |
| EPS (Basic and Diluted) | 12.42 | 12.62 |



## Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

**Consolidated Balance Sheet** (₹ in Lakhs)

| Particulars | As at 31st March, 2025 | |
|---|---|---|
| | Reported | Restated |
| Property, Plant and Equipment | 1,38,004.60 | 1,38,001.65 |
| Goodwill | 8,560.42 | 11,159.58 |
| Other Intangible Assets | 18,184.88 | 16,091.32 |
| Inventories | 1,16,258.93 | 1,15,802.47 |
| Current Tax Assets (Net) | 661.17 | 247.96 |
| Other Equity | 2,23,796.41 | 2,24,201.35 |
| Other Financial Liabilities (Non-Current) | 3,493.48 | 3,467.06 |
| Deferred Tax Liabilities (Net) | 10,747.91 | 10,002.37 |

### 47. During the current year, the Group has reclassified/regrouped certain previous year figures for better presentation and in compliance with Indian Accounting Standards as under:

(₹ in Lakhs)

| Particulars | Balances as at March 31, 2025 (Reported) | Reclassification | Balances as at March 31, 2025 (after Reclassification/Regrouping) |
|---|---|---|---|
| Investments (Current) (Refer Note a below) | 13,457.35 | 472.99 | 13,930.34 |
| Other Financial Assets (Current) (Refer Note a below) | 4,205.19 | (472.99) | 3,732.20 |
| Other Current Assets (Refer Note b below) | 17,341.79 | (95.95) | 17,245.84 |
| Borrowings (Current) (Refer Note b below) | 94,761.38 | (95.95) | 94,665.43 |

a) Interest accrued on bonds measured at fair value through profit and loss account reclassified as Current Investments.

b) Prepaid interest on supplier finance arrangement reduced from Current Borrowings.

### 48. Disclosures as required by Indian Accounting Standard (Ind-AS) 19 "Employee Benefits"

**Defined Contribution Plans:**

Amount of ₹1,431.33 lakhs (previous year ₹1,402.33 lakhs) is recognised as an expense and included in Employee Benefits Expense under the following defined contribution plans (Refer Note 36):

| Particulars | (₹ in lakhs) For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| **Benefits** | | |
| Provident Fund | 1,194.89 | 1,189.19 |
| Contribution to 401K Plan | 166.67 | 135.83 |
| Employee State Insurance Scheme | 67.15 | 74.57 |
| Labour Welfare Scheme | 2.62 | 2.74 |
| **TOTAL** | **1,431.33** | **1,402.33** |

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**Defined contribution plans**

Provident Fund: The Group makes contribution to respective regional provident fund commissioners in relation to the workers/ employees employed at various location of the Holding Company (as applicable). The Group recognises such contributions as an expense when incurred. The Group has no further contractual or constructive obligations beyond its yearly contribution.

Employee State Insurance Scheme: The Group makes contribution towards Employees State Insurance scheme operated by ESIC Corporation (as applicable). The contributions payable to these plans by the Group are at rates specified in the rules of the scheme. The Group recognises such contributions as an expense when incurred. The Group has no further contractual or constructive obligations beyond its yearly contribution.

Labour Welfare Scheme: The Group makes contribution to state government in relation to labour employed at various location of the Holding Company (as applicable). The Group recognises such contributions as an expense when incurred. The Group has no further contractual or constructive obligations beyond its yearly contribution.

**Contribution plan with respect to Indo Count Global Inc. and its subsidiaries**

Indo Count Global Inc. and its subsidiaries are having a defined contribution 401(K) Plan (the"Plan") covering all its eligible employees. Employees are eligible to become contributing participants of the Plan on the first day of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

**Defined Benefit Plans:**

**Gratuity**

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Code on Social Security, 2020. Every permanent employee is entitled to a benefit equivalent to fifteen days wages (as defined in the Labour Codes) based on the rate of wages last drawn by the permanent employee for each completed year of service or part thereof in excess of six months. Gratuity is payable to the employee on the termination of employment (due to superannuation, retirement or resignation, death or disablement) after having rendered continuous service for the number of years as prescribed in the Code on Social Security, 2020 at an amount based on the respective employee's salary and the tenure of employment.

**Risk exposure to defined benefit plans**

The plans typically expose the Group to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

**Asset volatility**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

**Longevity risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

The most recent actuarial valuation of the defined benefit obligation was carried out at March 31, 2026. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

| Sr. No. | Particulars | (₹ in lakhs) GRATUITY 2025-26 (funded) | 2024-25 (funded) |
|---|---|---|---|
| **I** | **Change in Present Value of Defined Benefit Obligation during the Year** | | |
| 1 | Present Value of Defined Benefit Obligation at the beginning of the Year | 4,288.96 | 3,712.65 |
| 2 | Interest Cost | 291.30 | 254.20 |
| 3 | Current Service Cost | 409.60 | 344.23 |
| 4 | Past Service Cost *# | 881.92 | - |
| 5 | Benefits Paid | (255.98) | (147.69) |
| 6 | Actuarial Changes Arising from Changes in Financial Assumptions | (231.47) | 136.35 |
| 7 | Actuarial Changes Arising from Changes in Experience Adjustments | (281.28) | (10.78) |
| 8 | Present Value of Defined Benefit Obligation at the end of the Year | 5,103.05 | 4,288.96 |
| **II** | **Change in Fair Value of Plan Assets during the Year** | | |
| 1 | Fair Value of Plan Assets at the beginning of the Year | 2,721.90 | 2,512.11 |
| 2 | Interest Income | 185.36 | 181.37 |
| 3 | Contributions Paid by the Employer | 250.42 | 163.94 |
| 4 | Benefits Paid from the Fund | (255.98) | (147.69) |
| 5 | Actuarial Losses / (Gains) | (58.62) | 12.17 |
| 6 | Fair Value of Plan Assets at the end of the Year | 2,843.08 | 2,721.90 |
| **III** | **Net Asset / (Liability) recognised in the Balance Sheet** | | |
| 1 | Present Value of Defined Benefit Obligation at the end of the Year | 5,103.05 | 4,288.96 |
| 2 | Fair Value of Plan Assets at the end of the Year | 2,843.08 | 2,721.90 |
| 3 | Amount recognised in the Balance Sheet | 2,259.97 | 1,567.06 |
| 4 | Net (Liability) / Asset - Current | - | - |
| 5 | Net (Liability) / Asset - Non-Current | (2,259.97) | (1,567.06) |
| **IV** | **Expenses recognised in the Statement of Profit and Loss for the Year** | | |
| 1 | Current service Cost* | 409.60 | 344.23 |
| 2 | Past Service Cost *# | 881.92 | - |
| 3 | Interest Cost on Benefit Obligation (Net)** | 105.94 | 72.83 |
| 4 | Total Expenses included in Statement of Profit and Loss | 1,397.46 | 417.06 |
| **V** | **Recognised in Other Comprehensive Income for the Year** | | |
| 1 | Actuarial Changes Arising from Changes in Demographic Assumptions | - | - |
| 2 | Actuarial Changes Arising from Changes in Financial Assumptions | (231.47) | 136.35 |
| 3 | Actuarial Changes Arising from Changes in Experience Adjustments | (281.28) | (10.78) |
| 4 | Return on Plan Assets excluding Interest Income | 58.61 | (12.17) |
| 5 | Recognised in Other Comprehensive Income | (454.14) | 113.40 |

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

| Sr. No. | Particulars | (₹ in lakhs) GRATUITY 2025-26 (funded) | 2024-25 (funded) |
|---|---|---|---|
| VI | **Expected Maturity Profile of undiscounted Defined Benefit Obligation** | - | - |
| 1 | Within the next 12 Months (Next Annual Reporting Period) | 653.30 | 523.26 |
| 2 | Between 2 and 5 Years | 1,602.50 | 1,229.29 |
| 3 | Between 6 and 10 Years | 2,302.39 | 2,044.90 |
| 4 | Above 10 years | 5,855.05 | 4,526.21 |
| VII | **Quantitative Sensitivity Analysis for Significant Assumption is as below:** | | |
| | Present Value of Defined Benefits Obligation at the end of the Year | | |
| | (i) One Percentage Point increase in Discount Rate | 4,747.14 | 3,969.03 |
| | (ii) One Percentage Point decrease in Discount Rate | 5,508.63 | 4,655.34 |
| | (i) One Percentage Point increase in Rate of Salary Increase | 5,489.48 | 4,640.07 |
| | (ii) One Percentage Point decrease in Rate of Salary Increase | 4,755.37 | 3,974.82 |

*Recognised in Employee benefit expenses

**Recognised in Finance Cost

#On November 21, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Group has assessed the incremental impact of these changes and considered such incremental impact as past service cost and presented it under employee benefits expense in the consolidated statement of profit and loss for the Year Ended March 31, 2026. The incremental impact primarily arises due to change in wages definition. The Group continues to monitor the finalisation of all applicable Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

Long Term Provisions (refer Note 22) includes liability for staff end-of-service benefits as per the applicable local laws of ₹15.96 lakhs (previous year ₹9.82 lakhs) related to a Foreign Subsidiary.

**VIII The major categories of plan assets as a percentage of total**

| Particulars | Gratuity 2025-26 | 2024-25 |
|---|---|---|
| Insurer Managed Funds | 100% | 100% |

**IX Actuarial Assumptions**

| Particulars | Gratuity 2025-26 (funded) | 2024-25 (funded) |
|---|---|---|
| Discount Rate | 7.37% p.a. | 6.81% p.a. |
| Expected Return on Plan Assets | 7.37% p.a. | 6.81% p.a. |
| Salary Escalation | 6.00% p.a. | 6.00% p.a. |
| Mortality Rate during Employment | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |

(i) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations for Holding Company.

(ii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.



# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**Sensitivity analysis method**

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumption may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years and same data, method and assumptions have been used in preparing the sensitivity analysis which are used to determine period end defined benefit obligation.

**Expected contribution to the defined benefit plan for the next annual reporting period :**

Contribution expected to be paid for the Plan of the Group during the year ended March 31, 2027 - ₹653.30 lakhs.(Previous year ₹523.26 lakhs).

Weighted Average duration of the Plan is 12.29 years (previous year 12.59 years).

## 49. Details of Expenditure incurred during the year for Research and Development

| Particulars | (₹ in lakhs) 2025-26 | 2024-25 |
|---|---|---|
| Capital Expenditure (Plant and Machinery) | - | 0.52 |
| **TOTAL** | **-** | **0.52** |

No revenue expenditure was incurred for research and development during the current or previous year.

