

6th Annual Report

CEDAAR TEXTILE LIMITED

Financial Year 2025-26



Meeting	6 th Annual General Meeting of the Company
Day	SATURDAY
Date	OCTOBER 31, 2026
Time	11.30 A.M.
Mode	Through VC/OAVM (Other Audio Visual Means)

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GENERAL CORPORATE INFORMATION

BOARD OF DIRECTORS

Managing Director

Mr Rajesh Mittal

Executive Director

Mr Jay Prakash Singh

Mr Virender Goyal

Non-Executive Directors

Mr Monnappa Nachappa Bachangada

Mrs Bachangada Monnappa Saraswathi

Independent Directors

Mr Kamta Nath Pandey

Mr Vinay Aggarwal

Mr Surendar Kumar Sood

Registered Office

KSSIDC Plot No B-34, Industrial Estate,
Yelahanka New Town, Bangalore,
Karnataka -560064

Tel No: +91 9815610607

Email: Info@cedartextile.com

Website: www.cedartextile.com

Stock Exchange

NSE LIMITED –EMERGE PLATFORM

G Block, Bandra Kurla Complex Bandra (E)
Mumbai 400 051 Maharashtra

Bankers

HDFC Bank Limited

Canara Bank

South Indian Bank

KEY MANAGERIAL PERSONNEL

Chief Financial Officer

Mr Virender Goyal

Compliance Officer and CEO

Mr Jay Prakash Singh

Corporate Identity Number

U17299KA2020PLC139070

ISIN for Equity Shares

INE11J101017

Statutory Auditor

M/s H.B. Kalaria & Associates

Chartered Accountants

A-601/602, The Imperial Heights,
150 Ft. Ring Road, Rajkot-(GJ) 360 004

Tel No. 0281-2581501/02/03

E-mail; infohbkalaria.in

Registrar & Share Transfer Agents

Skyline Financial Services Private Limited

D-153 A, 1st Floor, Okhla Industrial Area,
Phase - I, New Delhi-110020

Tel No: +91-11-40450193-97

CIN: U74899DL1995PTC071324

SEBI Registration No.: INR000003241

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 6TH ANNUAL GENERAL MEETING OF THE MEMBERS OF CEDAAR TEXTILE LIMITED WILL BE HELD ON SATURDAY, 31.10.2026 AT 11.30 A.M. THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2026 ALONG WITH THE REPORTS OF AUDITORS AND DIRECTORS THEREON.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited financial statements of the company for the financial year ended 31st March 2026 and the reports of the auditors and directors thereon laid before this meeting, be and are hereby considered and adopted."

2. TO APPOINT A DIRECTOR IN PLACE OF MR. MONNAPPA NACHAPPA BACHANGADA (DIN: 00205392) WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT AS A DIRECTOR.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Monnappa Nachappa Bachangada (DIN: 00205392), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. TO APPOINT A DIRECTOR IN PLACE OF MR. VIRENDER GOYAL (DIN: 08702573) WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT AS A DIRECTOR.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Virender Goyal (DIN: 08702573), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. TO APPOINT M/S H.B. KALARIA & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 104571W) AS STATUTORY AUDITORS OF THE COMPANY.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139(8) and 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s H.B. Kalaria & Associates, Chartered Accountants (FRN: 104571W) be and are hereby appointed as the Statutory Auditors of the Company to hold office for Financial year 2025-26, at such remuneration as may be approved by the Board of Directors in consultation with the Auditors, plus applicable taxes and reimbursement of travel and out-of-pocket expenses."

5. TO APPOINT M/S H.B. KALARIA & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 104571W) AS STATUTORY AUDITORS OF THE COMPANY FOR 5 (FIVE) CONSECUTIVE FINANCIAL YEARS.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), **M/s H.B. Kalaria & Associates**, Chartered Accountants (FRN: 104571W) be and are hereby appointed as the Statutory Auditors of the Company to hold office for 5 (five) consecutive Financial years from 2026-27 to 2030-31 and who shall hold the office from the conclusion of ensuing 6th Annual General Meeting of the Company till the conclusion of the 11th Annual General Meeting of the Company, at such remuneration as may be approved by the Board of Directors in consultation with the Auditors, plus applicable taxes and reimbursement of travel and out-of-pocket expenses."

SPECIAL BUSINESS:

6. TO RATIFY REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2027

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs 60,000/- (Rupees Sixty Thousand only) plus applicable tax and out of expenses incurred in connection with the cost audit, payable to **M/s Hari Govind Singh & Co., Cost Accountants, (Firm Registration No. 006762)** who has been appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027, be and is hereby ratified by the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution".

7. TO APPOINT SH SURENDAR KUMAR SOOD (DIN: - 01091404), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

To consider and, if thought it, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 ("Act"), read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations, and subject to such approvals as may be required, **Sh. Surendar Kumar Sood (DIN - 01091404)**, who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 24.07.2026 and who holds office up to the date of this Annual General Meeting, and who has attained the age of seventy-five years, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act, read with Schedule IV to the Act and the applicable provisions of the SEBI LODR Regulations, consent of the members be and is hereby accorded for the appointment of Sh Surendar Kumar Sood as an Independent Director of the Company for a first term of five consecutive years commencing from 24.07.2026, and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

8. TO CONSIDER AND APPROVE THE VARIATION IN THE OBJECTS OF THE INITIAL PUBLIC OFFERING (“IPO”) AND EXTENSION OF TIMELINE FOR UTILISATION OF THE IPO PROCEEDS:

To consider and if thought fit, to pass the following resolution, as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 13(8) and 27 of the Companies Act, 2013, (the “Act”) and other applicable provisions, if any, of the Act read with Rule 32 of the Companies (Incorporation) Rules, 2014 and Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) (including any statutory modification or re-enactment thereof) and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, and subject to any other applicable approvals, permissions and/or sanctions, the consent of the members of the Company be and is hereby accorded for the variation in the objects / terms of utilisation of the Initial Public Offering (IPO) proceeds (“IPO Proceeds”) and extension of the time limit for the utilisation of the IPO Proceeds, as stated in the Prospectus dated July 03, 2025 (“Prospectus”) filed by the Company with the Registrar of Companies (“RoC”) and submitted with the relevant stock exchanges, in the following manner:

S. No.	Original objects of the IPO as stated in the Prospectus	Amount Allocated as stated in the Prospectus (₹ in crores)	Amount Unutilised as at March 31, 2026	Revision/ Variation in Objects	Revised Allocated amount post variation
Object 1	Installation of Grid-tied Solar PV Rooftop system for captive system	8.00	8.00	Allocation of ₹ 8.00 crores from object 1 to object 3	0.00
Object 2	Modernization of machines	17.00	17.00	Allocation of ₹ 17.00 crores from object 2 to object 3	0.00
Object 3	Working Capital Requirements	24.90	NIL	Allocation of ₹ 8.00 crores, ₹ 17.00 crores and ₹ 4.91 crores from object 1,2 and 4 respectively to object 3	54.33
Object 4	General Corporate Purpose	4.91	4.91	Allocation of ₹ 4.91 crores to object 3	0.00



Object 5	Issue related Expenses	6.09	NIL	Allocation of ₹ 0.48 crores from object 3 to object 5	6.57
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RESOLVED FURTHER THAT the Mr. Rajesh Mittal, Managing Director, Mr. Jay Prakash Singh, Executive Director of the Company and Mr. Virendra Goyal, Chief Financial Officer and Mr. Monnappa Nachappa Bachangada, Director of the Company, be and are hereby severally authorized to do all such acts, deeds and things as they may, in their discretion, deem necessary or desirable or expedient to give effect to this resolution, for and on behalf of the Company including but not limited to making applicable filings and disclosures (with ROC or applicable stock exchanges or other authorities)."

**By Order of the Board
For CEDAAR TEXTILE LIMITED**

Place: Bangalore
Date: 06.10.2026

Sd/-
(Jay Prakash Singh)
Chief Executive Officer
DIN: 11328640

Sd/-
(Rajesh Mittal)
Managing Director
DIN: 08702551

NOTES:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, with respect to the Special Business to be transacted at the 6th Annual General Meeting (the 'Meeting/AGM') is annexed hereto.
2. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Sunday, the 25.10.2026 to Saturday, the 31.10.2026 (both days inclusive) for the purpose of AGM.
4. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, 09/2023, 09/2024 and SEBI vide its Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 6th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
5. The Company has appointed CS Bhupesh Gupta of B K Gupta & Associates, Practicing Company Secretaries, Ludhiana as the Scrutinizer for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.
6. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a duly certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. In case of joint holders, the member whose name appears as the first holder in the order of names as per the register of members of the Company will be entitled to vote.
8. To support the 'Green Initiative', Members holding Shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participant ('DP').
9. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
11. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members

on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

12. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
13. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
14. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://cedaartextile.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
15. The Securities and Exchange Board of India (SEBI) vide circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 has mandated compulsory submission of Permanent Account Number (PAN) and bank details by every participant in the securities market. Members holding shares in the electronic form are, therefore requested to submit their PAN and bank details to their Depository Participant(s) and members holding shares in physical form shall submit the details to Company/RTA.

INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on October 28, 2026 at 9.00 AM and ends on October 30, 2026 at 5.00 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of October 24, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would

be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	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 to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 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. 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 & My Easi New (Token) Tab and then click on registration option. 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is 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 3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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 Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
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
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.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(ii) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (iii) After entering these details appropriately, click on “SUBMIT” tab.
- (iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the EVSN for Cedar Textile Limited on which you choose to vote.
- (vii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



- (viii) Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.
- (ix) After selecting the resolution, you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- (x) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- (xiii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiv) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@cedaartextile.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.



5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@cedaartextile.com The shareholders who do not wish to speak during the AGM but have queries may send their queries advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@cedaartextile.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. **For Physical shareholders:** Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. **For Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP).
3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

**By Order of the Board
For CEDAAR TEXTILE LIMITED**

Place: Bangalore	Sd/- (Jay Prakash Singh) Chief Executive Officer DIN: 11328640	Sd/- (Rajesh Mittal) Managing Director DIN: 08702551
Date: 06.10.2026		



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 6

TO RATIFY REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2027

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of **M/s Hari Govind Singh & Co., Cost Accountants, (Firm Registration No. 006762)** as Cost Auditors to conduct the audit of the cost accounts maintained by the Company for the financial year ending 31st March, 2027, at a remuneration of Rs 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the members of the Company. Accordingly, the consent of the Members is sought for the approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2027.

The Board recommends the approval of the remuneration payable to M/s Hari Govind Singh & Co., Cost Accountants, (Firm Registration No. 006762), for conducting the cost audit and the passing of the **Ordinary Resolution** set out at Item No.6 of the Notice.

None of the Directors or Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise, in this resolution.

Item No. 7

TO APPOINT SH SURENDAR KUMAR SOOD (DIN: - 01091404), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

The Board of Directors of the Company appointed **Sh. Surendar Kumar Sood** (DIN: 01091404) as an Additional Director of the Company with effect from 24.07.2026. In accordance with the provisions of Section 161(1) of the Companies Act, 2013 and the rules framed thereunder, Sh. Surendar Kumar Sood shall cease to hold office at the ensuing Annual General Meeting; however, he is eligible for appointment as a Director. Further, a notice under Section 160 of the Companies Act, 2013 has been received from a Member signifying his intention to propose the appointment of Sh. Surendar Kumar Sood as an Independent Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, it is proposed by the Board to appoint **Sh. Surendar Kumar Sood** as an Independent Director, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from the date of his appointment by the Members.

Sh. Surendar Kumar Sood is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") and has given his consent to act as a Director. The Board has also received a declaration from him confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Sh. Surendar Kumar Sood has attained the age of 75 years. Accordingly, in terms of provisions of companies act, the appointment of a person as a Non-Executive Director who has attained the age of 75 years requires approval of the Members by way of Special Resolution. Further, as the proposed appointee is being appointed as an Independent Director, approval of the Members **by way of Special Resolution** is also required in accordance with the applicable provisions of the Listing Regulations.

The Board, based on the recommendation of the Nomination and Remuneration Committee, is of the opinion that Sh. Surendar Kumar Sood possesses the requisite **knowledge, experience, expertise, integrity and competence** required for the proposed position. Considering his extensive experience of more than five decades in Industry and Trade, corporate directorship experience, business acumen,

leadership capabilities and involvement in social and community service, the Board believes that his appointment would provide valuable guidance, mature advice and independent judgment and would contribute to the effective functioning of the Company.

The justification for appointing Sh. Surendar Kumar Sood, notwithstanding that he has attained the age of 75 years, is that his extensive experience, professional expertise, business knowledge and mature judgment are considered valuable to the Company. **His long-standing experience in Industry and Trade, coupled with his corporate and leadership experience**, would enable the Board to benefit from his independent perspective and informed advice on matters relevant to the Company's business, governance and overall growth.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Sh. Surendar Kumar Sood himself, is in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the **Special Resolution** as set out at Item No. 7 of the Notice for approval by the Members for the appointment of Sh. Surendar Kumar Sood as an Independent Director of the Company.

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) regarding the director seeking appointment/re-appointment at the AGM is provided separately in the Notice.