## 50. Financial Instruments - Accounting Classifications and Fair Value Measurements

**I Fair value measurement**

| Particulars | (₹ in lakhs) Carrying amount As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Financial Assets at Amortised Cost:** | | |
| Trade Receivables | 51,295.93 | 59,183.05 |
| Other non current financial assets (Security deposit) | 1,229.18 | 1,151.97 |
| Other current financial assets | 5,421.97 | 3,600.53 |
| Cash and bank balance | 12,377.93 | 11,720.09 |
| **Total** | **70,325.01** | **75,655.64** |
| **Financial Assets at Fair Value through Profit and Loss:** | | |
| Investments | 19,007.32 | 13,930.34 |
| Derivative Instruments | - | 43.11 |
| **Total** | **19,007.32** | **13,973.45** |
| **Financial Assets at Fair Value through Other Comprehensive Income:** | | |
| Derivative Instruments | 22.13 | 88.56 |
| **Total** | **22.13** | **88.56** |

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

| Particulars | Carrying amount (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **Financial Liabilities at Amortised Cost:** | | |
| Non-Current Borrowings | 33,997.99 | 26,996.60 |
| Other Non-Current Financial Liabilities | 4,111.62 | 3,467.06 |
| Current Borrowings | 73,367.98 | 94,665.43 |
| Trade Payables | 37,151.03 | 23,115.10 |
| Other Financial Liabilities (Current) | 12,918.05 | 7,326.37 |
| **Total** | **1,61,546.67** | **1,55,570.56** |
| **Financial Liabilities at Fair Value through Profit and Loss:** | | |
| Derivative instruments | 3,717.27 | 472.67 |
| **Total** | **3,717.27** | **472.67** |
| **Financial Liabilities at Fair Value through Other Comprehensive Income:** | | |
| Derivative instruments | 4,153.66 | 457.25 |
| **Total** | **4,153.66** | **457.25** |

**II. Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

Fair value of cash and short-term deposits, security deposits, trade receivables, loans and other current financial assets, trade payables, other current and non-current financial liabilities, short term loans approximate their carrying amounts largely due to the short-term maturities of these instruments. Carrying value of borrowings is approximately same to the fair value as the borrowings has been taken at floating rates.

**III. Assets and liabilities which are measured at FVPL or FVOCI**

This note provides information about how the Group determines fair values of various financial assets and financial liabilities measured at FVPL or FVOCI. Fair value of the Group's financial assets and financial liabilities are measured on a recurring basis.

The Group has made temporary investments in bonds and mutual funds for short term business purposes, with the intent to liquidate these investments as needed for operational requirements.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

**The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

(₹ in lakhs)

| Financial assets/ financial liabilities | Fair value 31-Mar-26 | Fair value 31-Mar-25 | Fair value hierarchy | Valuation technique |
|---|---|---|---|---|
| **Financial Assets at Fair Value through Profit and Loss:** | | | | |
| Investments in mutual funds | 3,601.40 | 3,199.77 | Level 1 | Based on NAV from mutual fund house |
| Investments in bonds | 15,405.92 | 10,730.57 | Level 2 | Based on dealer quotes |
| Derivative Instruments | - | 43.11 | Level 2 | Based on market observable rates and published prices together with forecasted cash flow information where applicable. |
| **Total** | **19,007.32** | **13,973.45** | | |
| **Financial Assets at Fair Value through Other Comprehensive Income:** | | | | |
| Derivative Instruments | 22.13 | 88.56 | Level 2 | Same as above |
| **Financial Liabilities at Fair Value through Profit and Loss:** | | | | |
| Derivative instruments | 3,717.27 | 472.67 | Level 2 | Same as above |
| **Financial Liabilities at Fair Value through Other Comprehensive Income:** | | | | |
| Derivative instruments | 4,153.66 | 457.25 | Level 2 | Same as above |

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

## 51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and equity security price risk), credit risk and liquidity risk.

**A) Market Risk**

The Group's seeks to minimise the effects of price and currency risk by using derivative financial instruments to hedge risk exposures. The Group's has Risk Management Policies to mitigate the risks in commodity prices and foreign exchange. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors (BOD), which provide principles to use financial derivatives and non-derivative financial instruments, to hedge currency risk and commodity price risk. The Group's does not enter into or trade financial instruments, including derivative financial instruments and non-derivative financial instruments for speculative purposes.

During the year, the Group has not taken any derivative contracts to hedge fluctuation in Commodity prices.

The periodical forex management report and commodity risk report as reviewed and approved by the management is placed before the Board of directors for review.

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**i) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. Majority of the Group's borrowings are linked to variability in SOFR, Bank MCLR rate, repo rate and T Bills.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, an analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. Above 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**a) Exposure to Interest Rate Risk**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Total Borrowings | 1,07,365.97 | 1,21,662.03 |
| % of Borrowings out of above bearing Variable Rate of Interest | 100.00% | 99.10% |

**b) Interest Rate Sensitivity**

A change of 50 bps in interest rates would have following impact on Profit before Tax:

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| 50 bps increase would decrease the Profit before Tax by | 536.83 | 602.84 |
| 50 bps decrease would increase the Profit before Tax by | (536.83) | (602.84) |

**ii) Foreign Currency Risk**

The Group operates internationally and portion of the business is transacted in multiple currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

**a) Exposure to Foreign Currency Risk**

Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts/Options to hedge exposure to foreign currency risk.

| Particulars | USD (in lakhs) | EUR (in Lakhs) | GBP (in Lakhs) | CAD (in Lakhs) | (₹ In lakhs) |
|---|---|---|---|---|---|
| **Foreign Currency Balance as at March 31, 2025** | | | | | |
| Trade and Other Receivables* | 874.16 | - | 16.92 | - | 76,585.84 |
| Non-Current Loan* | 147.50 | - | - | - | 12,607.56 |
| Bank Balances | 77.26 | - | - | 0.20 | 6,615.61 |
| Trade and Other Payables* | (33.88) | (0.31) | (3.31) | - | (3,295.53) |



## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

| Particulars | USD (in lakhs) | EUR (in Lakhs) | GBP (in Lakhs) | CAD (in Lakhs) | (₹ In lakhs) |
|---|---|---|---|---|---|
| **Foreign Currency Balance as at 31 March, 2026** | | | | | |
| Trade and Other Receivables* | 603.62 | 10.02 | 28.33 | - | 61,897.68 |
| Non-Current Loan* | 147.50 | - | - | - | 13,988.16 |
| Bank Balances | 69.43 | - | - | 0.20 | 6,598.33 |
| Trade and Other Payables* | (58.95) | (0.21) | (4.68) | - | (6,101.75) |

Receivables hedged against forward/option contracts - USD 494.81 lakhs (₹43,426.09 lakhs) [Previous year USD 429.89 lakhs (₹36,521.51 lakhs)].

Further, the Group has certain option contracts against receivables which are not designated as hedge - USD Nil (₹ Nil) (Previous year USD 215.00 lakhs (₹18,495.85 lakhs))

*including receivable/payable balances from/to subsidiaries which are eliminated on consolidation, however, underlying foreign exchange risk remains.

**Forward and Option Contracts**

Foreign currency derivative contracts taken by the Group against export trade receivables/Firm commitments/probable exposure are as under:

| Particulars | Number of Contracts | Foreign Currency in lakhs (USD) | (₹ in lakhs) | Buy / Sell |
|---|---|---|---|---|
| As at 31.03.2026 | 181 | 1,403.87 | 1,26,985.59 | Sell |
| | 1 | 20.00 | 1,886.80 | Buy |
| As at 31.03.2025 | 180 | 1,459.89 | 1,25,247.78 | Sell |
| | 9 | 101.04 | 8,730.21 | Buy |

**b) Foreign Currency Sensitivity**

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax and the impact on other components of equity arises from foreign exchange forward contracts designated as cash flow hedges: (₹ in lakhs)

| Particulars | 2025-26 | | 2024-25 | |
|---|---|---|---|---|
| | 5 % Increase | 5 % decrease | 5 % Increase | 5 % decrease |
| **Impact on profit before tax** | | | | |
| USD | 1,265.06 | (1,265.06) | 1,795.58 | (1,795.58) |
| EUR | 53.46 | (53.46) | (1.44) | 1.44 |
| GBP | 148.44 | (148.44) | 75.30 | (75.30) |
| CAD | 0.68 | (0.68) | 0.60 | (0.60) |
| **INCREASE / (DECREASE) IN PROFIT AND LOSS** | **1,467.64** | **(1,467.64)** | **1,870.04** | **(1,870.04)** |
| **Impact on other components of equity** | | | | |
| USD | (2,873.81) | 2,873.81 | (2,560.66) | 2,560.66 |
| **INCREASE / (DECREASE) IN OTHER COMPONENTS OF EQUITY** | **(2,873.81)** | **2,873.81** | **(2,560.66)** | **2,560.66** |

## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**iii) Price Risk**

**Exposure to price risk**

The Group's exposure to securities' price risk arises from investments held by the Group and classified in the Balance Sheet at fair value. To manage its price risk arising from investments in securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

**B) Credit Risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

**Expected credit loss on financial assets:**

The Group has balances in cash and cash equivalents, term deposits with banks, investments, trade receivables, security deposit and other financial assets.

i) **Cash and cash equivalent (including term deposits with Banks) and investments.**
The Group is having balances in cash and cash equivalents, term deposits with banks which are nationalised and scheduled banks having high credit rating. Further, investments are made in reputed institutions/funds houses/banks and having high credit ratings. At each reporting date management assesses if there are any risk involved on account of adverse credit ratings, media events, regulator such as RBI updates on the bank etc. Considering its assessment,these balances are considered to have low credit risk of default.

ii) **Other financial assets:**
The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

**Exposure to Credit Risk**

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| **Financial Assets for which loss allowance is measured using 12-months' Expected Credit Losses (ECL)** | | |
| Non-Current Financial Assets | 1,229.18 | 1,151.97 |
| Cash and Bank Balances | 12,377.93 | 11,720.09 |
| Current Financial Assets | 5,421.97 | 3,600.53 |

iv) **Trade receivables:**

Credit Risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, credit rating analysis of major customers and analysis of historical bad-debts and ageing of trade receivables. The Group has customers with capacity to meet the obligations and do not believe that there are any particular customer or group of customers that would subject to any significant credit risks in the collection of trade receivable.



## Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

Based on management assessment, trade receivable are collectible in full considering analysis of customer credit risk. Further, the historical default rate is minimal. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information on macro economic factors affecting the ability of the customers to settle the receivables. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates.

The default, if any, of export receivables are covered by Export Credit Guarantee Corporation of India (ECGC).

**Concentration of credit risk**

**Information about Major Customers**

Revenue arising from following customers/ group of entities under common control contributing to more than 10% of the revenue individually (in any of the reporting period):

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Customer 1 | 1,03,032.43 | 73,702.06 |
| Customer 2 | 74,117.38 | 92,025.48 |

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)

| Particulars | (₹ in lakhs) | |
|---|---|---|
| | As at 31st March, 2026 | As at 31st March, 2025 |
| Trade Receivables | 51,315.05 | 59,183.05 |

The ageing analysis of the Trade Receivables (gross of provision) has been considered from the date the invoice falls due. (₹ in lakhs)

| Particulars | Trade Receivables | Expected Credit Loss % | Expected Credit Loss |
|---|---|---|---|
| **As at 31.03.2026** | | | |
| Not Due | 43,452.49 | 0.00% | 0.64 |
| 0-30 Days | 1,735.01 | 0.01% | 0.18 |
| 31-60 Days | 2,238.01 | 0.00% | 0.06 |
| 61-90 Days | 1,730.96 | 0.00% | 0.01 |
| 91-120 Days | 835.04 | 0.00% | 0.01 |
| More than 120 Days | 1,323.54 | 1.38% | 18.22 |
| | **51,315.05** | | **19.12** |
| **As at 31.03.2025** | | | |
| Not Due | 50,162.29 | - | - |
| 0-30 Days | 5,615.54 | - | - |
| 31-60 Days | 1,589.09 | - | - |
| 61-90 Days | 777.82 | - | - |
| 91-120 Days | 291.37 | - | - |
| More than 120 Days | 746.94 | - | - |
| | **59,183.05** | **-** | **-** |

Note: In previous year, the expected credit loss rates on trade receivable were not material.

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**C) Liquidity Risk**

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities. As disclosed in note 26, the Group has entered into a supplier finance arrangement. This has improved the Group's working capital. The Group has no significant concentration of liquidity risk with any individual finance provider.

**Maturity Profile of Financial Liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

**As at 31st March, 2026**

| Particulars | (₹ in lakhs) | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 6 months | 6-12 months | between 1-2 years | between 2-5 years | Over 5 Years | Total | Carrying Value |
| Lease Liability (Non Current) | - | - | 4,861.51 | 12,568.62 | 11,558.39 | 28,988.52 | 22,161.35 |
| Lease Liability (Current) | 2,572.64 | 2,921.47 | - | - | - | 5,494.11 | 4,706.02 |
| Long Term Borrowings | (85.50) | 4,410.24 | 11,564.23 | 22,433.77 | - | 38,322.74 | 38,322.74 |
| Other Non Current Financial Liabilities | - | - | - | 4,362.41 | 189.67 | 4,552.08 | 4,111.62 |
| Short Term Borrowings | 69,043.23 | - | - | - | - | 69,043.23 | 69,043.23 |
| Trade Payables | 37,151.03 | - | - | - | | 37,151.03 | 37,151.03 |
| Other Current Financial Liabilities | 18,876.09 | 1,912.89 | - | - | - | 20,788.98 | 20,788.98 |

**As at 31st March, 2025**

| Particulars | (₹ in lakhs) | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 6 months | 6-12 months | between 1-2 years | between 2-5 years | Over 5 Years | Total | Carrying Value |
| Lease Liability (Non Current) | - | - | 4,602.54 | 10,329.29 | 11,714.04 | 26,645.87 | 20,692.92 |
| Lease Liability (Current) | 1,723.32 | 2,152.77 | - | - | - | 3,876.09 | 2,421.34 |
| Long Term Borrowings | 3,303.23 | 3,455.73 | 10,326.27 | 15,687.30 | 983.04 | 33,755.57 | 32,772.61 |
| Other Non Current Financial Liabilities | - | - | - | 3,931.85 | 170.95 | 4,102.80 | 3,467.06 |
| Short Term Borrowings | 87,906.47 | - | - | - | - | 87,906.47 | 88,889.43 |
| Trade Payables | 23,115.10 | - | - | - | - | 23,115.10 | 23,115.10 |
| Other Current Financial Liabilities | 8,002.27 | 254.02 | - | - | - | 8,256.29 | 8,256.29 |

The amount of unused borrowing facilities (fund and non-fund based) available for future operating activities and to settle commitments is ₹97,286.00 lakhs as at March 31, 2026 (₹62,282.98 lakhs as at March 31, 2025).

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**D) Derivative Financial instruments**

The Holding Company has adopted a Risk Management policy approved by the Board of Directors of the Holding Company for managing foreign currency exposure. The policy enumerates the mechanism for Risk Identification, Risk Measurement and Risk Monitoring. The policy has approved a set of financial instruments for hedging foreign currrency risk. The Holding Company mainly uses forward contracts to manage the foreign currency risk.

(a) The Holding Company has designated following forward and option contracts as cash flow hedges and fair value hedges which are outstanding as under:

| Outstanding Contracts | Foreign Currency (USD in Lakhs) | | Nominal amounts (₹ In Lakhs) | | Change in fair value of assets/(liabilities) (₹ in Lakhs) | |
|---|---|---|---|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2025 |
| **(i) Cash flow hedge** | | | | | | |
| **Foreign exchange forward contracts** | | | | | | |
| **Sell USD/INR** | | | | | | |
| Less than 12 months | 649.06 | 695.00 | 59,363.40 | 59,940.42 | (3,226.53) | (219.01) |
| More than 12 months | - | - | - | - | - | - |
| **Buy USD/INR** | | | | | | |
| Less than 12 months | 20.00 | 101.04 | 1,886.80 | 8,730.21 | 22.13 | (72.65) |
| More than 12 months | - | - | - | - | - | - |
| **Foreign currency options** | | | | | | |
| **Buy Put / Sell Call - USD/INR** | | | | | | |
| Less than 12 months | 260.00 | 120.00 | 24,196.10 | 10,290.00 | (927.13) | (77.03) |
| More than 12 months | - | - | - | - | - | - |
| **(ii) Fair value hedge** | | | | | | |
| **Foreign exchange forward contracts** | | | | | | |
| **Sell USD/INR** | | | | | | |
| Less than 12 months | 384.81 | 254.89 | 33,810.69 | 21,656.16 | (2,861.19) | (233.51) |
| More than 12 months | - | - | - | - | - | - |
| **Foreign currency options** | | | | | | |
| **Buy Put / Sell Call - USD/INR** | | | | | | |
| Less than 12 months | 110.00 | 175.00 | 9,615.40 | 14,865.35 | (856.08) | (116.24) |
| More than 12 months | - | - | - | - | - | - |

Further, the Group has certain option contracts against receivables which are not designated as hedge - USD Nil (₹Nil) (Previous year USD 215.00 lakhs (₹18,495.85 lakhs) with a carrying value of Nil and Nil (Previous year ₹36.76 lakhs and ₹116.57 lakhs) presented as derivative asset and liability respectively.

The line item in the balance sheet that include the above instruments are "Other Financial Assets" and "Other financial Liabilities"

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

(b) The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follow: (₹ in lakhs)

| Risk hedged | Change in the value of hedging instrument recognised in other comprehensive income* | Hedges ineffectiveness recognised in profit and loss (loss)/gain | Amount reclassified from cash flow hedging reserve to statement of profit and (loss) / gain | Line item affected in statement of profit and loss because of the reclassification |
|---|---|---|---|---|
| **Foreign exchange risk** | | | | |
| March 31, 2026 | (3,762.84) | - | (1,319.97) | Revenue |
| March 31, 2025 | (534.04) | - | (429.56) | Revenue |

*net off the amount reclassified to statement of profit and loss

(c) Disclosure of effects of hedge accounting on financial position:

| Types of hedge and risks | Nominal value (USD in Lakhs) | | Carrying Value (₹ in Lakhs) | | Maturity date | Hedge ratio | Weighted average strike rate for outstanding hedging instruments | Change in intrinsic value of outstanding hedging instruments since inception of the hedge (₹ in Lakhs) | Change in the value of hedged item used to determine hedge ineffectiveness |
|---|---|---|---|---|---|---|---|---|---|
| | Asset | Liabilities | Asset | Liabilities | | | | | |
| **FY 2025-26** | | | | | | | | | |
| **Cash flow hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | - | 649.06 | - | 3,226.53 | July 2026 - March 2027 | 1:1 | 91.46 | (3,226.53) | - |
| (ii) Foreign exchange forward contracts (Buy) | 20.00 | - | 22.13 | - | June 2026 | 1:1 | 94.34 | 22.13 | - |
| (iii) Foreign currency options | - | 260.00 | - | 927.13 | July 2026 - March 2027 | 1:1 | * | (927.13) | - |
| **Fair value hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | - | 384.81 | - | 2,861.19 | April 2026 - June 2026 | 1:1 | 87.86 | (2,861.19) | - |
| (ii) Foreign currency options | - | 110.00 | - | 856.08 | April 2026 - June 2026 | 1:1 | * | (856.08) | - |
| **FY 2024-25** | | | | | | | | | |
| **Cash flow hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | 130.00 | 565.00 | 88.56 | 307.57 | July 2025 - January 2026 | 1:1 | 86.25 | (219.01) | - |
| (ii) Foreign exchange forward contracts (Buy) | - | 101.04 | - | 72.65 | April 2025 - May 2025 | 1:1 | 86.41 | (72.65) | - |
| (iii) Foreign currency options | - | 120.00 | - | 77.03 | July 2025 - December 2025 | 1:1 | * | (77.03) | - |
| **Fair value hedge** | | | | | | | | | |
| **Foreign exchange risk** | | | | | | | | | |
| (i) Foreign exchange forward contracts (Sell) | 15.00 | 239.89 | 5.92 | 239.43 | April 2025 - June 2025 | 1:1 | 84.96 | (233.51) | - |
| (ii) Foreign currency options | 45.00 | 130.00 | 0.44 | 116.68 | April 2025 - December 2025 | 1:1 | * | (116.24) | - |

*this is based on various combinations and conditions, hence, weighted average cannot be determined.



# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

**Movements in cash flow hedging reserve**

| Derivative instruments | (₹ in Lakhs) |
|---|---|
| **As at 1 April 2024** | **123.73** |
| Add: Changes in discounted spot element of foreign exchange forward contracts / options | (963.60) |
| Less: Amounts reclassified to profit or loss | 429.56 |
| Less: Deferred tax relating to above (net) | 134.41 |
| **As at 31 March 2025** | **(275.90)** |
| Add: Changes in discounted spot element of foreign exchange forward contracts / options | (5,082.81) |
| Less: Amounts reclassified to profit or loss | 1,319.97 |
| Less: Deferred tax relating to above (net) | 947.03 |
| **As at 31 March 2026** | **(3,091.71)** |

## 52A.Capital Management

### (a) Risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity. The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

The Group is not subject to any externally imposed capital requirements.

**Gearing ratio**

The gearing ratio at end of the reporting period is as follows.

| | Particulars | (₹ in Lakhs) | |
|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 |
| A | Debt* | 1,34,363.03 | 1,45,357.51 |
| B | Cash and cash equivalents | 11,356.37 | 10,622.92 |
| **C** | **Net debt (A-B)** | **1,23,006.66** | **1,34,734.59** |
| **D** | **Total equity** | **2,35,529.87** | **2,28,162.43** |
| **Net Debt to equity ratio (C / D)** | | **0.52** | **0.59** |

*Debt is defined as Non - Current and Current borrowings, as described in Notes 21 and 26 and includes interest accrued thereon as per Note 28 and lease liabilities as per Note 41.

**Loan covenants**

Under the terms of the major borrowing facilities, the Group has complied with the applicable financial covenants throughout the current and previous year.