Name	Surender Kumar Sood
DIN	01091404
Date of Birth	29/04/1939
Father name	Sh. Daulat Ram
Current Designation	Additional Director (Non-Executive, Independent)
Whether part of Promoter/ Promoter Group	No
Qualification	Bachelor's Degree
Current Occupation	Business
Brief Profile including expertise and past experiences	Sh. Surendar Kumar Sood is a seasoned businessman and professional with more than 50 years of experience in Industry and Trade. He has experience in manufacturing automotive and industrial filters and has also been associated with various business enterprises in leadership and directorial capacities. He has served as an Independent Director in Cremica Agro Foods Ltd. and Highway Industries Ltd. for more than ten years. He has also served as Chairman of Lions Bhawan Trust during 2003-04 and 2018-19 and has held various leadership positions in Lions Club Ludhiana.
Terms and conditions of appointment	Appointed for the period of 5 years
Details of remuneration sought to be paid	No remuneration except sitting fees shall be paid as may be decided by the Board
Date of first appointment on the board	24.07.2026

Relationship between director inter-se	Not related to any director
Directorship held in other Companies	Nil
Skills and capabilities required for the role of Independent Directors and the manner in which the proposed person meets such requirements	He has extensive expertise in business management, strategic planning, and Market dynamics.
No. of equity shares held in the Company	NIL
Member of Committees Audit/ Risk Management/ Stakeholder Committee/ Partnership Firms/ LLP/ Proprietorship Firms	N/A
Listed entities from which Director has resigned from directorship in last three (3) years	Cremica Agro Foods Limited

Item No. 8

TO CONSIDER AND APPROVE THE VARIATION IN THE OBJECTS OF THE INITIAL PUBLIC OFFERING ("IPO") AND EXTENSION OF TIMELINE FOR UTILISATION OF THE IPO PROCEEDS:

- Background:** The Company had undertaken an Initial Public Offering in the Financial Year 2025-26 which comprised of a fresh issue of equity shares by the Company aggregating to Rs. 60.90 crores.
- The original purpose or object of the Issue, the money utilised for the objects of the Company stated in the prospectus, the extent of achievement of proposed objects and the unutilised amount out of the money so raised through prospectus**

The objects towards which the amount was raised as stated in prospectus along with utilisation are as follows:

S. No.	Original objects of the IPO as stated in the Prospect	Amount Allocated (₹ in crores)	Amount utilised till March 31, 2026 (₹ in crores)	Amount un-utilised till March 31, 2026 (₹ in crores)
Object 1	Installation of Grid-tied Solar PV Rooftop system for captive system	8.00	0.00	8.00
Object 2	Modernization of machines	17.00	0.00	17.00
Object 3	Working Capital Requirements	24.90	54.31	-29.41
Object 4	General Corporate Purpose	4.91	0.00	4.91
Total Net proceeds from the fresh issue		54.81	54.31	0.50
Object 5	Issue related Expenses	6.09	6.57	-0.48
Gross IPO Proceeds		60.90	60.88	0.02

The Company has substantially deployed the IPO proceeds towards the objects disclosed in the Prospectus. The proposed variation relates only to the balance unutilised amount and is intended to optimise the utilisation of such funds in line with the Company's current business requirements.

3. The particulars of the proposed variation in the objects for which the Prospectus was issued:

S. No.	Original objects of the IPO as stated in the Prospect	Amount Allocated as stated in the Prospectus (₹ in crores)	Amount Unutilised as at March 31, 2026	Revision/ Variation in Objects	Revised Allocated amount post variation
Object 1.	Installation of Grid-tied Solar PV Rooftop system for captive system	8.00	8.00	Allocation of ₹ 8.00 crores from object 1 to object 3	0.00
Object 2.	Modernization of machines	17.00	17.00	Allocation of ₹ 17.00 crores from object 2 to object 3	0.00
Object 3.	Working Capital Requirements	24.90	NIL	Allocation of ₹ 8.00 crores, ₹ 17.00 crores and ₹ 4.91 crores from object 1,2 and 4 respectively to object 3	54.33
Object 4.	General Corporate Purpose	4.91	4.91	Allocation of ₹ 4.91 crores to object 3	0.00
Object 5.	Issue related Expenses	6.09	NIL	Allocation of ₹ 0.48 crores from object 3 to object 5	6.57

4. The reason and justification for seeking variation in the objects of the IPO:

The Company continuously reviews its capital allocation strategy to ensure that available resources are deployed efficiently and in a manner that supports business growth and maximises shareholder value.

Following the IPO, the Board undertook a detailed review of the Company's operational priorities, funding requirements and prevailing business conditions. Based on such review, the Board has determined that deployment of the unutilised IPO proceeds towards working capital requirements would better support the Company's current and future business needs.

Additional working capital will provide greater operational flexibility, strengthen liquidity and enable the Company to respond effectively to customer requirements and market opportunities.

The projects relating to machinery modernisation and installation of the solar power system continue to remain part of the Company's long-term growth strategy. However, considering present business priorities and the objective of optimising the utilisation of available funds, the Board considers it prudent to defer these capital expenditure initiatives and prioritise working capital requirements at this stage.



The proposed variation is expected to facilitate more efficient utilisation of the IPO proceeds and support the Company's growth objectives and overall financial position.

5. The proposed time limit within which the proposed varied objects would be achieved:

The Company proposes to utilise the reallocated funds towards its working capital requirements on or before December 31, 2026, depending upon operational and business requirements.

6. The estimated financial impact of the proposed alteration on the earnings and cash flow of the Company:

The proposed reallocation is expected to strengthen the Company's liquidity position and enhance financial flexibility. The availability of additional working capital will support business operations, facilitate efficient management of production and inventory cycles and enable the Company to capitalise on growth opportunities.

While the precise financial impact cannot be quantified at this stage and will depend upon future business performance and market conditions, the Board believes that the proposed variation will support the Company's operational efficiency, financial position and long-term growth objectives.

7. The amount proposed to be utilised for the new objects:

While no new object is being introduced, the proposed variations in the utilisation of the IPO Proceeds are detailed in point no. 3 of this explanatory statement.

8. Risk factors pertaining to new objects:

No new object is being introduced pursuant to the proposed variation. The funds are proposed to be utilised towards the Company's working capital requirements, which are directly connected to its existing business operations.

The utilisation of funds will remain subject to normal business and market risks applicable to the textile industry. The Company will continue to monitor the deployment of funds in accordance with its internal governance policies and applicable regulatory requirements.

9. The place from where any interested person may obtain a copy of the notice of resolution to be passed:

The Notice of the resolution proposed to be passed is available on the Company's website at <https://cedaartextile.com/>, websites of the Stock Exchanges, i.e., National Stock Exchange of India Limited at www.nseindia.com, and on the website of Company's Registrar and Transfer Agent, Skyline Financial Services Private Limited ("Skyline") at www.skylinerta.com.

10. Any other relevant information which is necessary for the members to take an informed decision on the proposed resolution:

The Company has utilised more than 75% of the IPO Proceeds towards the objects of the IPO, therefore, the conditions for applicability of the exit offer under Regulation 281A read with Schedule XX of the SEBI ICDR Regulations, do not apply to this proposed variation.

In terms of Sections 13(8) and 27 of the Companies Act, 2013 and rules made thereunder and applicable provisions of the SEBI (ICDR) Regulations, the aforesaid proposal of variation of objects is being placed before the shareholders for approval by way of a special resolution as set out at Item No. 8.



None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

**By Order of the Board
For CEDAAR TEXTILE LIMITED**

Sd/-

(Jay Prakash Singh)

Chief Executive Officer

DIN: 11328640

Sd/-

(Rajesh Mittal)

Managing Director

DIN: 08702551

Place: Bangalore

Date: 06.10.2026



BOARDS' REPORT

Dear Members,

CEDAAR TEXTILE LIMITED

Your directors have pleasure in presenting the **6th Annual Report** on business and operations of the Company together with the Audited Financial Statements for the financial year ended on **31st March 2026**.

1. COMPANY OVERVIEW AND STATE OF AFFAIRS

Cedaar Textile Limited is engaged in the manufacturing and sale of a diverse range of textile products, including raw white yarns, melange yarns, solid top-dyed yarns, and grey fancy yarns. These products are produced using various fibers such as cotton, polyester, acrylic, viscose, tencel, modal, and other blended fibers. The Company specializes in the production of high-quality melange yarns that are widely used in household textiles, woven fabrics, and hosiery applications.

With sustainability at the core of its operations, Cedaar Textile Limited offers yarns made from 100% organic and recycled fibers, including recycled polyester and recycled cotton, promoting environmental protection and the conservation of natural resources.

The Company's primary objective is to serve leading domestic and international customers who manufacture garments for globally recognized fashion brands, ensuring superior quality, innovation, and sustainable textile solutions.

2. FINANCIAL PERFORMANCE AND HIGHLIGHTS

FINANCIAL RESULTS

Amount (in ₹ Lakhs)

Particulars	2025-26	2024-25
Revenue from Operations	16,280.04	20,713.25
Other Income	186.10	141.11
Total Income	16,466.14	20,854.36
Total Expenses	26,017.45	19,224.30
Profit/(Loss) for the year before Tax and exceptional and extra ordinary items	(9551.30)	1,630.06
Less: Exceptional and Extra Ordinary Items	NIL	NIL
Profit/ (Loss) before Tax	(9,551.30)	1,630.06
Less: Current Tax	NIL	307.35
Less: Deferred Tax	(2,412.83)	118.83
Less: Tax related to last year	NIL	NIL
Profit/(Loss) after Tax	(7138.47)	1,203.88

HIGHLIGHTS

During the year under review, your company recorded a total income of ₹ 16,466.15 Lakhs as compared to ₹ 20,854.36 Lakhs in the previous financial year. The Company suffered losses of ₹ 9,551.30 Lakhs during the year under review as compared to profit of ₹ 1,630.06 Lakhs reported in the previous financial year.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the company during the year under review.

4. TRANSFER TO RESERVES

The Company has incurred a loss during the year under review. Accordingly, no amount was transferred to any reserve.

5. DIVIDEND

Your Directors do not recommend any dividend for the Financial Year under review.

6. TRANSFER OF UNCLAIMED DIVIDEND TO THE IEPF

During the year under review, there were no amounts of unclaimed or unpaid dividend required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, no such transfer was made during the financial year.

7. SHARE CAPITAL

a) Authorized Share Capital - The Company has an Authorized Share Capital of ₹15,00,00,000/- (Rupees Fifteen Crore only), comprising 1,50,00,000 Equity Shares of ₹10/- each.

b) Paid up Equity Share Capital - The Company had Paid up Equity Share Capital of ₹ 9,52,86,000/- (Rupees Nine crore fifty two lakh eighty six thousand only) divided into 95,28,600 Equity Shares of ₹. 10/- each.

During the year under review, the Company has issued, offered and allotted 43,50,000 fresh Equity Shares of ₹ 10/- each through Initial Public Offering on SME platform of National Stock Exchange of India ('NSE') i.e. NSE Emerge at an issue price of ₹ 140/- per share, which included a premium of ₹130/- per share. On 07 July 2025, the Company got its equity shares listed on NSE Emerge.

Consequently, as on the end of the Financial year 31.03.2026, the Paid-up Share Capital of the Company was ₹ 13,87,86,000/- divided into 1,38,78,600 Equity Shares of ₹ 10/- each.

Further, except above, it is hereby declared that the Company has:

- a. not issued equity shares with differential rights as to dividend, voting or otherwise;
- b. not issued any sweat equity shares;
- c. not issued any Employee Stock Option Scheme/Plan or exercised any options thereunder; and
- d. not provided any money for the purchase of its own shares by employees or by trustees for the benefit of employees.

8. ANNUAL RETURN

Pursuant to the provisions of Sections 134(3) (a) and 92 of the Companies Act, 2013, the Annual Return of the Company for the Financial year ended March 31, 2026 is available on the Company's website. The Annual Return can be accessed through the following web link: <https://cedaartextile.com/annual-return/>

9. PARTICULARS OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS WITH RELATED PARTY

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis, in compliance with the provisions of Section 188 of the Companies Act, 2013 and applicable rules.

All the necessary details of transactions entered with the related parties as defined under Section 188 of the Companies Act, 2013 and related party defined under Section 2 (76) of the said Act are attached herewith in Form No. AOC-2 for your kind perusal and information as **"Annexure A"**.

10. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS

Your Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2026. Further, the Company has not accepted any deposit or loans in contravention of the provisions of Chapter V of the Companies Act, 2013 and the Rules made there under.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

There were no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015, the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

13. CORPORATE GOVERNANCE

The Company is listed on the NSE Emerge and exempted from provisions of corporate governance as per Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the Company is exempted from the compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V

Hence, no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that your Company is committed to maintaining the highest standards of Corporate Governance.

14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a. In the preparation of the annual accounts for the year ended on 31st March, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. They had prepared the annual accounts on a going concern basis;
- e. They had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- f. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. DECLARATION BY DIRECTOR(S)

The Company has received declarations from the Independent Directors of the Company that they meet with the criteria of independence as prescribed under Sub- section (6) of Section 149 of the Companies Act, 2013 in compliance of Rule 6(1) and (3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time and there has been no change in the circumstances which may affect their status as independent director during the year and they have complied with the code of conduct for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. During the year under review, the Non-Executive Directors/Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, paid to them for attending meetings of the Board and Committee of the Company.

16. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

A. Composition of Board of Directors

As on 31.03.2026, the Board of Directors of Company comprises a total of 7 (seven) Directors including 2 (two) Independent Directors.

The members of the Board possess diverse experience and expertise across various fields of business and administration. Their collective knowledge and skills create a strong synergy that contributes to the overall growth and performance of the Company. The Board plays a vital role in policy formulation and strategic decision-making while providing effective guidance and oversight to the executive management in the discharge of its responsibilities.

S. No.	DIN	Name of Director	Designation	Category
1.	08702551	Rajesh Mittal	Managing Director	Promoter
2.	08702573	Virender Goyal	Executive Director	Promoter
3.	00205392	Monnappa Nachappa Bachangada	Non-Executive Director	Promoter
4.	00205250	Bachangada Monnappa Saraswathi	Non-Executive Director	Promoter
5.	11328640	Jay Prakash Singh	Executive Director	Professional
6.	00694714	Kamta Nath Pandey	Non-Executive Director	Independent
7.	00878512	Vinay Aggarwal	Non-Executive Director	Independent

**Sh. Surendar Kumar Sood (DIN: - 01091404), was appointed as an Additional Independent Director (Non- Executive) of the Company w.e.f 24.07.2026 for a period of 5 years subject to the approval of members of the company at the ensuing general meeting.*

B. Changes in Directors

DIN	Name of Director	Date	Nature of Change
11328640	Jay Prakash Singh	23.10.2025	Appointment As Executive Professional Director
11328640	Jay Prakash Singh	15.11.2025	Change In Designation As Executive Professional Director

00878512	Vinay Aggarwal	15.11.2025	Change In Designation As Non- Executive Independent Director
05155631	Rajesh Bansal	21.11.2025	Cessation As Non-Executive Independent Director
09636972	Yogendra Kumar Singhal	05.03.2026	Cessation As Non-Executive Independent Director

C. Directors seeking appointment/re-appointment at the ensuing Annual General Meeting

In the ensuing AGM, the Board of Directors is proposing the following appointment/re-appointment as set out in the notice of AGM:

- Mr. Monnappa Nachappa Bachangada (DIN: -00205392) Non-Executive Director of the company, is liable to retire by rotation and being eligible offers himself for re-appointment;
- Mr. Virender Goyal (DIN: -08702573) Director of the company, is liable to retire by rotation and being eligible offers himself for re-appointment;
- Appointment of Sh Surendar Kumar Sood (DIN:-01091404), as an independent director of the company for a first term of five consecutive years commencing from 24.07.2026, and that he shall not be liable to retire by rotation.