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

## 52B. Net Debt Reconciliation

| Particulars | (₹ in lakhs) As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Cash and Cash Equivalents | 11,356.37 | 10,622.92 |
| Non-Current Borrowings (including Current Maturities) | (42,685.15) | (33,755.57) |
| Current Borrowings (excluding supplier finance arrangement) | (58,592.87) | (77,540.20) |
| Liabilities under supplier finance arrangement | (6,087.95) | (10,366.27) |
| Lease Liabilities | (26,867.37) | (23,114.26) |
| Interest Accrued but not Due | (129.69) | (581.21) |
| **NET DEBT** | **(1,23,006.66)** | **(1,34,734.59)** |

(₹ in lakhs)

| Particulars | Cash and Cash Equivalents | Non Current Borrowings (including Current Maturities) | Current Borrowings and interest accrued but not due (excluding Liabilities under Supplier Finance Arrangements) | Liabilities under supplier finance arrangements | Lease Liabilities | Total |
|---|---|---|---|---|---|---|
| **As at 31st March, 2025** | | | | | | |
| Opening Net Debt (01.04.2024) | 9,255.63 | (19,507.22) | (72,162.16) | - | (4,184.50) | (86,598.25) |
| Cash Flows (Refer note (i)) | 1,367.29 | (14,248.35) | (3,594.64) | (10,462.23) | 1,490.34 | (25,447.59) |
| Addition on account of Business Combination | - | - | (2,046.03) | - | - | (2,046.03) |
| New Leases | - | - | - | - | (20,664.44) | (20,664.44) |
| Discontinuing Leases | | | | | 244.34 | 244.34 |
| Finance Cost | - | (2,412.22) | (7,127.15) | (295.86) | (532.50) | (10,367.73) |
| Interest Paid | - | 2,412.22 | 6,808.57 | 391.82 | 532.50 | 10,145.11 |
| **Other Changes (Refer note (ii))** | | | | | | |
| Liabilities under supplier finance arrangement transferred from trade payables | - | - | - | (23,762.61) | - | (23,762.61) |
| Payments to suppliers by the bank under supplier finance arrangement (presented as operating cash flows within 'Increase/(decrease) in trade payables') | - | - | - | 23,762.61 | - | 23,762.61 |
| **CLOSING NET DEBT (31.03.2025)** | **10,622.92** | **(33,755.57)** | **(78,121.41)** | **(10,366.27)** | **(23,114.26)** | **(1,34,734.59)** |
| **As at 31st March, 2026** | | | | | | |
| Opening Net Debt (01.04.2025) | 10,622.92 | (33,755.57) | (78,121.41) | (10,366.27) | (23,114.26) | (1,34,734.59) |
| Cash Flows (Refer note (i)) | 733.45 | (8,929.58) | 18,947.33 | 4,323.51 | 2,562.86 | 17,637.57 |
| New Leases | - | - | - | - | (4,169.13) | (4,169.13) |
| Discontinuing Leases | | | | | 83.29 | 83.29 |
| Finance Cost | - | (3,095.56) | (4,043.51) | (574.78) | (1,711.38) | (9,425.23) |
| Interest Paid | - | 3,095.56 | 4,495.03 | 529.59 | 1,711.38 | 9,831.56 |
| Effect of foreign currency translation | - | - | - | - | (2,230.13) | (2,230.13) |
| **Other Changes (Refer note (ii))** | | | | | | |
| Liabilities under supplier finance arrangement transferred from trade payables | - | - | - | (36,913.78) | - | (36,913.78) |
| Payments to suppliers by the bank under supplier finance arrangement (presented as operating cash flows within 'Increase/(decrease) in trade payables') | - | - | - | 36,913.78 | - | 36,913.78 |
| **CLOSING NET DEBT (31.03.2026)** | **11,356.37** | **(42,685.15)** | **(58,722.56)** | **(6,087.95)** | **(26,867.37)** | **(1,23,006.66)** |





# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

(i) Financing cash flows under a supplier finance arrangement include proceeds received under a supplier finance arrangement of ₹36,913.78 lakhs (2024-25 – ₹23,762.61 lakhs) and repayments to a financial institution under a supplier finance arrangement of ₹41,237.29 lakhs (2024-25 – ₹13,300.38 lakhs). These financing cash flows are presented separately in the consolidated statement of cash flows.

(ii) Other changes include non-cash movements, such as transfers from trade payables to borrowings (i.e., liabilities under a supplier finance arrangement).

## 53. Other Notes pertaining to Indo Count Global Inc., USA (ICGI), wholly owned subsidiary of the Holding Company included in their Financial Statements:

**FACTORING ARRANGEMENT**

ICGI has a factoring arrangement with a financial institution where the Company sells approved customer accounts with or without recourse. The agreement also provides for a line of credit for advances based on a formula as defined in the arrangement not to exceed $17,000,000 with a restricted cash collateral deposit of $500,000. The interest is accrued on the loan at rates based on the daily Prime Rate in effect on the last day of each month (3.25% minimum), less 0.50%. The financial institution has been given a security interest in ICGI's assets consisting of inventory and trade receivables of ₹33,933.26 lakhs (Previous year ₹21,156.52 lakhs).

There is a guarantee by the Holding Company amounting to ₹6,164.27 lakhs (Previous year ₹5,555.87 lakhs) as per the agreement. The guaranteed amount as of both March 31, 2026, and 2025 is ₹6,164.27 lakhs and ₹5,555.87 lakhs respectively, including expenses of collection in an amount equal to 30% of the guaranteed amounts (the 'Maximum Guarantee Amount") plus interest and reasonable attorneys' fees. The agreement contains certain restrictive covenants.

As at year end, the outstanding receivables for which the credit risk is transferred to the factor without recourse as per the terms and conditions of the agreement, net of any amount borrowed against aforesaid receivables is disclosed as due from factor.

# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

## 54. Additional Information as Required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Division II to Schedule III to the Companies Act, 2013

As at March 31, 2026

| Name of the entity in Consolidated Financial Statements of Indo Count Industries Limited, and its subsidiary/step-down subsidiary companies (together 'Group') | Net Assets i.e. Total Assets-Total Liabilities | | Share in Profit or Loss | | Share in Other Comprehensive Income (OCI) | | Share in Total Comprehensive Income (TCI) | |
|---|---|---|---|---|---|---|---|---|
| | As a % of Consolidated Net Assets | Amount (₹ in Lakhs) | As a % of Consolidated Profit or Loss | Amount (₹ in Lakhs) | As a % of Consolidated OCI | Amount (₹ in Lakhs) | As a % of Consolidated TCI | Amount (₹ in Lakhs) |
| **Parent** | | | | | | | | |
| Indo Count Industries Limited | 98.35% | 2,31,648.05 | 114.16% | 14,461.46 | 184.90% | (2,475.97) | 105.80% | 11,985.49 |
| **Subsidiaries** | | | | | | | | |
| **Foreign** | | | | | | | | |
| Indo Count Global Inc., (USA) (Consolidated)* | 3.82% | 9,004.12 | -20.04% | (2,538.03) | -73.29% | 981.42 | -13.74% | (1,556.61) |
| Indo Count UK Ltd., (United Kingdom) | 0.24% | 553.64 | -1.15% | (145.47) | -5.63% | 75.38 | -0.62% | (70.09) |
| Indo Count Global DMCC, UAE | 0.33% | 775.30 | -0.75% | (95.09) | -5.98% | 80.07 | -0.13% | (15.02) |
| **Indian** | | | | | | | | |
| Indo Count Retail Ventures Limited | 0.00% | 2.58 | 0.01% | 1.14 | 0.00% | - | 0.01% | 1.14 |
| **Subtotal** | **102.74%** | **2,41,983.69** | **92.24%** | **11,684.01** | **100.00%** | **(1,339.09)** | **91.32%** | **10,344.92** |
| Consolidation adjustment | -2.74% | (6,453.82) | 7.76% | 983.61 | 0.00% | - | 8.68% | 983.61 |
| **Total** | **100.00%** | **2,35,529.87** | **100.00%** | **12,667.62** | **100.00%** | **(1,339.09)** | **100.00%** | **11,328.53** |

*includes its subsidiaries, namely, Fluvitex USA Inc., Modern Home Textiles Inc., Indo Count Global East Inc and Indo Count (Shanghai) Co. Ltd

As at March 31, 2025

| Name of the entity in Consolidated Financial Statements of Indo Count Industries Limited, its subsidiary companies (together 'Group') | Net Assets i.e. Total Assets-Total Liabilities | | Share in Profit or Loss | | Share in Other Comprehensive Income (OCI) | | Share in Total Comprehensive Income (TCI) | |
|---|---|---|---|---|---|---|---|---|
| | As a % of Consolidated Net Assets | Amount (₹ in Lakhs) | As % of Consolidated Profit or Loss | Amount (₹ in Lakhs) | As a % of Consolidated OCI | Amount (₹ in Lakhs) | As % of Consolidated TCI | Amount (₹ in Lakhs) |
| **Parent** | | | | | | | | |
| Indo Count Industries Limited | 98.01% | 2,23,623.65 | 94.89% | 23,721.59 | 34.94% | (484.49) | 100.13% | 23,237.10 |
| **Subsidiaries** | | | | | | | | |
| **Foreign** | | | | | | | | |
| Indo Count Global Inc., (USA) (Consolidated)* | 4.63% | 10,560.72 | 5.62% | 1,403.98 | 56.55% | (784.22) | 2.62% | 619.76 |
| Indo Count UK Ltd., (United Kingdom) | 0.27% | 623.73 | 1.15% | 287.85 | 8.52% | (118.19) | 0.72% | 169.66 |
| Indo Count Global DMCC, UAE | 0.35% | 790.32 | 0.28% | 70.74 | -0.01% | 0.08 | 0.30% | 70.82 |





# Notes Accompanying to the Consolidated Financial Statements

for the year ended March 31, 2026

| Name of the entity in Consolidated Financial Statements of Indo Count Industries Limited, its subsidiary companies (together 'Group') | Net Assets i.e. Total Assets-Total Liabilities | | Share in Profit or Loss | | Share in Other Comprehensive Income (OCI) | | Share in Total Comprehensive Income (TCI) | |
|---|---|---|---|---|---|---|---|---|
| | As a % of Consolidated Net Assets | Amount (₹ in Lakhs) | As % of Consolidated Profit or Loss | Amount (₹ in Lakhs) | As a % of Consolidated OCI | Amount (₹ in Lakhs) | As % of Consolidated TCI | Amount (₹ in Lakhs) |
| **Indian** | | | | | | | | |
| Indo Count Retail Ventures Limited | 0.00% | 1.45 | 0.00% | 1.22 | 0.00% | - | 0.01% | 1.22 |
| **Subtotal** | 103.26% | 2,35,599.87 | 101.94% | 25,485.38 | 100.00% | (1,386.82) | 102.06% | 24,098.56 |
| Consolidation adjustment | -3.26% | (7,437.44) | -1.94% | (485.55) | 0.00% | - | -2.06% | (485.55) |
| **Total** | **100.00%** | **2,28,162.43** | **100.00%** | **24,999.83** | **100.00%** | **(1,386.82)** | **100.00%** | **23,613.01** |

*includes its subsidiaries, namely, Fluvitex USA Inc., Modern Home Textiles Inc. and Indo Count Global East Inc.

## 55(a). Additional regulatory information required by Schedule III (To the extent applicable)

i) **Details of benami property held**

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.

ii) **Borrowing secured against current assets**

The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets (including revised returns/statements) filed by the Group with banks and financial institutions were in agreement with the unaudited books of account.

iii) **Wilful defaulter**

The group has not been declared wilful defaulter by any bank or financial institution or government or any other lender.

iv) **Relationship with struck off companies**

The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) **Compliance with number of layers of companies**

The group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) **Compliance with approved scheme(s) of arrangements**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii) **Utilisation of borrowed funds and share premium**

The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**viii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**ix) Details of crypto currency or virtual currency**

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

**x) Valuation of Property, plant and equipments, right-of-use assets and intangible asset**

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

## 55(b). Other regulatory information

**i) Title deeds of immovable properties not held in name of the group**

The title deeds of all the immovable properties (other than properties where the group is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Group except as disclosed below:

| S. N. | Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value (₹ in lakhs) | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director | Property held since which date | Reason for not being in the name of the Holding Company |
|---|---|---|---|---|---|---|---|
| (a) | Property, Plant and Equipments (Holding Company) | A portion of freehold land (Property, plant and equipment) at Bhilad (Gujarat) | 80.03 | GHCL Limited | No | Since April 2, 2022 | The title deeds are held in the name of GHCL Limited. It was acquired during FY 2022-23 as part of a business purchase and the process of transfer of the title in favour of the Holding Company is under process. |



# Notes Accompanying to the Consolidated Financial Statements
for the year ended March 31, 2026

**ii) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**iii) Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were taken.

**56.** The Group has approved its Financial Statements in its board meeting dated May 30, 2026.

**57.** The Group (as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025) has six CICs as part of the Group.

## 58. Events occurring after reporting period

The Group evaluated subsequent events through May 30, 2026, the date the financial statements were available for issuance, and determined that there were no additional material subsequent events requiring disclosure.

Signatures to Note 1 to 58 which form an integral part of Financial Statements

**The accompanying notes form an integral part of Consolidated Financial Statements**

**As per our report of even date**

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

**Sachin Parekh**
*Partner*
Membership No.: 107038
Mumbai, 30th May, 2026

**For and on behalf of Board of Directors**

**Anil Kumar Jain**
*Executive Chairman*
DIN: 00086106
Mumbai, 30th May, 2026

**Kamal Mitra**
*Whole-time Director*
DIN: 01839261
Mumbai, 30th May, 2026

**Manish Bhatia**
*Chief Financial Officer*
Mumbai, 30th May, 2026

**Satnam Saini**
*Company Secretary*
Membership No.: A26993
Mumbai, 30th May, 2026

**Indo Count Industries Limited**
**CIN:** L72200PN1988PLC068972
**Registered Office:** Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale,
**District:** Kolhapur-416109, Maharashtra, **Tel No:** (0230) 2463100/2461929
**Website:** www.indocount.com; **E-mail:** icilinvestors@indocount.com

# NOTICE

## 37TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-Seventh (37th) Annual General Meeting ("AGM") of the Members of **Indo Count Industries Limited** ("the Company") will be held on **Tuesday, 25th August, 2026** at 12:00 Noon (IST), through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:

### ORDINARY BUSINESS:

1. **Adoption of Audited Standalone and Consolidated Financial Statements**

   To receive, consider and adopt:

   a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Board of Directors and the Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Report of the Auditors thereon.

2. **Declaration of Dividend**

   To declare Final Dividend of ₹1.50/- (75%) per Equity Share of face value of ₹2/- each for the Financial Year 2025-26.

3. **Re-appointment of a Director Retiring by Rotation**

   To appoint a Director in place of Mr. Mohit Jain (DIN 01473966), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

### SPECIAL BUSINESS:

4. **Re-appointment of Mrs. Ambika Sharma (DIN: 08201798) as a Non-Executive Independent Director of the Company**

   To consider and give assent or dissent to the following **Special Resolution:**

   **"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV thereto and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and in accordance with Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, (SEBI Listing Regulations) 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Ambika Sharma (DIN: 08201798), who was appointed as an Independent Director of the Company for a term of two (2) consecutive years commencing from 27th May, 2024 to 26th May, 2026 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given her consent along with a declaration that she meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years, w.e.f. 27th May, 2026 to 26th May, 2031, and that she shall not be liable to retire by rotation.

   **RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and /or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. **Approval of waiver of recovery of excess managerial remuneration paid/payable to Mr. Anil Kumar Jain, Executive Chairman for the Financial Year 2025-26**

   To consider and if thought fit, the following resolution as a **Special Resolution:**

   **"RESOLVED THAT** pursuant to the provisions of Section 197(10) of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Rules made thereunder, including any statutory modification thereof and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to ratify and confirm waiver of the recovery of excess managerial remuneration paid/payable to Mr. Anil Kumar Jain (DIN: 00086106), Executive Chairman during the financial year 2025-26, by way of salary, perquisites, benefits including commission amounting to ₹2,10,81,082 (Rupees Two Crores Ten Lakhs Eighty One Thousand and Eighty Two only) which is in excess of the limits prescribed under Section 197(1) of the Companies Act, 2013 read with Section II (A) of Part II of Schedule V to the Companies Act, 2013, due to inadequate profits incurred by the Company during financial year 2025-26.

   **RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution in this regard."

6. **Approval of waiver of recovery of excess managerial remuneration paid/payable to Mr. Mohit Jain, Executive Vice-Chairman for the Financial Year 2025-26**

   To consider and if thought fit, the following resolution as a **Special Resolution:**

   **"RESOLVED THAT** pursuant to the provisions of Section 197(10) of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Rules made thereunder, including any statutory modification thereof and pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to ratify and confirm waiver of the recovery of excess managerial remuneration paid/ payable to Mr. Mohit Jain (DIN: 01473966), Executive Vice Chairman during the financial year 2025-26 by way of salary, perquisites, benefits including commission amounting to ₹85,61,461 (Rupees Eighty Five Lakhs Sixty One Thousand Four Hundred Sixty One only) which is in excess of the limits prescribed under Section 197(1) of the Companies Act, 2013 read with Section II (A) of Part II of Schedule V to the Companies Act, 2013, due to inadequate profits incurred by the Company during financial year 2025-26.

   **RESOLVED FURTHER THAT** the Board of Directors or a Committee of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution in this regard."

**By Order of the Board of Directors of**
**For Indo Count Industries Limited**

Date: 30th May, 2026
Place: Mumbai

**Satnam Saini**
**Company Secretary & GM Legal**

**Notes:**

1. Pursuant to the General Circular no. 03/2025 dated 22nd September, 2025 read together with circular nos. 20/2020, 21/2021, 02/2022, 10/2022, 09/2023 and 09/2024 dated 5th May, 2020, 14th December, 2021, 5th May, 2022, 28th December, 2022, 25th September, 2023 and 19th September, 2024 respectively, issued by the Ministry of Corporate Affairs ("MCA") and such other applicable circulars issued by MCA and the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as 'the Circulars'), permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue till further notice. In compliance with the MCA Circulars, this 37th AGM is being held through VC/OAVM.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the aforesaid MCA circulars and SEBI circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

3. In terms of the provisions of Sections 112 and 113 of the Act read with the said aforesaid MCA Circulars, Institutional/ Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM on their behalf and participate there at, including cast votes by electronic means (details of which are provided separately in this notice). Such Corporate Members are requested to refer 'General Guidelines for Shareholders' provided in this notice, for more information.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. The members, seeking any information with regard to the accounts or any matter to be placed at the AGM or having any questions in connection with the matter placed at AGM, are requested to send email to the Company on or before Monday, 17th August, 2026, on icilinvestors@indocount.com. The same will be replied suitably.

6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts in relation to the business under Item No. 4, 5 & 6 of the Notice, is annexed hereto.

   Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard- 2 on General Meetings, relevant details of Mrs. Ambika Sharma, Director proposed for re-appointment and Mr. Mohit Jain, Director retiring by rotation and proposed for re-appointment are provided in the **Annexure I** to this Notice.

7. In case of joint holders attending the Meeting, only such joint-holder(s) who is higher in the order of names will be entitled to vote.

8. Members, whether holding shares in electronic/ physical mode, are requested to quote their DP ID & Client ID or Folio No. for all correspondence with the Company/ RTA.

9. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in physical form are requested to submit their PAN details to the Company/ RTA. Members holding shares in dematerialized form are requested to submit their PAN to their respective DP.

10. Book Closure and Dividend:

    (a) The Register of Members and the Share Transfer Books of the Company will remain closed from **Tuesday, 18th August, 2026 to Tuesday, 25th August, 2026 (both days inclusive)** for the purpose of payment of dividend.

    (b) The dividend on Equity Shares, as recommended by the Board, if approved at the Annual General Meeting, will be paid subject to deduction of tax at sources (TDS), on or after Saturday, 5th September, 2026 or within a period of thirty (30) days from the date of the AGM as under:

       i. to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose at the end of the business hours on Monday, 17th August, 2026.

       ii. to all Members in respect of Shares held in physical form, after giving effect to valid transfer, transmission or transposition requests lodged with the Company on or before Monday, 17th August, 2026.

    SEBI vide its circular dated 3rd November, 2021 subsequently amended by circulars dated 14th December, 2021 and 17th November, 2023, has mandated that with effect from 1st April, 2024, dividend shall be paid only through electronic mode to shareholders holding shares in physical form. Such payment shall be made only if the folio is KYC compliant i.e. the details of PAN, address with PIN code, mobile no., complete bank details and specimen signatures are registered with RTA/Company. In case of non-updation of PAN or address with PIN code, contact details, mobile number, bank account details or specimen signature in respect of physical folios, the payment of dividend, interest or any other entitlements shall be processed only after receipt of all the required details.

11. In pursuance of SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28th December, 2023 and Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February, 2026, the facility of online dispute resolution mechanism is available through the SMART ODR Portal for the investors to raise disputes arising in the Indian Securities Market. Pursuant to the above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the Members can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

12. **TDS on Dividend**

    Pursuant to the Income-Tax Act, 2025 ("the IT Act"), as amended by the Finance Act, 2026, dividend income is taxable in the hands of shareholders effective 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to **Annexure III** of this Notice. In general, to enable compliance with TDS requirements, Members are requested to complete and /or update their Residential status, PAN, Category with their depository participants ('DPs'), in case shares are held in Demat mode or in case shares are held in physical form, with the Company/ Registrars and Transfer Agents ('RTA') by sending documents/ following procedure given in **Annexure III** of this notice on or before Friday, 14th August, 2026.

13. **Transfer of Unclaimed/ Unpaid amounts to the Investor Education and Protection Fund (IEPF)**

    Members are requested to note that the amount of dividend remaining unclaimed or unpaid for a period of seven (7) years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, Final Dividend 2018-19, Final Dividend 2019-20, Final Dividend 2020-21, Final Dividend 2021-22, Final Dividend 2022-23, Final Dividend 2023-24 and Final Dividend for 2024-25, are due for transfer to IEFP in the year 2026, 2027, 2028, 2029, 2030, 2031 and 2032 respectively. Members are requested to ensure that they claim the respective dividend(s) before transfer of the said amount to IEPF. Members who have not encashed their dividend warrants for said dividend(s) are requested to contact the Company/ Registrar and Transfer Agent. Further, please note that pursuant to the provisions Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven (7) consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. The list of shareholders of Unclaimed dividend is available on Company's website i.e. www.indocount.com.

    The Members whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for issue of Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file web Form IEPF-5 for claiming the dividend and/or shares available on www.mca.gov.in.

    Pursuant to the provisions of the Act, read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('Rules'), Final Dividend for FY 2018-19 and under lying shares will be due for transfer to IEPF on 18th September, 2026. The transfer to the IEPF shall be made within a period of thirty (30) days from 18th September, 2026. Accordingly the shareholders are requested to claim their unpaid dividend on or before 18th August, 2026 by sending request to Registrar and Share Transfer Agent ("RTA") of the Company on iepf.shares@in.mpms.mufg.com or to the Company at icilinvestors@indocount.com.