D. Key Managerial Personnel (KMP)

As on March 31, 2026, the Company comprised of the following Key Managerial Personnel:

S. No.	PAN	Name of KMP	Designation
1.	ACHPM4617Q	Rajesh Mittal	Managing Director
2.	BOGPS8739M	Jay Prakash Singh #	Chief Executive officer (CEO)
3.	AEFPG6425A	Virender Goyal	Chief Financial Officer (CFO)
4.	CZIPJ6080Q	Anushka Jain ##	Company Secretary

#Mr. Jay Prakash Singh, Chief Executive Officer (CEO), was designated as the Compliance Officer of the Company w.e.f. July 24, 2026

***Ms. Anushka Jain was appointed as Company Secretary w.e.f. August 1, 2025 who resigned from the position KMP of the Company w.e.f. June 30, 2026.*

**Ms. Neha Prabhakar Rawat resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. 31 July 2025*

17. ANNUAL EVALUATION OF BOARD OF ITS PERFORMANCE, OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Company has established a framework for performance evaluation in line with applicable regulatory provisions and in compliance with the Act and the performance evaluation of the Board and its Committees were carried out during the year under review.

The performance of the Board is evaluated based on composition of the Board, its committees, performance of duties and obligations, governance issues etc. The performance of the committees is evaluated based on adequacy of terms of reference of the Committee, fulfilment of key responsibilities, frequency and effectiveness of meetings etc. The performance of individual Directors and Chairman was also carried out in terms of adherence to code of conduct, participation in board meetings, implementing corporate governance practices etc.

The Independent Directors are evaluated based on their participation and contribution, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation.

18. COMMITTEES OF THE BOARD

The Company has following 3 (three) Committees as follows:

A. Audit Committee

The Audit Committee of the Company was constituted ("Audit Committee"), as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its power) Rules, 2014.

The Committee meeting was held on 23.06.2025, 28.07.2025, 23.10.2025, 11.11.2025, 14.11.2025, 06.01.2026

The composition of the Audit Committee as at 31.03.2026 are given hereunder:

Name of Director	Designation of Committee	Nature of Directorship
Vinay Aggarwal	Chairman	Non-Executive & Independent Director
Kamta Nath Pandey	Member	Non-Executive & Independent Director
Rajesh Mittal	Member	Managing Director

The Company Secretary served as the Secretary to the Committee.

Note: Mr. Yogendra Kumar Singhal, who was a chairman of Audit Committee, resigned from the Directorship of the Company with effect from 05.03.2026 and subsequently ceased to be chairman of Audit Committee.

Further, Mr Rajesh Bansal who was a Member of Audit Committee resigned from the Directorship of the Company with effect from 21.11.2025 and subsequently ceased to be member of Committee.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company was constituted ("NRC Committee"), as per the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of board and its power) Rules, 2014.

The Committee meeting was held 02.08.2025, 23.10.2025 and 06.03.2026

The composition of the Nomination and Remuneration Committee as at 31.03.2026 are given hereunder:

Name of Director	Designation of Committee	Nature of Directorship
Vinay Aggarwal	Chairman	Non-Executive & Independent Director
Kamta Nath Pandey	Member	Non-Executive & Independent Director
Monnappa Nachappa Bachangada	Member	Non-Executive Director

Note: Mr. Rajesh Bansal, who was a chairman of Nomination and Remuneration Committee, resigned from the Directorship of the Company with effect from 21.11.2025 and subsequently ceased to be chairman of Nomination and Remuneration Committee.

Further, Mr Yogendra Kumar Singhal who was a Member of Nomination and Remuneration Committee resigned from the Directorship of the Company with effect from 05.03.2026 and subsequently ceased to be member of Nomination and Remuneration Committee.

C. Stakeholders' Relationship Committee

Our Company has constituted a Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013.

The table below highlights the composition and attendance of the members of the Committee as on March 31, 2026

Name of Director	Designation of Committee	Nature of Directorship
Vinay Aggarwal	Chairman	Non-Executive & Independent Director
Rajesh Mittal	Member	Managing Director
Kamta Nath Pandey	Member	Non-Executive & Independent Director

Note: Mr. Rajesh Bansal, who was a Chairman of Stakeholders Relationship Committee, resigned from the Directorship of the Company with effect from 21.11.2025 and subsequently ceased to be chairman of Stakeholders Relationship Committee.

Further, Mr Yogendra Kumar Singhal who was a Member of Stakeholders Relationship Committee, resigned from the Directorship of the Company with effect from 05.03.2026 and subsequently ceased to be member of Stakeholders Relationship Committee.

19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND GENERAL MEETINGS

A. Board of Directors Meetings

During the Financial year 2025-26, the Board met 12 (Twelve) times

S. No	Date of Meeting	No. of Directors associated as on the date of meeting	No. of Directors attended
1.	22.04.2025	8	8
2.	13.05.2025	8	8
3.	23.06.2025	8	8
4.	03.07.2025	8	8
5.	28.07.2025	8	8
6.	02.08.2025	8	8
7.	05.09.2025	8	8
8.	23.10.2025	8	8
9.	11.11.2025	9	8
10.	14.11.2025	9	3
11.	06.01.2026	8	8
12.	06.03.2026	7	7

B. Number of General Meeting

During the Year Under review an Annual General Meeting was held on 15.11.2025 in compliance to the provisions of the Companies Act, 2013 and Secretarial Standards issued by the Institute of Company Secretaries of India.

20. SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

21. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 11.11.2025 to review, among other things, the performance of non-independent directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

22. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Policy is formulated to provide opportunity to employees and directors to report to management concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors who express their concerns and provides for direct access to Chairman/ Chairman of the Audit Committee in exceptional cases.

The policy is applicable to all employees and directors of the Company. Whistle Blower Policy is available on the following link: <https://cedaartextile.com/policies/>

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure-B**".

24. AUDITORS

A. Statutory Auditors

According to the provision of Section 139 of Companies Act 2013, M/s Kapish Jain & Associates were the Statutory Auditors of the Company for the financial year 2025-2026. However existing statutory auditors has tendered their resignation and subsequently subject to the approval of members of the company, Board has appointed M/s. H.B. Kalaria & Associates, Chartered Accountants (FRN. 104571W) as the Statutory Auditors of the Company for the financial year 2025-2026. In this regard a resolution for seeking ratification by approval of the members of company is placed in the notice of AGM.

The Audit Report issued by Statutory Auditors for the financial year ended 31.03.2026 is self-explanatory in nature. Accordingly, no explanation or comment by the Board of Directors is required under Section 134(3)(f) of the Companies Act, 2013 in respect of the observations made in the said Audit Report.

B. Secretarial Audit

During the financial 2025-26, M/s P.S. Bathla & Associates Practising Company Secretaries were appointed as Secretarial Auditors of the Company. The Report submitted by the Secretarial Auditors for the financial year ended 31.03.2026 in form MR-3 is attached herewith as separate **Annexure** with this report.

C. Cost Auditor

M/s Hari Govind Singh & Co., Cost Accountants (FRN: 006762) was appointed as Cost Auditors by the Board of Directors in their meeting to conduct the cost audit for the financial year 2025-26 in compliance to the provisions of Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014. Cost Auditor has submitted its report for the financial year 2025-26.

D. Internal Auditor

Mr Kulvinder Singh has been appointed as an Internal Auditor to conduct internal audit of the functions and activities of the Company and maintain internal control systems of the Company.

25. BOARD'S COMMENTS ON QUALIFICATION, RESERVATION & ADVERSE REMARKS OR DISCLAIMER MADE BY:

The reports submitted by respective statutory, cost and secretarial auditor for the financial year under review are self-explanatory thus no comments required from the board in this regard.

26. DETAILS OF FRAUD REPORT BY AUDITOR

During the year under review, no frauds were reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Act read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

27. PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

During the year under review, none of the Directors of the Company were in receipt of remuneration exceeding the limits as prescribed under the provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The necessary disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as "**Annexure-C**" to this Report.

28. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company has formed a CSR Policy and the same has been uploaded on the Company's Website: [//https://cedaartextile.com/csr/](https://cedaartextile.com/csr/).

During the financial year 2025-26, the Company was required to spend an amount of ₹25.29 lakhs towards its Corporate Social Responsibility. The Company has incurred an amount of ₹26.08 lakhs towards CSR activities during the financial year 2025-26.

Accordingly, the Company has spent ₹78,000 in excess of its CSR obligation for the financial year 2025-26.

The Annual Report on CSR activities as required to be given under Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in "**Annexure-D**" which is annexed hereto and forms part of the Board's Report.

29. INTERNAL FINANCIAL CONTROL & ITS EFFECTIVENESS

Your Company's internal control system is commensurate with its scale of operations designed to effectively control the operations. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. We have documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance regarding maintaining proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations.

30. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no Subsidiary/Joint Venture or Associate Companies during the year under review.

31. RISK MANAGEMENT POLICY

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework.

The Process of Risk Management include following steps:

- a) Risk Identification and Impact Assessment
- b) Risk Evaluation
- c) Risk Reporting and Disclosures
- d) Risk Mitigating and Monitoring

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT

There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status and the Company's operations in the future.

33. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any form of sexual harassment and is committed to providing a safe and conducive work environment for all its employees. The Company has in place a policy on prevention, prohibition, and redressal of sexual harassment at workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. An Internal Complaints Committee (ICC) has been constituted to redress complaints received regarding sexual harassment.

During the financial year 2025-26, the following are the details of complaints received and disposed of under the Act:

- Number of complaints of Sexual harassment **received** during the year: **NIL**
- Number of complaints **disposed** of during the year: **NIL**
- Number of complaints **pending** for more than 90 days: **NIL**



34. COMPLIANCE WITH MATERNITY BENEFITS ACT, 1961

The Company declares that it has duly complied with the provisions of the Maternity Benefit Act, 1961. The statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable has been extended to all the eligible women employees. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

35. THE DETAILS OF AN APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year under the review, there were no applications made or proceedings pending in the name of the company under the Insolvency and Bankruptcy Code, 2016.

36. THE DETAILS OF THE DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under the review, there was no incidence occurred related to one-time settlement of loans taken from banks and financial institutions.

37. ACKNOWLEDGEMENT

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support. Your Board of Directors would like to convey their sincere appreciation for the wholehearted support and contributions made by all the employees at all levels of the Company for their hard work, solidarity, cooperation and dedication during the year.

**By Order of the Board
For CEDAAR TEXTILE LIMITED**

Place: Bangalore
Date: 06.10.2026

Sd/-
(Jay Prakash Singh)
Chief Executive Officer
DIN: 11328640

Sd/-
(Rajesh Mittal)
Managing Director
DIN: 08702551



ANNEXURE-A

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

- Details of contracts or arrangements or transactions at Arm's length basis**

S No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Auburn Design Private Limited (Entities having Common Control)
b.	Nature of contracts / arrangements / transactions	Sale of Goods
c.	Duration of contracts/arrangements / transactions	On Commercial basis
d.	Salient terms of the contracts or arrangements transaction including the value, if any.	Rs. 10.62 lakhs
e.	Date of approval by the Board	22.04.2025
f.	Amount paid as any advances, if any	NIL

ANNEXURE-B

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. CONSERVATION OF ENERGY

Particulars	Related Disclosures
The steps taken or impact on conservation of energy.	The Company continues its focus on moving towards Green Energy and technology up-gradation across its spinning and dyeing operations.
The steps taken by the Company for utilizing alternate sources of energy	The Company is progressively evaluating and moving towards renewable/green energy sources to reduce dependence on conventional power for its manufacturing operations, in line with its sustainability commitment
The capital investment on energy conservation equipment	

B. TECHNOLOGY ABSORPTION

Particulars	Related Disclosures
Efforts made towards technology absorption;	The Company continues to invest in technology up-gradation, digitalization, ERP, and R&D across its spinning, dyeing, and ETP operations to improve yarn quality and process efficiency.
Benefits derived like product improvement, cost reduction, product development or import substitution;	Product improvement: Better quality Melange, Fancy, and Dyed yarns. Product development: Wider range of speciality and sustainable yarns (Organic, BCI, GRS Recycled, Eco-friendly blends). Cost reduction: Water/resource savings via ETP recycling and process efficiencies.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	Not Applicable.
Expenditure incurred on Research and Development	R & D activities have been carried out in the business line product development and process improvement.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The company had earnings in foreign currency ammounting TO Rs. 1709.51 lakhs and value of importson CIF basis of Rs. 23.18 Lakhs

ANNEXURE-C

PARTICULARS OF EMPLOYEES

[As per section 197(12) read with the Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The Ratio of remuneration of each Director and Key Managerial Personnel to the median remuneration for the Financial Year:

Sr. No.	Name	Designation	Remuneration (Rs)	Ratio to Median Remuneration
1.	Rajesh Mittal	Managing Director	NIL	0:1
2.	Jay Prakash Singh	Director/ CEO	31,40,000	204.26:1
3.	Virender Goyal	Director/ CFO	NIL	0:1
4.	Anushka Jain*	Company Secretary	2,10,000	13.66:1

*Ms. Anushka Jain resigned from the position of Company Secretary and Compliance Officer (KMP) of the Company with effect from June 30, 2026.

Explanation:

- (i) The expression “median” means the numerical value separating the higher half of a population from the lower half, and the median of a finite list of numbers may be found by arranging all the observations from the lowest value to the highest value and picking the middle one;
- (ii) If there is an even number of observations, the median shall be the average of the two middle values.

2. The percentage increase in the remuneration of each Director, CFO, CEO & Company Secretary or manager, if any in the financial year: As stated above in item no. (i).

Sr. No.	Name	Designation	% Increase in remuneration
1.	Rajesh Mittal	Managing Director	NIL
2.	Jay Prakash Singh	Director/ CEO	NIL
3.	Virender Goyal	Director/ CFO	NIL
4.	Anushka Jain*	Company Secretary	NIL

Ms. Anushka Jain resigned from the position of Company Secretary and Compliance Officer (KMP) of the Company with effect from June 30, 2026.

3. Percentage increase/decrease in the median remuneration of employees in the financial year: NIL

4. Number of permanent employees on the rolls of company:

As on 31st March, 2026, the total number of employees on roll was 473.

5. Affirmation that the remuneration is as per the remuneration policy of the company:

It is affirmed that the remuneration paid is in accordance with the Remuneration Policy for Directors, KMPs, and Employees adopted by Cedar Textile Limited."