Adhering to the various requirements set out under IEPF Rules, as amended, the Company has during the Financial Year 2025-26 transferred to the IEPF Authority all shares in respect of which dividend has remained unpaid or unclaimed for seven (7) consecutive years or more as on the due date of transfer. Further, details of the unpaid/ unclaimed dividend (interim & final) transferred to the "Unclaimed Dividend Account – Indo Count Industries Limited" are uploaded on the website of the Company at https://www.indocount.com/Parents/iepf-unclaimed-dividends. Members willing to claim dividend that remains unclaimed are requested to correspond with the RTA or the Company.

14. NRI Members are requested to:
    (a) change their residential status on return to India permanently.
    (b) furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.

15. Members holding shares under different Folio Nos. in the same names are requested to apply for consolidation of folios and send relevant original share certificates to the Company's RTA for doing the needful.

16. In compliance with the Circulars, notice of the 37th AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.indocount.com and website of the BSE Limited at www.bseindia.com and website of National Stock Exchange of India Limited (NSE) www.nseindia.com and on the website of NSDL https://www.evoting.nsdl.com.

    Members of the Company holding shares either in physical form or in Dematerialized form as on Friday, 24th July, 2026, will be sent Annual Report for the financial year 2025-26 and Notice of 37th AGM through electronic mode.

17. Members who wish to inspect statutory registers required to be made available/kept open for inspection at AGM and relevant documents referred to in this Notice of AGM can send an email to icilinvestors@indocount.com. Copies of any documents referred to in the Notice and Explanatory Statement are also available for inspection at the Registered Office of the Company on all days except Saturdays, Sundays or Public holidays between 2.00 p.m. to 4.00 p.m. upto the date of the AGM.

18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice. The venue deemed for the AGM will be the Registered Office of the Company.

**19. Registration of E-mail ID**

Shareholders who have still not registered their E-mail ID are requested to get their E-mail ID registered as follows:

(a) **Shareholders holding Shares in Physical Mode:** Such Shareholders are requested to register their E-mail ID with the Registrar and Share Transfer Agent ("RTA") of the Company viz. MUFG Intime India Private Limited (formerly Link Intime India Private Limited) by sending request to Company's RTA on investor.helpdesk@in.mpms.mufg.com or to the Company at icilinvestors@indocount.com. The said request be accompanied with Form ISR-1 for KYC updation.

(b) **Shareholders holding Shares in Dematerialized Mode:** Such Shareholders are requested to register their e-mail ID with the relevant Depository Participant(s). In case of any queries/difficulties in registering the e-mail address, Shareholders may write to RTA at investor.helpdesk@in.mpms.mufg.com or to the Company at icilinvestors@indocount.com.

Those shareholders having physical share certificate who have not yet submitted Form ISR-1, ISR-2, Nomination Form, Opting out for Nomination Form, SH-14 are requested to submit the same to RTA/ Company at earliest. Those shareholders who hold shares in dematerialized mode are requested to ensure that aforesaid KYC details and nomination are updated with their depository participants.

**20. Mandatory updation of PAN, KYC, Nomination and Bank details by Members**

Members holding shares in physical form

(a) As per Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSDPOD/I/4298/2026 dated 6th February 2026 for Registrar to an Issue and Share Transfer Agent ("RTA Master Circular"), has mandated that securities shall be issued only in dematerialised mode. In view of the above and in order to eliminate risks associated with physical transfer of securities, shareholders holding equity shares of the Company in physical form are requested to consider converting their holdings to dematerialised form. SEBI vide the RTA Master Circular, has dispensed with the requirements of issuance of a Letter of Confirmation (LOC) with effect from 2nd April 2026, by the Company/ RTA while processing the above investor service requests. Accordingly, the securities will be credited directly to the shareholder's demat account upon submission of valid demat accounts details along with the demat conversion request form and Client Master List not older than two months duly attested by the Depository Participant. Members may contact the Company's Registrar and Share Transfer Agent ('RTA') for assistance in this regard.

(b) SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May, 2024, has mandated that with effect from 1st April, 2024, dividend to security holders who are holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), Bank Account details & Specimen Signature ("KYC").

(c) Members holding shares in physical form are requested to furnish Form ISR-1, ISR-2, Nomination Form, Opting out for Nomination Form/ SH-14 (available on the Company's website at https://www.indocount.com/Parents/kyc-updation-and-demat) to update KYC and choice of Nomination (in case the same are not already updated), to MUFG Intime India Private Limited – RTA (formerly known as Link Intime India Private Limited) at, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai- 400 083, India., the Company's Registrar and Share Transfer Agent. Alternatively, Members may send digitally signed copy of their documents by email to RTA at investor.helpdesk@in.mpms.mufg.com or upload on their web portal www.in.mpms.mufg.com.

Those shareholders who are holding shares in dematerialised mode are requested to ensure that aforesaid KYC details and nomination are updated with their depository participants.

**21. Issue of securities in Demat mode and Demat of shares**

SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, while making any service request, Members are requested to submit duly filled and signed Form ISR - 4, the format of which is available on the Company's website at https://www.indocount.com/Parents/kyc-updation-and-demat and on the website of the Company's RTA at https://web.in.mpms.mufg.com/KYC-downloads.html. It may be noted that any service request can be processed only after the folio is KYC Compliant. Hence, the members are once again requested to update their KYC details as specified in point 20 above.

## INSTRUCTIONS FOR REMOTE E-VOTING

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2015 as amended from time to time, and Regulation 44 of Securities Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing 'remote e-voting' facility through National Securities Depository Limited (NSDL) to all Members of the Company to enable them to cast their votes electronically, on all resolutions mentioned in the notice of the 37th Annual General Meeting ("AGM") of the Company.

**General Instructions:**

a) The remote e-voting period begins on **Saturday, 22nd August, 2026 at 9.00 a.m. (IST) and ends on Monday, 24th August, 2026 at 5.00 p.m. (IST)**. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Tuesday, 18th August, 2026** may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. (IST) on Monday, 24th August, 2026. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. The voting rights of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off Date.

b) M/s. Vikas R Chomal and Associates, Practicing Company Secretaries (Membership No.: F11623; CP No: 12133), has been appointed as a Scrutinizer to scrutinize the remote e-voting process and e-voting at AGM in a fair and transparent manner.

c) In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Tuesday, 18th August, 2026 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the said cut-off date, i.e. Tuesday, 18th August, 2026, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those members, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

d) The members who have cast their vote by remote e-voting may also attend the AGM through VC/ OAVM but shall not be entitled to cast their vote again.

e) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under **"Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."**

f) The voting rights of Members shall be in proportion to their shares in the paid-up equity shares capital of the Company as on the cut-off date i.e. Tuesday, 18th August, 2026.

g) The Scrutinizer shall submit his consolidated report to the Chairman within two (2) working days from the conclusion of the AGM.

h) The result declared along with the Scrutinizer's Report shall be placed on the website of the Company at www.indocount.com and on the website of NSDL at https://www.evoting.nsdl.com and shall simultaneously be communicated to the BSE Limited and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Tuesday, 25th August, 2026.

**Process and manner for members opting to vote through remote e-voting:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

A. Login method for Individual shareholders holding securities in demat mode is given below:

Pursuant to SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 (as amended) on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.<br>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon **"Login"** which is available under **'Shareholder/Member'** section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience.<br>App Store  Google Play |

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with CDSL | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in **Demat Mode with NSDL** | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in **Demat Mode with CDSL** | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon **"Login"** which is available under **'Shareholder/Member'** section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12************** then your user ID is 12************** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 140657 then user ID is 140657001*** |

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the **"Initial password"** or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to **"Terms and Conditions"** by selecting on the check box.

8. Now, you will have to click on **"Login"** button.

9. After you click on the **"Login"** button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies **"EVEN"** in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select **"EVEN"** of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. EVEN of the Company is 140657. For joining virtual meeting, you need to click on **"VC/OAVM"** link placed under **"Join General Meeting"**.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **"Submit"** and also **"Confirm"** when prompted.

5. Upon confirmation, the message **"Vote cast successfully"** will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders:**

1. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/ Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to csvrca@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on **"Upload Board Resolution/Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Assistant Vice-President, NSDL at evoting@nsdl.co.in.

**Process for those shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to icilinvestors@indocount.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to icilinvestors@indocount.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of **"VC/ OAVM"** placed under **"Join meeting"** menu against company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. **Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request by Monday, 17th August, 2026 from their registered Email ID mentioning their name, DP ID and Client ID /Folio No, PAN, mobile number at icilinvestors@indocount.com. Those Members who have registered themselves as a speaker will only be allowed to express their views /ask questions during the AGM. For ease of conduct, speakers should send the questions in advance by sending the email on icilinvestors@indocount.com.**

   **The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.**

6. The Members can join the AGM in VC/OAVM mode 15 minutes before the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**ITEM NO. 4**

The Members of the Company had, at the 35th Annual General Meeting held on 1st August, 2024, approved the appointment of Mrs. Ambika Sharma as a Non-Executive Independent Director of the Company for a term of two (2) years with effect from 27th May, 2024.

Based on the recommendation of the Nomination and Remuneration Committee and after considering the performance evaluation of Mrs. Ambika Sharma during her first term, the Board of Directors, through a resolution passed by circulation on 8th May, 2026, approved and recommended her re-appointment as a Non-Executive Independent Director for a second term of five (5) consecutive years, effective from 27th May, 2026 to 26th May, 2031, subject to the approval of the Members by way of a Special Resolution.

Mrs. Ambika Sharma, aged 63 years, holds a Master's degree in Business Economics from the prestigious University of Delhi. A business economist by education, she has dedicated her professional career to building extensive international economic networks for business and industry, driving economic growth, job creation, innovation, inclusion, and entrepreneurship. With over 37 years of diverse experience, Mrs. Ambika Sharma was the first woman Director General – International at the Federation of Indian Chambers of Commerce and Industry (FICCI). She subsequently served as Managing Director, India, at the U.S.-India Business Council (USIBC). She has consistently supported organizations in their pursuit of sustainable growth and inclusive economic development and is actively involved in mentoring future leaders and strengthening knowledge on international relations.

The Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing the candidature of Mrs. Ambika Sharma for the office of Director. The Company has also received all necessary declarations and confirmations from her, including her declaration confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board of Directors and the Nomination and Remuneration Committee are of the opinion that Mrs. Ambika Sharma possesses the requisite skills, expertise, and capabilities that would be of significant value to the Company. Accordingly, after considering the performance evaluation report of Mrs. Ambika Sharma for her first term of two (2) years, and taking into account her knowledge, acumen, experience, significant contributions, and continued commitment of time, the Board approved and recommended her re-appointment to the Members of the Company for a second term of five (5) consecutive years, effective from 27th May, 2026 to 26th May, 2031. The resolution seeks the approval of members for the appointment of Mrs. Ambika Sharma as an Independent Director of the Company and she shall not be liable to retire by rotation.

The disclosures and information relating to Mrs. Ambika Sharma, as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, are provided in **Annexure I** to this Notice.

A copy of the draft letter of appointment setting out the terms and conditions of her re-appointment as a Non-Executive Independent Director shall be available for inspection by the Members during normal business hours on all working days up to Friday, 14th August, 2026.