6. Particulars of the top 10 Employee in respect of the Remuneration Drawn During The Year 2025-26 Are As Under-

Sr. No.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Remarks
1	Jay Prakash Singh	Executive Director	31,40,000	Full time	NA	--
2	Pankaj Dhamija	Assistant General Manager	17,05,392	Full time	NA	--
3	Raj Kumar Sharma	Senior General Manager	13,49,160	Full time	NA	--
4	Parveen Singla	Chartered Accountant	11,76,912	Full time	NA	--
5	Neeraj Kumar	Assistant General Manager	9,52,860	Full time	NA	--
6	Chandrama Prajapati	Manager	9,41,532	Full time	NA	--
7	Sailesh Kumar Rai	Senior Manager	9,19,356	Full time	NA	--
8	Prikshit Singh	Deputy General Manager	8,82,684	Full time	NA	--
9	Sanjeev Joshi	Deputy General Manager	8,82,684	Full time	NA	--
10.	Munish Rajput	Deputy Manager	8,21,820	Full time	NA	--

Note:

1. Non-Executive Independent Directors receive only sitting fees for Board/Committee meetings, as per Section 197(5).

**ANNUAL REPORT ON
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. Brief outline on CSR Policy of the Company:

The Board of Directors has adopted a CSR policy inspired by the opportunity to work for a cause of humanity. The CSR initiatives of the Company is focused on activities relating to environment sustainability, eradicating hunger and rural development, education and skill development, health & wellness, women empowerment, support activities and all other activities as duly mentioned in Schedule VII of the Companies Act, 2013 to make substantial improvements in the social framework and upliftment of society.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Rajesh Mittal	Chairman	1	1
2.	Kamta Nath Pandey	Member	1	1
3.	Vinay Aggarwal	Member	1	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://cedaartextile.com/csr/>.
4. Details 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): **Not Applicable**
5.

- a) Average net profit of the company as per section 135(5): **Rs. 1,264.72 lakhs**
- b) Two percent of average net profit of the Company as per Section 135(5): **Rs. 25.29 lakhs**
- c) Surplus arising out of the 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: **NIL**
- e) Total CSR obligation for the financial year (6a+6b-6c): **Rs. 25.29 lakhs**

6.

- a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs 26.08 lakhs**
- b) Amount spent in Administrative Overheads: **NIL**
- c) Amount spent on Impact Assessment, if applicable: **NIL**
- d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs 26.08 lakhs**
- e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year 2024-2025 (in Rs. 'Lakhs)	Amount Unspent (in Rs. 'lakhs)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount to be transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	NIL	N.A.	NIL	NIL	N.A.

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

S. No.	Particulars	Amt. (in Rs. 'lakhs)
(i)	2% of average net profit of the company as per section 135(5)	Rs 25.29
(ii)	Total amount spent for the Financial Year	Rs 26.08
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Rs 0.78
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

S. No.	Preceding F. Y. (s)	Amt. transferred to Unspent CSR Account under Section 135(6) (in Rs. 'Lakhs)	Balance Amt. in Unspent CSR account under Section 135(6) (in Rs. 'Lakhs)	Amount Spent in the Financial Year (in Rs. 'Lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (In Rs. 'Lakhs)	Deficiency, if any
					Amount (In Rs. 'Lakhs)	Date of Transfer		
1.	2022-2023	----	----	----	----	----	----	----
2.	2023-2024	----	----	----	----	----	----	----
3.	2024-2025	----	----	----	----	----	14.50	----

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: NIL

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135 – N.A

Sd/-
Rajesh Mittal
(Chairman CSR Committee)



P. S. BATHLA & ASSOCIATES
Company Secretaries
S.C.O. -6, 3rd Floor
Feroze Gandhi Market, Ludhiana-141001
Ph. 0161-4416791

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDING 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,
CEDAAR TEXTILE LIMITED,
KSSIDC Plot No B-34, Industrial Estate, Yelahanka
New Town, Bangalore, Bengaluru, Karnataka, India, 560064

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. CEDAAR TEXTILE LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the **financial year 1st April, 2025 to 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:

- I. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s CEDAAR TEXTILE 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;
 - 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; **(as applicable)**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(as applicable)**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(as applicable)**

- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable as the Company has not issued any shares to directors/employees under the said regulations during the year under review)**
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period as there was no event in this regard)**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer agent during the Financial Year under review)**
- g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period as there was no event in this regard)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review)**

VI. The Company has informed that following Sector Specific laws are applicable to the Company:

- a) Environment Protection Act, 1986
- b) Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982
- c) Water (Prevention & Control of Pollution) Act, 1974 & Water (Prevention and Control of Pollution) Rules, 1975
- d) Textiles (Development and Regulation) Order, 2001

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- ii. The SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015; (to the extent applicable to the Company);

I Report that during the period under review the Company has complied with the provisions of The Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- For the **half-year ended 31.03.2025**, the **integrated filing (financial)** as per Regulation 33(3) of the SEBI (LODR) Regulations, 2015 should be filed within 60 days from the end of the quarter and financial year end, but the company has delayed the submission and filed it on 15.10.2025 for which penalty of Rs. 4,54,300 was imposed on company on 15.09.2025 which has been duly paid by the Company on 15.10.2025 respectively.
- For the **half-year ended 30.09.2025**, the **integrated filing (financial)** as per Regulation 33(3) of the SEBI (LODR) Regulations, 2015 should be filed within 45 days from the end of the quarter, but the company has delayed the submission and filed it on 21.11.2025 for which penalty of Rs. 29,500 was imposed on the company on 16.12.2025 which has been duly paid by the company on 18.12.2025.
- Pursuant to Regulation 32 of the SEBI (LODR) Regulations, 2015, the report of the monitoring agency shall be submitted within 45 days from the end of quarter, whereas the Company had filed the report on 26.02.2026 for period ended 30.09.2025, thereby delayed submission for the said quarter.

2. I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one-woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, 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 meeting.
- All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained 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.

I further report that during the audit period, the Company has not undertaken any specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

- *The Company's Public issue opened on: 30th June, 2025 and closed on: 2nd July, 2025. Subsequently, the Equity Shares of the Company were listed and admitted to trading on the National Stock Exchange with effect from 7th July, 2025.*
- *During the year under review, the members of the company in their Annual General Meeting held on 15.11.2025 has approved the agenda to shift the registered office of the Company from the State of Karnataka to State of Punjab.*

Place: Ludhiana

Date: 3rd October, 2026

UDIN: F004391H001719049

For P S Bathla & Associates

Sd/-

Parminder Singh Bathla

Company Secretary

FCS No. 4391

C.P No. 2585

Peer Review No. 7866/2026

SCO-6, Feroze Gandhi Market,

Ludhiana, Punjab-141001

Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.



‘Annexure A’

To
The Members,
CEDAAR TEXTILE LIMITED,
KSSIDC Plot No B-34, Industrial Estate, Yelahanka
New Town, Bangalore, Bengaluru, Karnataka, India, 560064

My report 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My 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.

Place: Ludhiana
Date: 3rd October, 2026

For P S Bathla & Associates

Sd/-
Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
Peer Review No. 7866/2026
SCO-6, Feroze Gandhi Market,
Ludhiana, Punjab-141001

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report highlights a period of strategic growth and operational strengthening, positioning the Company for sustainable expansion. The analysis focuses on key industry developments, operational performance, risk management, and future growth strategies as **Cedar Textile Limited** continues to strengthen its position in the textile sector while adhering to the enhanced governance and compliance requirements applicable to a listed company.

INDUSTRY STRUCTURE AND DEVELOPMENTS

During the financial year 2025–26, India's textile and apparel exports demonstrated resilience amidst global trade headwinds and the dampening impact of new US trade tariffs, reaching a total value of **₹3,25,339 Crore**. While traditional export channels faced cost pressures, specialized segments and regional manufacturing hubs maintained stability by shifting focus toward value-added production.

The industry is witnessing a structural shift towards value-added, sustainable, and differentiated textile products driven by changing consumer preferences and stringent compliance standards in global markets. This transition is encouraging manufacturers to adopt modern technologies, enhance product innovation, and improve operational efficiency to offset tariff-induced margin strains.

India's core competitive advantages—including the availability of skilled manpower, cost-efficient production capabilities, and an established supply chain network—continue to anchor its position in the global textile value chain. Furthermore, the growing preference among international buyers for diversified sourcing destinations helps buffer against localized trade policy shocks.

COMPANY OVERVIEW

Cedar Textile Limited has established itself as an integrated textile company with capabilities spanning across manufacturing, trading, and distribution activities within the textile value chain. Backed by industry expertise and a customer-centric approach, the Company serves both domestic and international markets with a diverse range of textile products. The Company's objective is to cater to leading customers in India and overseas who manufacture garments for renowned fashion brands across global markets.

Core Products and Materials

The Company operates across a diversified product portfolio and utilizes a wide range of raw materials including cotton, silk, art silk, polyester, acrylic, modal, rayon, and nylon. This broad material base enables the Company to address varying customer requirements across apparel, fashion, and home textile segments while maintaining flexibility in product development and manufacturing.

Key Focus Areas

Sustainability remains central to the Company's growth strategy. Cedar Textile Limited is focused on strengthening its presence in fashion-oriented garments through value-added yarn offerings, expanding opportunities in the safety wear segment, and increasing the supply of fire-retardant and sustainable textile products. The Company continues to align its product portfolio with changing customer preferences and evolving market trends to create long-term value.

Operational Integration

The Company follows an integrated business model encompassing procurement of raw materials, manufacturing of textile products, trading activities, and import-export operations. Its involvement across multiple stages of the textile value chain enables greater operational control, efficient resource utilization, and access to both domestic and international markets.

Market Strategy

Cedar Textile Limited remains committed to maintaining high standards of product quality, operational efficiency, and customer service in a competitive textile industry. Sustainability is embedded in the Company's product offerings, with a growing focus on yarns manufactured from 100% organic and



recycled fibres, including recycled cotton and polyester, supporting environmental conservation and responsible manufacturing practices.

Operating within the global textile and apparel sector involves navigating a dynamic and challenging risk landscape. To counter these headwinds, the Company is actively shifting focus toward value-added, sustainable, and differentiated product portfolios—such as specialized melange and dyed yarns—while optimizing operational efficiency and supply chain resilience to protect profitability against tariff-induced cost pressures.

CAPITAL MARKET DEVELOPMENTS

Following its successful listing on the NSE Emerge Platform, Cedar Textile Limited continues to comply with all applicable regulatory requirements and corporate governance standards prescribed for listed entities.

The listing has enhanced the Company's visibility among investors, customers, suppliers, and other stakeholders while strengthening its governance framework, transparency, and access to capital markets. The Company remains committed to maintaining high standards of compliance, disclosure practices, and stakeholder engagement as it progresses in its journey as a publicly listed entity.

OPPORTUNITIES

The textile industry continues to present opportunities for growth through increasing demand for quality, sustainable, and value-added products. The Company's focus on melange yarns, dyed yarns, and customized product offerings positions it well to cater to evolving customer requirements across domestic and international markets while mitigating regional trade friction caused by US tariff adjustments.

Growing preference for environmentally responsible products provides an opportunity to strengthen the Company's portfolio of organic and recycled fibre-based yarns. The Company's commitment to sustainability, coupled with its focus on product innovation and quality, is expected to support long-term business growth and customer retention.

The Company's diversified product portfolio, established customer relationships, and presence in export markets provide opportunities to expand its market reach and strengthen its position within the textile value chain. The ability to offer multiple fibre options and value-added products enables the Company to respond effectively to changing market preferences and international trade shifts.

THREATS

Challenges arising from Global Economic Uncertainty, geopolitical developments, volatility in raw material prices, fluctuations in energy and logistics costs, and changing consumer demand patterns. Intensified geopolitical tensions, economic uncertainty, and the compounding pressures of restrictive trade tariffs (particularly across major export corridors like the US) have increased landed costs, compressed operating margins, and disrupted traditional trade flows.

The Company faces intense competition from domestic and international textile manufacturers, including low-cost production hubs such as Bangladesh and Vietnam, necessitating continuous improvements in efficiency, quality, and innovation.

FUTURE OUTLOOK

The Company remains focused on strengthening its operational capabilities and improving overall efficiency to Support Sustainable Long-Term Growth. Continued emphasis will be placed on enhancing



productivity, optimizing resource utilization, and improving margins through value addition and process improvements.

The textile industry is expected to continue evolving with increasing demand for quality, sustainable, and differentiated products. In response, the Company aims to further strengthen its product portfolio, enhance customer relationships, and expand its presence in both domestic and international markets.

The Company is also evaluating capacity enhancement initiatives to support anticipated growth in demand, particularly in value-added and specialized yarn segments. Such initiatives are expected to improve operational flexibility and strengthen the Company's competitive position.

Sustainability remains an important focus area, and the Company is committed to improving energy efficiency and reducing its environmental footprint through the adoption of renewable energy and responsible manufacturing practices.

With a diversified product base, established market presence, and continued focus on innovation and efficiency, the Company believes it is well-positioned to capitalize on emerging opportunities in the textile sector while navigating industry challenges effectively.

RISKS AND CONCERNS

The Company recognizes that the textile industry operates in a dynamic and cyclical environment influenced by global demand conditions, macroeconomic trends, and supply-side constraints. Fluctuations in global economic activity, changes in consumer spending patterns, and evolving trade dynamics may impact demand for textile products and create uncertainty in business performance.

Volatility in raw material prices, particularly cotton and synthetic fibres, remains a key risk for the industry. Sudden price movements, along with fluctuations in energy, freight, and logistics costs, may affect production costs and margins. The Company continues to monitor market conditions closely and adopts appropriate procurement and pricing strategies to manage such volatility.

Foreign exchange fluctuations also pose a risk, given the Company's exposure to export and import transactions. Adverse currency movements may impact realizations and input costs, thereby affecting overall profitability.

The Company continues to strengthen its risk management framework, internal controls, and operational resilience to mitigate these risks and ensure sustainable long-term growth.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system which commensurate with the size and nature of its business. The internal control system is being supported by regular reviews by management to ensure reliability of financial and all other records to prepare financial statements and other data. Further the Audit Committee of the Board review the findings and recommendations of the internal audit and suitable implementations are affected

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The Company looks ahead with hopes to continue its good run and sustain in the current financial year and years to follow while navigating industry challenges effectively. The Company is pushing up its marketing synergies to gain access to newer markets with its product innovation strategies, improvement in overall operations and introduction of new range of products in line with prevalent trends that will help it to sail well in the ensuing financial year.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

There are no material developments in the Human Resources area. We maintains a team of skilled and semi-skilled personnel across manufacturing, operations, and support functions and continues to invest in training, skill development, and employee engagement initiatives.

The Company focuses on attracting, developing, and retaining talented individuals with the skills and expertise necessary to support its business objectives. As the Company expands its operations and production capacity, its workforce will be strengthened accordingly.

The total number of people directly and indirectly employed by the Company is **473**.

KEY FINANCIAL RATIOS

The Company has identified the following ratios as key financial ratios

Ratio	For the year ended 31.03.2026	For the year ended 31.03.2025	Reason of change more than 25%
Current ratio (in times)	0.82	1.19	The current ratio declined due to an expansion in short-term obligations and current liabilities, coupled with a reduction in current assets caused by inventory liquidation at scrap value and reduced operating liquidity.
Debt equity ratio	2.22	1.76	The debt equity ratio increased primarily due to the erosion of shareholders' funds following substantial net operational losses incurred during the year, which outweighed the modest reduction in total debt.
Debt service coverage	-1.17	2.81	The ratio deteriorated due to negative operational earnings resulting from export cancellations and inventory write-downs, alongside higher principal repayment obligations coming due during the year.
Return on equity ratio	-1.25	0.26	Return on equity turned negative largely due to net losses arising from geopolitical export bottle necks and material stock impairments against an increased average net worth base.
Inventory turnover ratio	2.94	1.46	The inventory turnover ratio increased primarily due to higher COGS driven by a material inventory write down of Rs.84 crore and a reduced average inventory base resulting from the scrap liquidation of deteriorated, order-cancelled yarn stock.
Trade receivables turnover ratio (in times)	4.96	21.54	The receivable turnover roped as average collection periods elongated amid market disruptions, resulting in higher average receivables against a decline in overall operational revenues.
Trade payables turnover ratio (in times)	4.72	12.26	The payables turnover decreased due to curtailment of fresh material purchases following reduced demand, combined with extended vendor settlement timelines leading to higher average outstanding trade payables.
Net capital turnover ratio (in times)	-75.98	29	The ratio turned negative primarily because net working capital slipped into a negative balance due to elevated current liabilities and inventory write-offs, alongside softened revenue from operations.
Net profit ratio (in %)	-0.44	0.06	The net profit margin fell owing to severe bottom-line losses driven by geopolitical export unviability, an Rs.84 crore inventory impairment, and reduced top-line realization.

Return on capital	-0.99	0.34	ROCE dropped as operating earnings (EBIT) fell significantly into negative territory due to the material inventory liquidation loss, while the capital employed base remained broadly stable.
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CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, or predictions may constitute "forward-looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events and are subject to various risks, uncertainties, and other factors that could cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements.

Important factors that may influence the Company's operations include changes in economic conditions, government policies and regulations, raw material prices, market demand, competition, foreign exchange fluctuations, and other factors beyond the Company's control.

The Company undertakes no obligation to publicly update, amend, or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are advised to exercise appropriate caution and not place undue reliance on such forward-looking statements.

Independent Auditor's Report

To
the Members of
Cedar Textile Limited
Report on the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Cedar Textiles Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, the Cash Flow Statement and the notes to the financial statements, including material accounting policy information and other explanatory information (the "Financial Statements").

We do not express an opinion on the accompanying financial statements of the entity. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

As stated in Note 38 to the financial statement the accounting data and financial records of the Company from the beginning of the financial year up to 30 September, 2025 were not available to us due to loss of data from the Company's accounting software system. The said data could not be retrieved from the cloud backup or any other alternative storage. Consequently, the Company's financial records for approximately six months of the financial year, including the opening balances as at 1st April 2025 carried forward from the preceding year, were not available for our verification. In the absence of these records, we have been unable to obtain sufficient appropriate audit evidence regarding transactions, account balances, and disclosures for the said period, the accuracy of the opening balances, and their consequential impact on the financial statement taken as a whole.

As stated in Note 5.5 to the financial statement, the Company has defaulted in repayment of its borrowings. The Company has not provided us with sufficient information and evidence to evaluate the appropriateness of the going concern assumption underlying the preparation of these financial statement. In the absence of such evidence, we are unable to determine whether the use of the going concern basis of accounting is appropriate and whether any adjustments are required to the carrying amounts of assets and liabilities, and the classification thereof.

The Company has not carried out physical verification of its property, plant and equipment during the year. In the absence of physical verification, we have been unable to obtain sufficient appropriate audit evidence regarding the existence, completeness, and condition of property, plant and equipment as at the balance sheet date.

The Company has not carried out physical verification of its inventories during the year. In the absence of physical verification, we have been unable to obtain sufficient appropriate audit evidence regarding the existence, completeness, condition, and valuation of inventories as at the balance sheet date.

The Company has not carried out reconciliations and confirmations of balances with its trade receivables, trade payables, and parties from whom advances are receivable or payable. In the absence of such reconciliations and balance confirmations, we have been unable to obtain sufficient appropriate audit evidence regarding the accuracy and completeness of trade receivables, trade payables, and advances as at the balance sheet date.

As disclosed in Note 38, the Company liquidated approximately 80-85% of its total inventory as scrap, resulting in a recognized loss of Rs. 84 crores. We were not present to observe the physical condition of the inventory prior to its deterioration, nor could we satisfy ourselves by alternative audit procedures regarding the exact timeline and valuation of the damage that led to this write-down. Additionally, due to the complete halt in the export order pipeline caused by international tariffs and war, management has not been able to provide us with a verifiable, highly probable cash flow forecast. Consequently, we were

unable to obtain sufficient appropriate audit evidence regarding the Rs. 84 crore inventory write-down and the appropriateness of management's use of the going concern basis of accounting.

We were engaged to audit the Financial Result in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in Basis for Disclaimer of Opinion, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matter

The financial statements of the Company for the year ended March 31, 2025, were audited by another auditor who expressed a modified opinion on those statements on September 25, 2025.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.
- c. The Company does not have any branches.
- d. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- e. In our opinion, except for the matters described in Basis for Disclaimer of Opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f. 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 is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.
 1. The Management has represented in Note no. 32.10 of the standalone financial statement to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or



entity, including foreign entity ("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;

2. The Management has represented in Note no. 32.11 of the standalone financial statement to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 3. Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (1) and (2) above, contain any material misstatement.
- e. The Company has not paid any dividends during the year and hence, the provisions of Section 123 of the Act are not applicable to the Company.
- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which does not have a feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software.

For **HB Kalaria and Associates**
Firm Reg. No. 104571W
Chartered Accountants

Sd/-
[Hardik Kalaria]
Partner
Membership No.: 155474
UDIN: 26155474THMDVB8785

Place: Rajkot
Date: 30/05/2026

Annexure A

Referred to in the section Report on Other Legal and Regulatory Requirements on of the Independent Auditors' Report of even date to the members of Cedar Textile Limited on the financial statements as of and for the year ended March 31, 2026

- (i) (a) In respect of its property, plant, and equipment:
- (A) The Company has not maintained records of its property, plant and equipment.
- (B) The Company has not maintained records of its intangible assets.
- (b) The Company does not have a phased programme of verification of its property, plant and equipment. Further, the records of physical verification of property, plant and equipment have not been made available to us.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued its property, plant and equipment and intangible assets during the reporting period and hence, clause (i)(d) of the Order is not applicable.
- (e) As explained to us by the management of the Company, there have not been any proceedings initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder during the current reporting period or as at the balance sheet date.
- (ii) (a) The Company has not maintained proper quantitative and class-wise records of inventory (specifically Work-in-Progress and Stores & Consumables as stated in Note 15.2(2)) in its books of account. Hence, we are unable to comment on the appropriateness of the coverage and procedures of physical verification, or whether the management has noticed and adjusted any discrepancies of 10% or more for each class of inventory in the books of account.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. As we have not received the required information from the Company to form an opinion, we are unable to comment under clause (ii)(b) of the Order.
- (iii) According to the information and explanations given to us, the company has not made investments in, provided any guarantee or security however granted loans unsecured, to other parties, during the year, in respect of which:

- (a) The Company has provided loan to parties, the details of which are as follows:

Sr. no.	Particulars	Amount (in Rs. lacs)	Balance as on balance sheet date (in Rs. lacs)
(A)	To other than subsidiaries/associates/JVs:		
1.	Loans	8.71	8.71

(b) In our opinion and as per the explanations provided to us, the loan provided by the Company are, prima facie, not prejudicial to the Company's interest.

(c) In our opinion and as per the explanations provided to us, the Company has not specified any repayment schedule for the principal and interest on loans and hence, we are unable to comment on whether repayments on such loans are regular.

(d) In our opinion and as per the explanations provided to us, the Company has not specified any repayment schedule for the principal and interest on loan(s) and hence, we are unable to comment on whether there are any overdues on such loan(s).

(e) In our opinion and as per the explanations provided to us, the Company has not specified any repayment schedule for the principal and interest on loan(s) and hence, we are unable to comment on whether any loans were renewed, extended, or fresh loan(s) were granted to settle the overdues of existing loan(s).

(f) The Company has granted loans which are without specifying any terms or period of repayment to Promoters, the details of which are as follows:

Sr. no.	Particulars	Amount (in Rs. lacs)	% to total loans granted
1	Promoters		
	Agreement does not specify any terms or period of repayment	8.71	12.76%

(iv) In our opinion and according to the information and explanations given to us, the Company has not complied with the provisions of Sections 185 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. While company has followed provision of section 186. The details of such non-compliance are as follows:

Particulars	Amount (in Rs. lacs)	Balance as on balance sheet date (in Rs. lacs)
Non-compliance u/s 185:		
No special resolution has been passed u/s 185 for loan/guarantee/security provided to director(s)/related party(ies)	8.71	8.71

(v) According to the information and explanations given to us, the Company has accepted deposits or amounts which are deemed to be deposits during the current reporting period in terms of provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. The Company has not complied with the said provisions. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in respect of the deposits accepted by the Company during the period under review.

(vi) The Company has not made and maintained the specified accounts and records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013.

(vii) In our opinion and according to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues to the appropriate authorities apart from a few delays in the payment of GST and Income-tax.

There were no undisputed amounts payable in arrears as at the balance sheet date for a period of more than six months from the date they became payable.

(b) The Company does not have any statutory dues as referred sub-clause (a) above which have not been deposited on account of disputes.

(viii) According to the information and explanations given to us, the Company does not have any transactions, which were not recorded in the books of accounts and which have been surrendered or disclosed as income during the current reporting period in the tax assessments under the Income-tax Act, 1961 due to non-availability of data.

- (ix) (a) In our opinion and according to the information and explanations given to us, the Company is in default of the repayment of loans/borrowings to banks, the details of which are as follows:

Nature of borrowing	Name of lender	Amount not paid on due date (in Rs. lacs)	Whether principal or interest	No. of days of delay or unpaid	Remarks, if any
Term Loan	HDFC Bank	257.90	Principal	52	
Term Loan	HDFC Bank	37.62	Interest	52	

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the reporting period.

(c) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans during the current reporting period and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we believe that no funds raised on short-term basis have been used for long-term purposes by the Company. We have however not made a detailed examination of the same.

(e) The Company does not have any associate, subsidiary or joint venture and hence, clause (ix)(e) of the Order is not applicable.

(f) The Company does not have any associate, subsidiary or joint venture and hence, clause (ix)(f) of the Order is not applicable.

- (x) (a) During the current reporting period, the Company has raised funds of Rs. 6090.00 lacs by way of initial public offer. In our opinion and as per the explanations given to us, there were funds remaining unutilized, the details of which is as follows:

Nature of security	Purpose for which funds were raised	Total amount raised/Opening unutilized balance (in Rs. lacs)	Amount utilized for stated purpose (in Rs. lacs)	Unutilized amounts as at balance sheet date (in Rs. lacs)	Remarks, if any
Equity Share	Working capital and modernization of machines	6090.00	6088.00	2.00	There is variation in use of funds raised from IPO for more details refer statement of deviation or variation in utilization of funds raised

(b) During the current reporting period, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the current reporting period.

(b) To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the current reporting period.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors for the period under review during our audit of the Company.

(xv) In our opinion and according to the information and explanations given to us, during the current reporting period the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, if any or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the current reporting period and hence, is not required to obtain a Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India.

(d) The Company does not have any Group companies and hence, clause (xvi)(d) of the Order is not applicable to the Company.

(xvii) In our opinion, the Company has incurred cash losses which are disclosed as follows:

Period	Amount of cash losses (in Rs. lacs)
Current reporting period	9012.00
Preceding reporting period	---

(xviii) There has been a resignation of the statutory auditors during the current reporting period under review. The outgoing statutory auditors have not raised any issues, objections or concerns regarding the affairs of the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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) (a) According to the information and explanations given to us, the Company has not transferred unspent amount, in respect of other than ongoing project(s), to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with the second proviso to sub-section (5) of section 135 of the Act.

(b) According to the information and explanations given to us, the Company, pursuant to ongoing project(s), has funds remaining unspent under sub-section (5) of section 135 of the Companies Act, which have not been transferred to a special account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013.

(xxi) Clause (xxi) of the Order is not applicable in the report on the standalone financial statements of the Company.

For **HB Kalaria and Associates**
Firm Reg. No. 104571W
Chartered Accountants

Sd/-
[Hardik Kalaria]
Partner
Membership No.: 155474
UDIN: 26155474THMDVB8785

Place: Rajkot
Date: 30/05/2026

Annexure B

Referred to in point g. of the section Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Cedar Textile Limited on the financial statements for the year ended March 31, 2026

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls over the financial reporting of Cedar Textile Limited ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 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 respective 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3)



provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect of financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Disclaimer of Opinion

During the financial year, the Company migrated its accounting operations to Tally ERP. The accounting data and financial records for the period from 1 April 2025 to 30 September 2025, maintained on the erstwhile cloud-based accounting software, became irretrievable due to discontinuation of the software by the service provider and damage to the cloud storage infrastructure. Despite efforts to recover the data, the records could not be retrieved.

Consequently, we were unable to obtain sufficient appropriate audit evidence to evaluate and test the design, implementation and operating effectiveness of the internal financial controls over financial reporting relating to the aforesaid period. Further, adequate supporting records and audit trail relating to inventory valuation, including adjustments arising from cancelled orders, were not available for our verification.

Accordingly, we were unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls over financial reporting and whether such controls were operating effectively as at 31 March 2026.