Except Mrs. Ambika Sharma, being the appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Accordingly, the Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

**ITEM NO.5 & 6**

The textile industry witnessed significant challenges during FY 2025-26 following the imposition of US tariffs of up to 50% on Indian exports. As a result, the Company had to bear a significant share of the additional tariff burden, leading to pressure on profitability and margins.

This has given rise to a situation of inadequate profit during the financial year 2025-26, thus, the managerial remuneration paid/ payable by way of salary, perquisites, benefits including commission ('Managerial Remuneration') to Executive Chairman/ Vice-Chairman during the financial year 2025-26 exceeds the limits specified u/s 197 of the Act read with Schedule V thereto.

Since, the Company has inadequate profits during the financial year 2025-26, and the Managerial Remuneration paid/payable to the Mr. Anil Kumar Jain, Executive Chairman and Mr. Mohit Jain, Executive Vice Chairman during the financial year 2025-26 shall be in accordance with the limits prescribed under Section II (A) of Part II of Schedule V of the Companies Act, 2013. As the Company has paid Managerial Remuneration in excess of the limits specified under Section II(A)of Part II of Schedule V of the Companies Act, 2013, therefore, it is proposed to seek the approval from the Members of the Company by way of special resolution for waiver of recovery of excess Managerial Remuneration paid/payable to for the period 1st April, 2025 to 31st March, 2026 to Mr. Anil Kumar Jain and Mr. Mohit Jain.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to non-convertible debenture holders or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed special resolution/s. The Nomination and Remuneration Committee and the Board of Directors of the Company via respective resolutions passed on 28th May, 2026, and 30th May, 2026 have considered this proposal and approved and recommended the waiver of excess managerial remuneration including commission paid during the year 2025-26 to the above mentioned Executive Chairman and Executive Vice Chaiman, subject to the approval of the Members by way of Special Resolution.

In terms of Section 197(10) of the Act, the Members of the Company can waive the recovery of excess Managerial Remuneration paid to managerial personnel by way of passing a special resolution.

The disclosure required under Schedule V of the Act are mentioned in **Annexure II** to this Notice.

Mr. Anil Kumar Jain and Mr. Mohit Jain are interested in the resolution/s set out at Item Nos. 5 and 6 of this Notice respectively. Their relatives may also be deemed to be interested in the respective resolutions, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board of Directors commends the Special Resolution(s) set out at Item nos. 5 and 6 of the Notice for approval of the Members.

**Annexure I**

## Additional Information of Directors seeking appointment/reappointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 & Secretarial Standard-2

| Name of the Director | Mr. Mohit Jain | Mrs. Ambika Sharma |
|---|---|---|
| DIN | 01473966 | 08201798 |
| Age | 50 years | 63 Years |
| Category | Vice Chairman, Executive & Non-Independent | Non-Executive Independent |
| Date of first appointment on the Board | 9th May, 2016 | 27th May, 2024 |
| Qualification | Graduate from United States of America, specializing in the fields of Economics, Finance and Entrepreneurial Studies | Bachelor's degree in economics and Master's degree in Business Economics |
| Brief Resume and experience/ nature of expertise in specific functional areas | Mr. Mohit Jain is specialized in the fields of Marketing, Economics, Finance and Entrepreneurial Studies. He has more than 24 years of experience in Global Marketing and Entrepreneurship and vast expertise in overseas business. | She holds a bachelor's degree in economics and Master's degree in Business Economics from India's prestigious Delhi University. A business economist by education, she has dedicated her professional career towards building extensive international economic networks for business & industry, driving economic growth, job creation, innovation, inclusion and entrepreneurship |
| Terms & conditions of re-appointment | Mr. Mohit Jain is liable to retire by rotation | Mrs. Ambika Sharma is appointed as a Non-Executive Independent Director for a second term of five (5) consecutive years w.e.f. 27th May, 2026 and shall not be liable to retire by rotation. |
| Remuneration last drawn (FY 2025-26) | ₹9.87 crores (includes commission of ₹2.90 crores) | ₹15.25 lakhs |
| Details of remuneration sought to be paid | As approved by the Board of Directors | Sitting Fees as approved by the Board of Directors |
| Inter-se relationship with other Directors & Key Managerial Personnel | Mr. Mohit Jain is son of Mr. Anil Kumar Jain, Executive Chairman. Apart from this, Mr. Mohit Jain does not have any relationship with other Directors and Key Managerial Personnel of the Company. The Company does not have a Manager. | None |
| Number of Board Meetings attended during the year 2025-26 | 4 out of 4 | 4 out of 4 |
| Directorships held in other companies including equity listed companies and excluding foreign companies as on 31st March, 2026 | NIL | • Waaree Renewable Technologies Ltd<br>• Panacea Biotec Ltd<br>• LT Foods Limited<br>• Great Eastern Energy Corporation Limited<br>• Kajaria Ceramics Limited<br>• Aditya Infotech Limited<br>• Nature Bio-Foods Limited<br>• Daawat Foods Limited<br>• Ecopure Specialities Limited |

<table>
<tr><th>Name of the Director</th><th>Mr. Mohit Jain</th><th>Mrs. Ambika Sharma</th></tr>
<tr><td>Memberships / Chairmanships of committees of other companies (excluding foreign companies) as on 31st March, 2026</td><td>NIL</td><td>
<table>
<tr><th>Name of the Companies</th><th>AC</th><th>NRC</th><th>CSR</th><th>SRC</th><th>RMC</th></tr>
<tr><td>Waaree Renewable Technologies Ltd</td><td>M</td><td>M</td><td>-</td><td>C</td><td>-</td></tr>
<tr><td>Panacea Biotec Ltd</td><td>M</td><td>C</td><td>-</td><td>C</td><td>-</td></tr>
<tr><td>LT Foods Limited</td><td>M</td><td>M</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Great Eastern Energy Corporation Ltd</td><td>M</td><td>M</td><td>M</td><td>-</td><td>-</td></tr>
<tr><td>Kajaria Ceramics Ltd</td><td>-</td><td>M</td><td>-</td><td>-</td><td>M</td></tr>
<tr><td>Aditya Infotech Ltd</td><td>M</td><td>C</td><td>C</td><td>-</td><td>-</td></tr>
<tr><td>Nature Bio-Foods Limited</td><td>M</td><td>C</td><td>C</td><td>-</td><td>-</td></tr>
<tr><td>Daawat Foods Limited</td><td>M</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
</table>
AC – Audit Committee<br>
NRC – Nomination & Remuneration Committee<br>
CSR – Corporate & Social Responsibility Committee<br>
SRC – Stakeholder Relationship Committee<br>
RMC – Risk Management Committee<br>
M – Member C – Chairperson
</td></tr>
<tr><td>Listed entities from which the Director has resigned from directorship in the past three (3) years</td><td>NIL</td><td>Indosolar Limited</td></tr>
<tr><td>Number of shares held in the Company including shareholding as a beneficial owner as on 31st March, 2026</td><td>6,92,850 Equity Shares of ₹2/- each</td><td>Nil</td></tr>
<tr><td>Skills and capabilities required for the role</td><td>-</td><td>The skill sets possessed by Mrs. Ambika Sharma are aligned to those identified by NRC and complete details of the same are provided in the Corporate Governance Section of the Annual Report of the Company</td></tr>
</table>

Annexure II

## STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:

### I. General Information:

1) Nature of industry: Textiles
2) Date of commencement of commercial production: Operations started in the year 1988.
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
4) Standalone Financial performance based on given indicators: (₹ in Crores)

| Particulars | Year ended 31st March, 2026 | Year ended 31st March, 2025 |
|---|---|---|
| Revenue from operations | 3,098.37 | 3,771.65 |
| Operating Profit (before interest, depreciation and tax) | 378.79 | 513.52 |
| Profit before Tax | 190.61 | 323.40 |
| Profit after Tax | 144.61 | 237.21 |

5) Foreign investments or collaborations, if any: NIL

### II. Information about Mr. Anil Kumar Jain, Executive Chairman and Mr. Mohit Jain, Executive Vice-Chairman:

| Particulars | Mr. Anil Kumar Jain | Mr. Mohit Jain |
|---|---|---|
| Background details | Mr. Anil Kumar Jain, a B. Com (Hons.) graduate from St. Xavier's College, Kolkata, brings over 45 years of extensive industry experience. He began his career in 1975 and held several key leadership roles within the family business. He played a pivotal role in revitalizing BIFR/sick units by implementing innovative technologies and fostering an export-oriented culture. In 1988, he established Indo Count Industries Limited as a promoter, laying the foundation for its journey to becoming a leading player in the textile industry. | Mr. Mohit Jain has graduated from Babson College, United States of America and is specialized in the fields of Marketing, Economics, Finance and Entrepreneurial Studies. He has over 20 years' experience in Global Marketing and Entrepreneurship. He has vast experience on overseas business and has established networking with global customers. |
| Past remuneration | FY 2025-26: ₹12.51 crores<br>(includes commission of ₹3.09 crores)<br>FY 2024-25: ₹14.57 crores<br>(includes commission of ₹4.93 crores) | FY 2025-26: ₹9.87 crores<br>(includes commission of ₹2.90 crores)<br>FY 2024-25: ₹11.59 crores<br>(includes commission of ₹4.61 crores) |
| Recognition or awards | Mr. Anil Kumar Jain is honoured with Best CEO (Textiles & Apparel) Award 2016, Top 100 Best CEO 2017 by Business Today, Mahatma Award 2022 by Aditya Birla Group, Industrial Excellence Award 2022 by The Textile Association of India and Vastra Ratna Award (Global Achiever) 2024 by TEXPROCIL. Under the leadership of Mr. Anil Kumar Jain, Executive Chairman, the Company has received various awards and recognitions which includes Gold Trophy from TEXPROCIL for highest exports in cotton made ups for consecutive 3 years. | Mr. Mohit Jain is honoured with various awards, some of them being: 40 under 40 - India's hottest Young Business Leaders 2017 Award by Economic Times, India's Most Trusted CEOs 2017 Award by World Consulting and Research Corporation (WCRC), The Economic Times Business Leader- Youth Icon Textiles Award 2021, Family Entrepreneur of the year Award 2024 by Entrepreneur India. |
| Job profile and his suitability | Mr. Anil Kumar Jain, the Executive Chairman of the Company, plays a pivotal role in providing leadership, strategic vision and direction to its business operations. He has led the Company's growth and development for more than four decades. His deep and diverse expertise in the textile industry has significantly contributed to the Company's success. Under his leadership, the Company has achieved remarkable milestones and is now recognized as one of the leading manufacturers and exporters of bed linen from India. | As Executive Vice Chairman, Mr. Mohit Jain is responsible for overseeing the overall affairs and operations of the Company, with a focus on marketing, planning and strategic initiatives. The Company has witnessed substantial growth under his leadership and guidance. |
| Remuneration proposed | As stated in Item No. 5 of this Notice. | As stated in Item No. 6 of this Notice. |
| Comparative remuneration profile with respect to industry, size of the company, profile of the position and person | The proposed remuneration including commission of Mr. Anil Kumar Jain, Executive Chairman is in line with the nature of Industry, size of Company, responsibilities entrusted and peer remuneration. After considering all the aforesaid factors, NRC and Board has recommended the remuneration specified in Item No. 5 of the notice.<br>Considering the background, competence, responsibilities, leadership skills and vast experience of Mr. Anil Kumar Jain, the terms of his remuneration as set out in the resolution are considered to be fair, just and reasonable. | The proposed remuneration including commission of Mr. Mohit Jain is in line with the nature of Industry, size of Company, responsibilities entrusted and peer remuneration. After considering all the aforesaid factors, NRC and Board has recommended the remuneration specified in Item No. 6 of the notice.<br>Considering the background, competence, leader skill and experience of Mr. Mohit Jain, the terms of his remuneration as set out in the resolution are considered to be fair, just and reasonable. |
| Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Mr. Anil Kumar Jain is the father of Mr. Mohit Jain and belongs to the Promoter category. Apart from this, Mr. Anil Kumar Jain does not have any relationship with the Company, other Directors and Key Managerial Personnel of the Company. | Mr. Mohit Jain is the son of Mr. Anil Kumar Jain and belongs to the Promoter category. Apart from this, Mr. Mohit Jain does not have any relationship with the Company, other Directors and Key Managerial Personnel of the Company. |