For **HB Kalaria and Associates**
Firm Reg. No. 104571W
Chartered Accountants

Sd/-
[Hardik Kalaria]
Partner
Membership No.: 155474
UDIN: 26155474THMDVB8785

Place: Rajkot
Date: 30/05/2026

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Balance Sheet as at March 31, 2026

Balance Sheet as at March 31, 2026						(in Rs. lacs)
Particulars	Note	As at March 31, 2026		As at March 31, 2025		
I. Equity and Liabilities						
Shareholders' funds						
Share capital	3	1,387.86		952.86		
Reserves and surplus	4	3,455.25		5,614.58		
Money received against share warrants		-	4,843.11	-	6,567.44	
Non-current liabilities						
Long-term borrowings	5	2,084.78		3,305.37		
Deferred tax liabilities (net)	6	-		424.05		
Other long-term liabilities		-		-		
Long-term provisions	7	38.51	2,123.29	45.72	3,775.14	
Current liabilities						
Short-term borrowings	8	8,651.24		8,247.28		
Trade payables	9					
Total outstanding dues of MSMEs		260.80		219.81		
Total outstanding dues of creditors other than MSMEs		2,346.50		2,541.43		
		2,607.30		2,761.24		
Other current liabilities	10	4,573.78		693.95		
Short-term provisions	11	29.60	15,861.92	560.89	12,263.36	
Total			22,828.31		22,605.94	
II. Assets						
Non-current assets						
Property, plant and equipment and intangible assets						
Property, plant and equipment	12	7,474.88		7,650.12		
Intangible assets	12	24.52		33.42		
Capital work-in-progress		46.61		43.13		
Intangible assets under development		-		-		
		7,546.01		7,726.68		
Non-current investments		-		-		
Deferred tax assets (net)	13	1,988.77		-		
Long-term loans and advances		-		-		
Other non-current assets	14	238.57	9,773.35	237.47	7,964.15	
Current assets						
Current investments		-		-		
Inventories	15	3,041.33		10,938.65		
Trade receivables	16	4,643.90		1,923.38		
Cash and bank balances	17	1,072.42		881.50		
Short-term loans and advances	18	4,119.98		609.90		
Other current assets	19	177.33	13,054.96	288.37	14,641.80	
Total			22,828.31		22,605.94	
Summary of significant accounting policies	2					
Contingent liabilities and commitments	20					

The accompanying notes are an integral part of the financial statements

This is the balance sheet referred to in our report of even date

For and on behalf of,
Cedaar Textile Limited

For, H B Kalaria & Associates
Chartered Accountants
Firm Registration No. 104571W

Sd/-
Rajesh Mittal
Managing Director
DIN: 08702551

Sd/-
Virender Goyal
CFO & Director
DIN: 08702573

Sd/-
Hardik H Kalaria
Partner
Mem. No. 155474

Sd/-
Monnappa Nachappa Bachangada
Director
DIN: 00205392

Sd/-
Anushka Jain
Company Secretary
Membership No.: A74894

Rajkot, May 30, 2026

Bangalore, May 30, 2026

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Statement of Profit and Loss for the period ended March 31, 2026

(in Rs. lacs)			
Particulars	Note	Period ended March 31, 2026	Period ended March 31, 2025
1 Income			
Revenue from operations	21	16,280.04	20,713.25
Other income	22	186.10	141.11
Total income		16,466.15	20,854.36
2 Expenses			
Cost of materials consumed	23	16,302.54	15,078.69
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	4,266.54	(1,792.32)
Employee benefit expense	25	1,265.35	1,506.74
Finance costs	26	964.69	1,133.59
Depreciation and amortisation expense	12	484.24	408.36
Other expenses	27	2,734.09	2,889.25
Total expenses		26,017.45	19,224.30
3 Profit/(Loss) before tax		(9,551.30)	1,630.06
4 Less: Tax expense			
Current tax		-	307.35
Deferred tax		(2,412.83)	118.83
5 Profit/(loss) for continuing operations		(7,138.47)	1,203.88
6 Profit/(loss) from discontinuing operations (after tax)		-	-
7 Profit/(loss) for the period		(7,138.47)	1,203.88
8 Earnings per share (FV Rs. 10 per share)	28		
Basic		(56.11)	14.13
Diluted		(56.11)	14.13

The accompanying notes are an integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date

For and on behalf of,
Cedaar Textile Limited

For, H B Kalaria & Associates
Chartered Accountants
Firm Registration No. 104571W

Sd/-
Rajesh Mittal
Managing Director
DIN: 08702551

Sd/-
Virender Goyal
CFO & Director
DIN: 08702573

Sd/-
Hardik H Kalaria
Partner
Mem. No. 155474

Sd/-
Monnappa Nachappa Bachangada
Director
DIN: 00205392

Sd/-
Anushka Jain
Company Secretary
Membership No.: A748

Rajkot, May 30, 2026

Bangalore, May 30, 2026

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Cash Flow Statement for the period ended March 31, 2026

Particulars	(in Rs. lacs)	
	Period ended March 31, 2026	Period ended March 31, 2025
A. Cash flow from operating activities		
Profit/(Loss) before tax	(9,551.30)	1,630.06
Adjustments for		
Finance costs	964.69	1,098.38
Depreciation and amortisation costs	484.24	408.36
Unrealised foreign exchange (gain)/loss	-	(18.57)
Interest income from non-current investments	(38.05)	(2.19)
Interest income from current investments	(49.59)	(59.32)
Provision for CSR expenditure	54.55	-
Loss on disposal/discarding/demolishment/destruction of tangible assets	46.94	-
Operating profit/(loss) before working capital changes	(8,088.53)	3,056.72
Adjustment for changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Inventories	7,897.32	(3,601.33)
Trade receivables	(2,720.52)	461.12
Short-term loans and advances	(3,433.46)	483.70
Other non-current assets	(1.10)	-
Other current assets	112.70	(55.58)
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	(153.94)	1,223.06
Short-term provisions	(37.28)	(0.62)
Long-term provisions	(7.21)	14.36
Other current liabilities	3,879.83	173.29
Cash generated from/(used in) operating activities	(2,552.19)	1,754.72
Direct taxes paid (net of refunds)	(616.46)	(34.19)
Net cash generated from/(used in) operating activities	(3,168.65)	1,720.53
B. Cash flow from investing activities		
Proceeds from sale of tangible assets	69.04	-
Purchase of tangible assets	(417.98)	(368.61)
Purchase of intangible assets	(1.58)	-
Loans and advances made to related parties/others	(8.71)	-
Interest received	85.98	4.86
Cash and bank balances not classified as cash and cash equivalents (net)	(183.13)	(32.87)
Cash generated from/(used in) investing activities	(456.37)	(396.62)
Net cash generated from/(used in) investing activities	(456.37)	(396.62)

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Cash Flow Statement for the period ended March 31, 2026

Particulars	(in Rs. lacs)	
	Period ended March 31, 2026	Period ended March 31, 2025
C. Cash flow from financing activities		
Proceeds from issue of shares	5,414.14	-
Proceeds from long-term borrowings	5,454.68	985.27
Repayment of long-term borrowings	(6,325.78)	(2,107.64)
Proceeds from short-term borrowings	22,673.84	900.17
Repayment of short-term borrowings	(22,619.39)	-
Finance costs paid	(964.69)	(1,098.38)
Cash generated from/(used in) financing activities	3,632.80	(1,320.58)
Net cash generated from/(used in) financing activities	3,632.80	(1,320.58)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	7.79	3.33
Cash and cash equivalents at the beginning of the period	7.46	4.13
Cash and cash equivalents at the end of the period	15.25	7.46

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3.
2. Previous year figures have been regrouped and recasted wherever necessary to conform to current year's classification.
3. For composition of cash and cash equivalents, see note 17 of the financial statements.

This is the cash flow statement referred to in our report of even date

For and on behalf of,
Cedaar Textile Limited

For, H B Kalaria & Associates
Chartered Accountants
Firm Registration No. 104571W

Sd/-
Rajesh Mittal
Managing Director
DIN: 08702551

Sd/-
Virender Goyal
CFO & Director
DIN: 08702573

Sd/-
Hardik H Kalaria
Partner
Mem. No. 155474

Sd/-
Monnappa Nachappa Bachangada
Director
DIN: 00205392

Sd/-
Anushka Jain
Company Secretary
Membership No.: A748

Rajkot, May 30, 2026

Bangalore, May 30, 2026

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

1. General Information

Cedaar Textile Limited (the "Company") is engaged in the business of manufacturing, buying, selling, importing, exporting and dealing in textiles, cotton, silk, art silk, rayon, nylon and other goods or merchandise whether textile felted, netted or looped. The Company is a public limited company and is listed on the EMERGE platform of NSE.

2. Summary of Significant Accounting Policies

2.1. Basis of Preparation

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements have been prepared to comply in all material aspects with the accounting standards notified under Companies (Accounts) Rules, 2014, as amended from time to time and other relevant provisions of the Companies Act, 2013 except as stated in the notes below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.2. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

2.3. Plant, Property and Equipment and Depreciation

2.3.1. Plant, Property and Equipment

a. Tangible Assets

All tangible assets are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses to acquisition and installation.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

b. Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the new disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

2.3.2. Depreciation

a. Tangible Assets

Depreciation is provided on a pro-rata basis on the straight-line method ('SLM') over the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

The following tangible asset classes have a useful life different from the useful life stated in Schedule II of the Companies Act, 2013:

Tangible Asset	Useful life*	Useful life as per The Companies Act, 2013
Residential Building	60 Years	60 Years
Vehicles	6 Years	6-8 Years
Computer	6 Years	3 Years

*Based on future projections, the Company has estimated the economic life of these assets as stated above and accordingly these assets have been amortized.

b. Intangible Assets

Intangible Assets are amortized on a straight-line basis over their estimated useful lives.

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)
Notes to Financial Statements for the period ended March 31, 2026

The following intangible asset classes have a useful life different from the useful life stated in Schedule II of the Companies Act, 2013:

Intangible Asset	Useful life*	Useful life as per The Companies Act, 2013
Computer Software	6 Years	3 Years

*Based on future projections, the Company has estimated the economic life of these assets as stated above and accordingly these assets have been amortized.

c. Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount.

2.4. Inventories

Inventories comprise of raw materials, packing materials, finished goods (manufactured). except for the effects of the non-verifiability of scrap inventory balances detailed in Note 38.4, Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on First-In-First-Out basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of manufactured finished goods comprises of materials, direct labour, other direct costs and related production overheads as applicable.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.5. Employee Benefits

a. Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

b. Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Gratuity Fund and Leave Encashment.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan"), administered by an insurer, covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

c. Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services.

2.6. Provisions and Contingent Liabilities

Provisions are recognised when there is a present 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 there is a reliable estimate of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.7. Revenue Recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Sale of services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method and is recognised net of taxes.

Revenue in respect of other types of income is recognised when no significant uncertainty exists regarding realisation of such income.

2.8. Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rate prevailing on the date of transactions. Gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss.

2.9. Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets.

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Notes to Financial Statements for the period ended March 31, 2026

Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.10. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.11. Borrowing Costs

Borrowing costs, if any, directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.12. Segment Reporting

The Company operates under a single operating segment in accordance with Accounting Standard 17 - 'Segment Reporting' and hence, segment reporting is not applicable to the Company.

2.13. Prior Period Items, Exceptional and Extraordinary Items

The Company follows the practice of making adjustments through 'prior year adjustments' in respect of all material transactions pertaining to the period prior to the current accounting year. The prior period adjustments, if any, are shown by way of notes to financial statements.

Exceptional and Extra Ordinary Items, if any, are shown separately as per applicable accounting standards.

2.14. Earnings per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20.

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Notes to Financial Statements for the period ended March 31, 2026

3. Share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Authorised				
15,000,000 (15,000,000) Equity shares of Rs. 10 each		1,500.00		1,500.00
Issued, subscribed and paid up				
13,878,600 (9,528,600) Equity shares of Rs. 10 each		1,387.86		952.86

3.1 Reconciliation of shares outstanding at the beginning and end of the period

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	in Rs. lacs	No. of shares	in Rs. lacs
At the commencement of the period	9,528,600	952.86	7,500,000	750.00
<u>Addition during the period</u>				
Issued via public offering	4,350,000	435.00	-	-
Issued in private placement (Note 1)	-	-	2,028,600	202.86
Total addition during the period	4,350,000	435.00	2,028,600	202.86
<u>Reduction during the period</u>				
Total reduction during the period	-	-	-	-
At the end of the period	13,878,600	1,387.86	9,528,600	952.86

- During the year, the Company completed its Initial Public Offering (IPO) of 43,50,000 equity shares of face value ₹10 each at an issue price of ₹140 per share, comprising a fresh issue of 41,32,000 equity shares and 2,18,000 equity shares reserved for the Market Maker, aggregating to ₹60.90 crore. The Company's shares were listed on NSE SME on July 7, 2025.

3.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Monnappa Nachappa Bachangada	3,789,176	27.30%	3,789,176	39.77%
Rajesh Mittal	3,845,208	27.71%	3,845,228	40.35%
Virender Goyal	1,744,186	12.57%	1,744,196	18.30%

3.3 Details of shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2026			As at March 31, 2025		
	No. of shares	%	% change	No. of shares	%	% change
Monnappa Nachappa Bachangada	3,789,176	27.30%	-12.46%	3,789,176	39.77%	1.77%
Saraswathi Bachangada Monnappa	150,000	1.08%	-0.49%	150,000	1.57%	-0.43%
Rajesh Mittal	3,845,208	27.71%	-12.65%	3,845,228	40.35%	0.35%
Virender Goyal	1,744,186	12.57%	-5.74%	1,744,196	18.30%	-1.70%

3.4 Aggregate no. of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years (or lesser) immediately preceding the reporting date

Particulars	Financial year	No. of shares
Fully paid up shares issued pursuant to contract for consideration other than cash	2024-25	2,028,600

3.5 Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a face value of Rs. 10 per share. Each shareholder is eligible for 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. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.6 Notes

- During the financial year ended 31st March 2025, the Company converted an unsecured loan of ₹ 2,840.04 Lakhs from directors into 20,28,600 equity shares of ₹ 10 each, issued at a premium of ₹ 130 per share, as per applicable provisions of the Companies Act, 2013.

- There are no calls unpaid.

- No shares were forfeited during the financial year 2025-26.

- There are no shares reserved for issue under the options and contracts/commitments.

- There are no securites issued, which are convertible into equity/preference shares.