### III. Other information:

**1) Reasons for inadequate profits:**

Following the imposition of US tariffs of up to 50% on Indian exports, the Company was required to bear a significant portion of the additional tariff burden, resulting in pressure on profitability and margins during FY 2025-26. Consequently, the profits of the Company is inadequate for the purpose of payment of managerial remuneration within the limits prescribed under Section 197 of the Companies Act, 2013. Accordingly, the Company proposes to seek the approval of the Members for payment of remuneration including commission to Mr. Anil Kumar Jain, Executive Chairman, and Mr. Mohit Jain, Executive Vice-Chairman, in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013. The information required to be disclosed pursuant to Paragraph A of Section II of Part II of Schedule V is set out below.

**2) Steps taken or proposed to be taken for improvement:**

The Company's profitability was impacted during FY 2025-26 on account of the additional tariff burden imposed on Indian exports by the United States. With the subsequent withdrawal/reduction of such additional tariffs, the Company expects improvement in its business performance and profitability. However, the Company constantly endeavors to take all such measures which shall improve the performance of the Company.

**3) Expected increase in productivity and profits in measurable terms:**

The Company is conscious about improvement in productivity and undertakes constant measures to improve the same. However, it is extremely difficult in present scenario to predict profits in measurable terms. For the year ended 31st March, 2026, net profit after tax stood at ₹144.61 crores.

### IV. Disclosures:

The information on remuneration package of Mr. Anil Kumar Jain- Executive Chairman and Mr. Mohit Jain- Executive Vice Chairman is provided in Corporate Governance Report forming part of the Annual Report for FY 2025-26.

**Annexure III**

## INTIMATION ON TAX DEDUCTION ON DIVIDEND:

In accordance with the provisions of the Income Tax Act, 2025 dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall therefore be required to comply with the provisions of deduction of tax at source (TDS) at the applicable rates at the time of payment of final dividend for the financial year ended on 31st March, 2026 to the shareholders in accordance with the provisions of the Income Tax Act (IT Act). The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. Please note that all the details and declarations furnished should pertain to FY 2026-27. The TDS for various categories of shareholders along with required documents are provided below:

**I. For Resident Shareholders -**

Tax is required to be deducted at source under Section 393(1) of the Act, at the rate of 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). In case, shareholders do not have PAN /have not registered their valid PAN details in their account, TDS at the rate of 20% shall be deducted under Section 397(2) of the Act.

**a. Resident Individuals:**

No tax shall be deducted on the dividend payable to resident individuals if –

i. Total dividend amount to be received by them during the Financial Year 2026-27 does not exceed ₹10,000/-; or

ii. The shareholders provide Form 121, provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law.

**Note:**

1. Recording of the Permanent Account Number (PAN) for the registered Folio/DP ID-Client ID is mandatory. In the absence of valid PAN, tax will be deducted at a higher rate of 20%, as per Section 397(2) of the Act.
2. Shareholders are requested to ensure Aadhaar number is linked with his/her PAN as provided under Section 262 of the Act, as per the timelines prescribed. In case of failure of linking Aadhaar with PAN within the prescribed timelines, the PAN shall be deemed inoperative and tax shall be deducted at a higher rate under Section 397(2).

**b. Resident Non-Individuals:**

No tax shall be deducted on the dividend payable to the following resident non-individuals if they provide details and documents as given below:

i. Insurance Companies: Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.

ii. Mutual Funds: Self-declaration that it is registered with SEBI and is specified under Section 11 Schedule VII of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.

iii. Alternative Investment Fund (AIF): Self-declaration that its income is exempt under Section 11 Schedule V of the Act and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.

iv. New Pension System (NPS) Trust: Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 11 Schedule VII of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.

v. Other Non-Individual shareholders: Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

c. In case, shareholders (both individuals or non-individuals) provide certificate under Section 395 of the Income-tax Act, 2025, for lower/NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

d. Benefit under Rule 203 - In case where shares are held by Clearing Member/ intermediaries/ stock brokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration.

**II. For Non-resident Shareholders -**

Taxes are required to be withheld in accordance with the provisions of Section 393(2) of the Act, as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident shareholders provide a certificate issued under Section 395 of the Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

Further, as per Section 159 of the Act, the non-resident shareholder has an option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the DTAA benefits, the non-resident shareholders are required to provide the following:

i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. In case, PAN is not available, the non-resident shareholder shall furnish (a)name, (b)email id, (c)contact number, (d)address in residency country, (f)Tax Identification Number of the residency country.

 i. Self-attested copy of Tax Residency Certificate (TRC) (for the period April 2026 to March 2027) obtained from the tax authorities of the country of which the shareholder is a resident.

 ii. Self-declaration in Form 10F (electronically filed and verified on the e-filing portal).

 iii. Self-declaration by shareholder certifying the following:

 - meeting the eligibility requirements under DTAA
 - entitlement to receive the Dividend being a beneficial owner of the Shares for the period 1st April 2026 to 31st March 2027.
 - Is and will continue to remain the tax resident of the country of its residence during the period 1st April 2026 to 31st March 2027.
 - Does not have Permanent Establishment (PE) / Place of Effective Management in India

iv. In case of Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs), copy of SEBI registration certificate.

It is recommended that shareholders should independently satisfy its eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

## PAYMENT OF DIVIDEND

The Final dividend on Equity Shares for FY 2025-26, once approved by the shareholders of the Company at the AGM, will be paid after deducting the tax at source as under:

**A. FOR RESIDENT SHAREHOLDERS:**

- Nil withholding in case the total dividend paid is up to ₹10,000/-.
- Nil withholding for resident shareholders in case Form 121 is submitted along with self-attested copy of the PAN linked to Aadhaar.
- Nil/ Lower withholding tax rate on submission of self-attested copy of the certificate issued under Section 395 of the Act.
- 10% for resident shareholders in case PAN is provided / available.
- 20% for resident shareholders in case PAN is not provided / not available/ PAN-Aadhaar linking not done.

**B. FOR NON-RESIDENT SHAREHOLDERS:**

- Tax treaty rate (based on tax treaty with India) for beneficial non-resident shareholders, as applicable will be applied on the basis of documents submitted by the non-resident shareholders.

- Nil/ Lower withholding tax rate on submission of self-attested copy of the certificate issued under Section 395 of the Act.
- 10% plus applicable surcharge and cess for GDR holders if they provide a self-attested copy of the PAN card in accordance with provisions of Section 393 read with section 209 of the Act.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the above-mentioned documents are not submitted.

**C. FOR SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY:**

Shareholders holding Equity shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

**SUBMISSION OF TAX RELATED DOCUMENTS:**

The referred documents can be submitted with Company's RTA before the record date at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html or at the following address or through email from your registered e-mail ID:

M/s. MUFG Intime India Private Limited
*(Formerly Link Intime India Private Limited)*
C-101, 247 Park, L.B.S. Marg, Vikhroli West,
Mumbai – 400 083, Maharashtra, India
E-mail ID: investor.helpdesk@in.mpms.mufg.com

Shareholders can contact Company for any query related to dividend on icilinvestors@indocount.com

**No communication/documents on the tax determination / deduction shall be considered post Friday, 14th August, 2026.**

If the requisite documents and details are not provided by the shareholders within the specified time, TDS would be regulated as per the provisions of the Act. In such a case, if TDS is deducted at a rate which is considered higher than the applicable rate of tax in a particular case, refund of such excess TDS may be claimed by the shareholder as provided under law. No claim shall, however, lie against the Company for such deduction of TDS. Shareholders will also be able to see the credit of TDS in Form 168, which can be downloaded from their e-filing account at https://www.incometax.gov.in/iec/foportal/.

Further, shareholders who have not registered their email address are requested to register the same with our RTA at weblink: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html. Shareholders are further requested to complete necessary formalities with regard to their Bank accounts updation for enabling the Company to make timely credit of dividend in respective bank accounts. For any queries related to the payment of dividend, shareholders can write on email Id's i.e. icilinvestors@indocount.com or investor.helpdesk@in.mpms.mufg.com

**Information at a glance**

| Particulars | Details |
|---|---|
| **Time and date of AGM** | Tuesday, 25th August, 2026 at 12:00 noon (IST) |
| **Mode** | Video Conferencing ("VC") |
| **Link for Participating in the meeting through VC** | https://www.evoting.nsdl.com/ |
| **Contact details of NSDL for assistance before or during the AGM** | E-mail: evoting@nsdl.com<br>Contact No: 022 4886 7000<br>Members can connect with:<br>Ms. Pallavi Mhatre (Assistant Vice-President-NSDL) at evoting@nsdl.com |
| **Record Date for eligibility to Final dividend** | Monday, 17th August, 2026 |
| **Date of payment of Final Dividend** | On or before Thursday, 24th September, 2026 |
| **Cut-off date for eligibility of remote e-voting and voting at the AGM** | Tuesday, 18th August, 2026 |
| **E-voting start time and date** | Saturday, 22nd August, 2026 - 9:00 a.m. (IST) |
| **E-voting end time and date** | Monday, 24th August, 2026 - 5:00 p.m. (IST) |
| **E-Voting event number (EVEN)** | 140657 |
| **E-voting website of NSDL** | https://www.evoting.nsdl.com/ |
| **Date, E-mail address and Link to submit the form for TDS exemption** | Friday, 14th August, 2026 up to 6.00 p.m. (IST)<br>E-mail ID: investor.helpdesk@in.mpms.mufg.com<br>Link: https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html |
| **Registration for Speaker Shareholder** | Send e-mail to icilinvestors@indocount.com on or before Monday, 17th August, 2026 (Please mention registered e-mail address, Name of shareholder, DP ID and Client ID/ Folio No., PAN, Mobile No. in the e-mail sent for registration) |
| **Name, address and contact details of Registrar and Share Transfer Agent.** | MUFG Intime India Private Limited<br>(Formerly Link Intime India Private Limited)<br>C-101, Embassy 247, L.B.S. Marg,<br>Vikhroli (West), Mumbai- 400083.<br>Tel No: +91 810 811 6767<br>Link to register queries- https://web.in.mpms.mufg.com/helpdesk/Service_Request.html<br>Website: https://in.mpms.mufg.com |

## Notes

INDO COUNT

Complete Comfort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