- As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding -beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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Notes to Financial Statements for the period ended March 31, 2026

4. Reserves and surplus

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Securities Premium Account				
As per last Balance Sheet	2,637.18		-	
Add:				
Issue of equity shares	5,655.00		2,637.18	
	<u>5,655.00</u>		<u>2,637.18</u>	
		8,292.18		2,637.18
Surplus/(Deficit) in Statement of Profit and Loss				
As per last Balance Sheet	2,977.40		1,773.52	
Profit/Loss for the period	(7,138.47)		1,203.88	
Less:				
IPO expenses	675.86		-	
	<u>675.86</u>		<u>-</u>	
		(4,836.93)		2,977.40
Total		3,455.25		5,614.58

5. Long-term borrowings

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Secured				
<u>Rupee term loans</u>				
from banks	1,683.64		3,305.37	
		1,683.64		3,305.37
<u>Loans for assets</u>				
Other fixed assets	340.99		-	
		340.99		-
Unsecured				
<u>Loans and advances from related parties</u>				
from directors/promoters	35.15		-	
		35.15		-
Others		25.00		-
Total		2,084.78		3,305.37

5.1 Terms of repayment, nature of security and rate of interest in case of secured loans

Financier/ Category	Nature of security	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by	
					Directors	Others
Rupee loans from banks	Primary security - accepted ICs drawn on prime banks, book debts of the company, cash margin on IC, export debtors, export stock, fixed deposit, foreign letter of credit, GECL guarantee, plant and machinery OD spinning unit, stock of the company. collateral security - commodities, industrial property of the company, personal guarantee of all directors	Repayable in 78 instalments of Rs. 9,06,946 each	Yes	8.15 Linked to 3M REPO+ Spread of 2.90%	Yes	No
Other fixed asset loans	Hypothecation of plant, machinery, equipment, tools, spares, accessories, miscellaneous fixed assets and all other movable assets (except book debts, current assets)	Repayable in 78 instalments of Rs. 12,75,000 each	Yes	7.65%	Yes	No

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Notes to Financial Statements for the period ended March 31, 2026

5.2 Amount of secured loans outstanding

Secured financier	Outstanding (in Rs. lacs)*	
	As at March 31, 2026	As at March 31, 2025
SIDBI Bank	953.24	653.00
HDFC Bank	2,872.14	4,103.64
Total	3,825.38	4,756.64

*includes current portion of long-term borrowings, if any. See note 8 of the financial statements.

5.3 Terms of repayment and rate of interest in case of unsecured loans

Financier/ Category	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by		Outstanding (in Rs. lacs)*	
				Directors	Others	As at March 31, 2026	As at March 31, 2025
Loans from directors	Repayment schedule is not specified	No	NA	No	No	35.15	-
Loans from others	Repayment schedule is not specified	No	NA	No	No	25.00	-
Total						60.15	-

*includes current portion of long-term borrowings, if any. See note 8 of the financial statements.

5.4 Default in repayment of long-term borrowings

Financier	Starting date of default	As at March 31, 2026		As at March 31, 2025	
		Default in repayment of interest (in Rs. lacs)*	Default in repayment of principal (in Rs. lacs)*	Default in repayment of interest (in Rs. lacs)*	Default in repayment of principal (in Rs. lacs)*
HDFC Bank	07/02/2026	37.62	257.90	-	-
Total		37.62	257.90	-	-

5.5 Notes

1. During the year, the Company defaulted in repayment of loan instalments and interest dues to the bank for a period of two months as per the agreed repayment schedule. The said overdue amount remained outstanding as at the balance sheet date. Subsequent to the year end, the bank adjusted the overdue dues against the fixed deposits maintained by the Company with the same bank, thereby regularizing the loan account. The adjustment was carried out after the close of the financial year.

6. Deferred tax liabilities (net)

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Deferred tax liabilities on account of timing differences				
Depreciation	-	-	447.70	447.70
Deferred tax assets on account of timing differences				
Employee benefits	-	-	14.61	
Disallowance of expenditure	-	-	9.03	
				23.64
Total		-		424.05

6.1 Notes

1. Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

7. Long-term provisions

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Provision for employee benefits		38.51		45.72
Total		38.51		45.72

8. Short-term borrowings

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Secured				
Current maturities of long-term debt (see note 5)		1,800.75		1,451.27
Working capital loans from banks		6,850.48		6,259.86
Unsecured				
<u>Loans and advances from related parties</u>				
from others	-	-	536.15	536.15
Total		8,651.24		8,247.29

8.1 Terms of repayment, nature of security and rate of interest in case of secured loans

Financier/ Category	Nature of security	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by	
					Directors	Others
Working capital loans from banks	Hypothecation of the current and movable assets of the Company	Repayable on demand	Yes	8.05 Linked to 3M REPO+ Spread of 2.80%	Yes	No

8.2 Amount of secured loans outstanding

Secured financier	Outstanding (in Rs. lacs)	
	As at March 31, 2026	As at March 31, 2025
Canara Bank	2,749.22	1,985.54
HDFC Bank	3,872.50	4,259.34
SBI Bank	8.20	7.58
SIB Bank	190.56	-
SCB Bank	30.00	-
ICICI Bank	-	7.41
Total	6,850.48	6,259.86

8.3 Terms of repayment and rate of interest in case of unsecured loans

Financier/ Category	Terms of repayment	Personal security of promoters, shareholders, third parties etc.	Rate of interest	Guaranteed by		Outstanding (in Rs. lacs)*	
				Directors	Others	As at March 31, 2026	As at March 31, 2025
Loans from others	Repayment schedule is not specified	No	NA	No	No	-	536.15
Total						-	536.15

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Notes to Financial Statements for the period ended March 31, 2026

9. Trade payables

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Total outstanding dues of MSMEs		260.80		219.81
Total outstanding dues of creditors other than MSMEs		2,346.50		2,541.43
Total		2,607.30		2,761.24

9.1 Trade payables ageing schedule

1. Trade payables ageing schedule has not been compiled by the Company.

10. Other current liabilities

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Statutory dues (including withholding taxes)		1,885.05		37.43
Accrued expenses payable		61.78		-
Advances from customers		2,279.30		147.64
Employee related liabilities		342.85		210.07
Others		4.80		298.80
Total		4,573.78		693.94

11. Short-term provisions

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Provision for employee benefits		29.60		12.33
Provision for income-tax (net)		-		548.55
Total		29.60		560.89

13. Deferred tax assets (net)

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Deferred tax assets on account of timing differences				
Employee benefits	17.14		-	
Unabsorbed depreciation	175.33		-	
Unrealised/Carried forward losses	2,293.52		-	
		2,485.99		-
Deferred tax liabilities on account of timing differences				
Depreciation	497.22		-	
		497.22		-
Total		1,988.77		-

13.1 Notes

1. Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

14. Other non-current assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Unsecured				
<u>Security deposits</u>				
Considered good	238.57		237.47	
	238.57		237.47	
		238.57		237.47
Total		238.57		237.47

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Notes to Financial Statements for the period ended March 31, 2026

15. Inventories

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Raw materials		1,500.00		5,130.78
Finished goods		1,541.33		5,807.87
Total		3,041.33		10,938.65

15.1 Details of inventories

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Raw materials				
Fibres & raw cotton	1,500.00		5,130.78	
		1,500.00		5,130.78
Finished goods				
Yarn & knitted fabrics	1,541.33		5,807.87	
		1,541.33		5,807.87
Total		3,041.33		10,938.65

15.2 Notes

1. During the half-year ended March 31, 2026, the Company recognized a material inventory write-down amounting to Rs. 84 crore, which has been classified as part of changes in inventory of finished goods, work in progress and stock in trade in the statement of profit and loss. This write-down was necessitated by the severe deterioration (colour bleeding) of our export-designated dyed yarn inventory due to prolonged storage. The delay in liquidation was a direct consequence of recently imposed U.S. tariffs & U.S. Iran War, which made exports unviable for our vendor network and resulted in the sudden cancellation of anticipated orders. Upon technical inspection of this stranded inventory—which constituted 80-85% of our total stock—it was deemed unfit for primary use and subsequently liquidated as scrap at 10-15% of its original cost to optimize working capital.

2. In the absence of separate physical demarcation and stage-wise accounting records for work-in-progress (yarn & fabric in process) and stores & consumables as at March 31, 2026 (and March 31, 2025), the Company has not carried out a distinct sub-categorization among these heads. Consequently, all such inventory balances (other than raw materials) have been grouped and disclosed under 'finished goods'. In the opinion of the management, this does not have any material impact on the total valuation of inventories or the financial results for the year.

16. Trade receivables

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Others				
<u>Unsecured</u>				
Considered good	4,643.90		1,923.38	
	4,643.90		1,923.38	
		4,643.90		1,923.38
Total		4,643.90		1,923.38

16.1 Trade receivables ageing schedule

1. Trade receivables ageing schedule has not been compiled by the Company.

17. Cash and bank balances

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Cash and cash equivalents				
<u>Balances with banks</u>				
Other bank balances	4.73		4.68	
	4.73		4.68	
Cash on hand	10.51		2.78	
		15.25		7.46
Other bank balances				
Other bank balances	1,057.17		874.04	
		1,057.17		874.04
Total		1,072.42		881.50

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Notes to Financial Statements for the period ended March 31, 2026

18. Short-term loans and advances

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Unsecured				
<u>Security deposits</u>				
Considered good	20.64		-	
	20.64		-	
<u>Loans and advances to related parties</u>				
Considered good	8.71		-	
	8.71		-	
<u>Advances to suppliers</u>				
Considered good	1,825.90		204.85	
	1,825.90		204.85	
<u>Loans/Advances to employees</u>				
Considered good	59.51		22.27	
	59.51		22.27	
<u>Advances recoverable in cash or in kind or for value to be received</u>				
Considered good	0.07		-	
	0.07		-	
<u>Prepaid expenses</u>				
Considered good	38.62		101.62	
	38.62		101.62	
<u>Other loans and advances</u>				
Considered good	73.62		23.97	
	73.62		23.97	
<u>Others</u>				
<u>Advance tax</u>				
Tax deducted at source	67.91		-	
	67.91		-	
Export incentives receivable	73.75		-	
Balances with statutory authorities	1,951.25		257.19	
		4,119.98		609.91
Total		4,119.98		609.91

19. Other current assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Unsecured				
<u>Interest receivable</u>				
Considered good	61.39		59.72	
	61.39		59.72	
Other current assets	115.94		228.65	
		177.33		288.37
Total		177.33		288.37

20. Contingent liabilities and commitments

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
A. Contingent liabilities				
<u>Claims against the Company not acknowledged as debts</u>				
TDS & Income tax demand	-		12.21	
		-		12.21

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Notes to Financial Statements for the period ended March 31, 2026

21. Revenue from operations

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Revenue from sale of products	14,951.42		20,713.25	
Revenue from sale of services	1,328.62		-	
		16,280.04		20,713.25
Total		16,280.04		20,713.25

21.1 Disclosure of categories of products/services

Revenue from products (net of taxes, if any)

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	Manufactured (in Rs. lacs)	Traded (in Rs. lacs)	Manufactured (in Rs. lacs)	Traded (in Rs. lacs)
Revenue from export sales				
<u>Finished goods</u>				
Yarn & knitted fabrics	1,709.51	-	-	-
Sub-total (A)	1,709.51	-	-	-
Revenue from domestic sales				
<u>Finished goods</u>				
Yarn & knitted fabrics	13,226.14	-	20,513.37	-
Scrap	43.08	-	-	-
Sub-total (B)	13,269.22	-	20,513.37	-
Total (A)+(B)	14,978.74	-	20,513.37	-
Total gross sales (export + domestic)		14,978.74		20,513.37
Less: Discounts/Rebates on sale of products		7.45		(199.88)
Less: Other allowances and deductions from sale of products		19.86		-
Revenue from sale of products		14,951.42		20,713.25

Revenue from services (net of taxes, if any)

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Revenue from export sales				
Sub-total (A)		-		-
Revenue from domestic sales				
Job Work services		1,328.62		-
Sub-total (B)		1,328.62		-
Total (A)+(B)		1,328.62		-
Total gross sales (export + domestic)		1,328.62		-
Revenue from sale of services		1,328.62		-

22. Other income

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
<u>Interest income</u>				
From non-current sources	38.05		2.19	
From current sources	49.59		59.32	
		87.65		61.51
<u>Other non-operating income</u>				
Net gain/(loss) on foreign currency fluctuations	1.68		19.09	
Income from export incentives	60.63		-	
Income from insurance claims	-		45.56	
Misc. other non-operating income	36.15		14.96	
		98.45		79.61
Total		186.10		141.11

23. Cost of materials consumed

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Opening inventory		5,130.78		3,281.98
Add: Purchases (net)		12,671.76		16,927.49
Less: Closing inventory		1,500.00		5,130.78
Total		16,302.54		15,078.69

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

23.1 Materials consumed consist of

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Fibres & raw cotton		16,302.54		15,078.69
Total		16,302.54		15,078.69

24. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Opening inventory				
WIP, finished goods & other inventories	5,807.87		4,015.54	
		5,807.87		4,015.54
Closing inventory				
WIP, finished goods & other inventories	1,541.33		5,807.87	
		1,541.33		5,807.87
Total		4,266.54		(1,792.32)

24.1 Notes

- In view of the continuous and integrated manufacturing operations and nature of inventory records maintained, separate category-wise bifurcation between work-in-progress, finished goods, and other inventories is not practically ascertainable. Consequently, the same has been disclosed on an aggregate basis.

25. Employee benefit expense

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Salaries and wages		1,161.22		1,400.65
Contribution to provident fund and other funds		53.45		72.66
Contribution to gratuity fund		26.54		17.96
Staff welfare expenses		24.14		15.47
Total		1,265.35		1,506.74

26. Finance costs

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Interest expense				
<u>On long-term loans</u>				
from banks	314.33		476.42	
from others	4.87		-	
	319.20		476.42	
<u>On short-term loans</u>				
from banks	529.32		618.41	
	529.32		618.41	
On other borrowings and/or late payments	36.12		8.21	
		884.64		1,103.04
Other borrowing costs		98.40		30.55
Exchange (gain)/loss attributable to finance costs		(18.35)		-
Total		964.69		1,133.59

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

27. Other expenses

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Consumption of stores and spares		834.64		520.59
Processing/Jobwork charges		51.93		102.41
Power and fuel		938.08		1,284.54
Water charges		4.72		-
Factory expense		0.57		-
Rent expense		7.44		4.61
<u>Repairs and maintenance</u>				
Buildings	32.83		12.27	
Plant and machinery	66.28		183.73	
Others	11.49		40.78	
		110.60		236.78
Insurance		6.14		37.09
Subscription and membership fees		0.01		2.29
Telephone and postage		3.78		7.58
Printing and stationery		2.40		2.30
Guest house expenses		0.76		0.98
Registration and filing fees		1.15		-
Legal and professional charges		80.74		36.51
Bank charges		55.79		86.96
Travelling and conveyance		28.08		52.19
Entertainment expenses		-		0.33
Training and recruitment expenses		3.43		-
Vehicle running expenses		1.98		-
Safety and security expenses		0.73		5.81
Information technology expenses		27.58		-
<u>Payment to auditors</u>				
Audit services	3.00		10.00	
Taxation matters	1.00		1.00	
Company law matters	1.00		-	
		5.00		11.00
Payments for technical services		0.29		-
Advertising and sales promotion expenses		8.23		1.70
Commission to selling agents (other than sole selling agents)		112.37		58.49
Transportation and distribution expenses		-		80.19
Secondary packing expenses		114.40		-
Freight expenses		55.17		52.42
Loading and unloading costs		4.98		-
Warehousing costs		0.16		-
Export expenses		107.55		195.31
Provision for CSR expenditure		54.55		-
Loss on disposal/discarding/demolishment/destruction of tangible assets		46.94		79.10
Miscellaneous expenses		63.92		30.06
Total		2,734.09		2,889.25

28. Earnings per share

Particulars	Period ended March 31, 2026	Period ended March 31, 2025
Net profit/(loss) for basic EPS calculation (in Rs. lacs)	(7,138.47)	1,203.88
Weighted average no. of equity shares for basic EPS calculation	12,722,573	8,517,079
Basic EPS (in Rs. per share)	(56.11)	14.13
Diluted EPS (in Rs. per share)	(56.11)	14.13

29. Outflows in foreign currency

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Value of imports on CIF basis				
Raw materials		23.18		-

Note 1 :- The Company has not compiled information reagrdng value of import for FY 2024-25 if any.

30. Inflows in foreign currency

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Earnings in foreign currency				
Export of goods calculated on FOB basis		1,709.51		-

Note 1 :- The Company has not compiled information reagrdng value of export for FY 2024-25 if any.

31. Source wise bifurcation of materials, stores and spares consumed

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	%	in Rs. lacs	%
Materials consumed				
Imported	23.18	0.14%	-	0.00%
Indigenous	16,279.35	99.86%	15,078.69	100.00%
	16,302.54	100.00%	15,078.69	100.00%
Stores and spares consumed				
Indigenous	834.64	100.00%	520.59	100.00%
	834.64	100.00%	520.59	100.00%

32. Additional regulatory information**32.1 Loans and advances to promoters, directors, KMPs and related parties**

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	Amount outstanding (in Rs. lacs)	% of total	Amount outstanding (in Rs. lacs)	% of total
<u>Without specifying any terms or period of repayment</u>				
Promoters	-	0.00%	-	0.00%
Directors	8.71	12.76%	-	0.00%
KMPs	-	0.00%	-	0.00%
Related parties	-	0.00%	-	0.00%
	8.71	12.76%	-	0.00%
Total	8.71	12.76%	-	0.00%

32.2 Capital work-in-progress ageing schedule

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Amount in capital work-in-progress for the period of				
Projects in progress				
Less than 1 year		3.48		43.13
1-2 years		43.13		-
2-3 years		-		-
More than 3 years		-		-
		<u>46.61</u>		<u>43.13</u>
Total		46.61		43.13

32.3 Capital work-in-progress completion schedule

The Company does not have a concrete completion schedule for its work-in-progress and hence, the same has not been disclosed.

32.4 Details of benami property(ies) held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

32.5 Security of current assets against borrowings

The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, from banks and financial institutions on the basis of security of current assets. During the financial year, the quarterly statements and returns of current assets (including stock and book debt statements) submitted by the Company to such banks and financial institutions are not in agreement with the financial books of account, primarily due to significant unreconciled variances, the unavailability of underlying transactional backup following cloud data loss and ERP migration for the period from April 1, 2025 to September 30, 2025 (refer to Note 37.4), and pending reconciliation for subsequent quarters. Consequently, in the absence of necessary underlying records and completed reconciliations, the quarter-wise quantitative summary of differences and reasons thereof as required under Division II of Schedule III could not be ascertained or presented.

32.6 Details of wilful default

The Company has not been declared as a wilful defaulter by any bank or financial institution, in accordance with the guidance on wilful defaulters issued by Reserve Bank of India.

32.7 Relationship with struck-off companies

The Company does not have any transactions with struck-off companies.

32.8 Delay in registration/satisfaction of charges with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

32.9 Compliance with number of layers of companies

The Company does not have subsidiary company, hence the compliance regarding with the number of layers of Companies as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.

32.10 Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity

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 entity/ies ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall lend or invest in party ("Ultimate Beneficiaries") identified by or on behalf of the Company.

32.11 Disclosure where company has received fund from other person or entity to lend or invest in other person or entity

The Company has not received any fund from any party(s) ("Funding Party/ies"), 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 by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiary.

32.12 Title deeds of Immovable Property not held in the name of the Company

- The Board of Directors of The company is of The opinion that all assets of The company are held in The name of The Company.

32.13 Intangible Assets under Development Ageing Schedule

- The company does not hold any Intangible assets under Development as at The reporting date and in The previous year. Consequently, The relevant movement and aging schedules have not been furnished.

32.14 Analytical ratios

Particulars	As at March 31, 2026	As at March 31, 2025	% change
Current ratio			
Current assets (in Rs. lacs) (A)	13,054.96	14,641.80	
Current liabilities (in Rs. lacs) (B)	15,861.92	12,263.36	
Ratio (times) = (A)/(B)	0.82	1.19	-31.09%
Debt-equity ratio			
Total debt (in Rs. lacs) (A)	10,736.02	11,552.65	
Shareholders' funds (in Rs. lacs) (B)	4,843.11	6,567.44	
Ratio (times) = (A)/(B)	2.22	1.76	26.14%

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Notes to Financial Statements for the period ended March 31, 2026

Debt service coverage ratio

Net profit/(loss) before tax (in Rs. lacs)	(9,551.30)	1,630.06	
Add: Finance cost (in Rs. lacs)	928.57	1,125.39	
Add: Depreciation and amortisation expense (in Rs. lacs)	484.24	408.36	
Earnings available for debt services (in Rs. lacs) (A)	(8,138.49)	3,163.80	
Interest expense (in Rs. lacs)	928.57	1,125.39	
Principal repayment (in Rs. lacs)	6,026.08	-	
Debt service (in Rs. lacs) (B)	6,954.65	1,125.39	
Ratio (times) = (A)/(B)	(1.17)	2.81	-141.64%

Return on equity

Net profit/(loss) after tax (in Rs. lacs) (A)	(7,138.47)	1,203.88	
Average shareholders' funds (in Rs. lacs) (B)	5,705.27	4,545.48	
Ratio (%) = (A)/(B)	(1.25)	0.26	-580.77%

Inventory turnover ratio

Cost of goods sold (in Rs. lacs) (A)	20,569.08	13,286.36	
Average inventory (in Rs. lacs) (B)	6,989.99	9,118.09	
Ratio (times) = (A)/(B)	2.94	1.46	101.37%

Trade receivables turnover ratio

Revenue from operations (in Rs. lacs) (A)	16,280.04	20,713.25	
Average trade receivables (in Rs. lacs) (B)	3,283.64	961.69	
Ratio (times) = (A)/(B)	4.96	21.54	-76.97%

Trade payables turnover ratio

Total purchase (in Rs. lacs) (A)	12,671.76	16,927.49	
Average trade payables (in Rs. lacs) (B)	2,684.27	1,380.62	
Ratio (times) = (A)/(B)	4.72	12.26	-61.50%

Net capital turnover ratio

Revenue from operations (in Rs. lacs) (A)	16,280.04	20,713.25	
Current assets (in Rs. lacs)	13,054.96	14,641.80	
Less: Current liabilities (in Rs. lacs)	15,861.92	12,263.36	
Net working capital (in Rs. lacs)	(2,806.96)	2,378.44	
Average net working capital (in Rs. lacs) (B)	(214.26)	714.34	
Ratio (times) = (A)/(B)	(75.98)	29.00	-362.00%

Net profit ratio

Net profit/(loss) after tax (in Rs. lacs) (A)	(7,138.47)	1,203.88	
Revenue from operations (in Rs. lacs) (B)	16,280.04	20,713.25	
Ratio (%) = (A)/(B)	(0.44)	0.06	-833.33%

Return on capital employed

Net profit/(loss) before tax (in Rs. lacs)	(9,551.30)	1,630.06	
Add: Finance cost (in Rs. lacs)	964.69	1,133.59	
Earning before interest and taxes (in Rs. lacs) (A)	(8,586.61)	2,763.66	
Average capital employed (in Rs. lacs) (B)	8,654.49	8,085.74	
Ratio (%) = (A)/(B)	(0.99)	0.34	-391.18%

Reason for change for more than 25%

1 Current ratio

The current ratio declined due to an expansion in short-term obligations and current liabilities, coupled with a reduction in current assets caused by inventory liquidation at scrap value and reduced operating liquidity.

2 Debt-equity ratio

The debt-equity ratio increased primarily due to the erosion of shareholders' funds following substantial net operational losses incurred during the year, which outweighed the modest reduction in total debt.

3 Debt service coverage ratio

The ratio deteriorated due to negative operational earnings resulting from export cancellations and inventory write-downs, alongside higher principal repayment obligations coming due during the year.

4 Return on equity

Return on equity turned negative largely due to net losses arising from geopolitical export bottlenecks and material stock impairments against an increased average net worth base.

5 Inventory turnover ratio

The inventory turnover ratio increased primarily due to higher COGS driven by a material inventory write down of Rs. 84 crore and a reduced average inventory base resulting from the scrap liquidation of deteriorated, order-cancelled yarn stock.

6 Trade receivables turnover ratio

The receivables turnover dropped as average collection periods elongated amid market disruptions, resulting in higher average receivables against a decline in overall operational revenues.

7 Trade payables turnover ratio

The payables turnover decreased due to curtailment of fresh material purchases following reduced demand, combined with extended vendor settlement timelines leading to higher average outstanding trade payables.

8 Net capital turnover ratio

The ratio turned negative primarily because net working capital slipped into a negative balance due to elevated current liabilities and inventory write-offs, alongside softened revenue from operations.

9 Net profit ratio

The net profit margin fell owing to severe bottom-line losses driven by geopolitical export unviability, an Rs. 84 crore inventory impairment, and reduced top-line realization.

10 Return on capital employed

ROCE dropped as operating earnings (EBIT) fell significantly into negative territory due to the material inventory liquidation loss, while the capital employed base remained broadly stable.

32.15 Corporate social responsibility (CSR)

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Gross amount required to be spent by the Company during the year		25.29		15.75
Amount spent during the year on:				
(i) Construction/acquisition of any asset		-		-
(ii) On purposes other than (i) above		26.08		-
Amount of shortfall at the end of the year		(0.78)		(1.25)
Total of previous year shortfall		13.25		14.50
Nature of CSR activity				

32.16 Undisclosed income

The Company does not have any such transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as search or survey or any other relevant provisions of the Income-tax Act, 1961).

32.17 Details of crypto currency or virtual currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year-end		260.80		211.61
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at the year end		-		8.21
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year		55.60		-
Interest paid, other than under sec. 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the		-		-
Interest paid, under sec. 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed		-		-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made		-		-
Further interest remaining due and payable for earlier years		-		-

1. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.
2. The Company recognises interest due on late payment to MSMEs on actual payment basis only. Consequently no provision has been made for such interest due during the current reporting period.

Particulars	As at March 31, 2026		As at March 31, 2025	
	FC	in Rs. lacs	FC	in Rs. lacs
Trade receivables				
USD	298,353.80	270.59	-	-

There are no transactions during the year with the above entities

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35.2 Details of transactions with related parties

(in Rs. lacs)

Details of transactions	Subsidiaries/JCEs/Asso./ Controlling Co./Intermediates		Other related parties		Key Management Personnel and relatives		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Revenue from sale of goods								
Auburn Design Private Limited	-	-	10.62	-	-	-	10.62	-
Total	-	-	10.62	-	-	-	10.62	-
Loans/Advances accepted								
M.R. Fabrics & Apparels	-	-	148.00	-	-	-	148.00	-
Total	-	-	148.00	-	-	-	148.00	-
Loans/Advances given								
M.R. Fabrics & Apparels	-	-	25.00	-	-	-	25.00	-
Rajesh Mittal	-	-	-	-	7.00	-	7.00	-
Total	-	-	25.00	-	7.00	-	32.00	-
Accepted loans/advances repaid								
M.R. Fabrics & Apparels	-	-	36.07	-	-	-	36.07	-
Rajesh Mittal	-	-	-	-	10.00	-	10.00	-
Manisha Monappa Bachangada	-	-	-	-	75.00	-	75.00	-
Total	-	-	36.07	-	85.00	-	121.07	-
Given loans/advances returned								
M.R. Fabrics & Apparels	-	-	25.00	-	-	-	25.00	-
Total	-	-	25.00	-	-	-	25.00	-
Remuneration to KMPs								
Rajesh Mittal	-	-	-	12.00	-	-	-	12.00
Virender Goyal	-	-	-	12.00	-	-	-	12.00
Monnappa Nachappa Bachangada	-	-	-	2.50	-	-	-	2.50
Bachangada Monnappa Saraswathi	-	-	-	2.50	-	-	-	2.50
Jay Prakash Singh	-	-	31.40	-	-	-	31.40	-
Kamta Nath Pandey	-	-	1.90	-	-	-	1.90	-
Yogendra Kumar Singhal	-	-	1.90	-	-	-	1.90	-
Total	-	-	35.20	29.00	-	-	35.20	29.00

35.3 Details of account balances with related parties

(in Rs. lacs)

Account balances	Subsidiaries/JCEs/Asso./ Controlling Co./Intermediates		Other related parties		Key Management Personnel and relatives		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Loans to related parties								
Rajesh Mittal (Managing Director)	-	-	-	-	7.00	-	7.00	-
Virender Goyal (Director & Chief Finance Officer)	-	-	-	-	1.71	-	1.71	-
Total	-	-	-	-	8.71	-	8.71	-
Loans from related parties								
M.R. Fabrics & Apparels	-	-	153.00	41.07	-	-	153.00	41.07
Rajesh Mittal	-	-	-	-	-	1.00	-	1.00
Monnappa Nachappa Bachangada	-	-	-	-	35.15	35.15	35.15	35.15
Manisha Monappa Bachangada	-	-	-	-	-	75.00	-	75.00
Total	-	-	153.00	41.07	35.15	111.15	188.15	152.22
Trade receivables								
Auburn Design Private Limited	-	-	4.82	15.44	-	-	4.82	15.44
Total	-	-	4.82	15.44	-	-	4.82	15.44
Advance to suppliers								
APOP International Private Limited	-	-	24.00	27.27	-	-	24.00	27.27
Total	-	-	24.00	27.27	-	-	24.00	27.27

36. Segment reporting

The Company operates under a single reporting segment and hence, segment reporting is not applicable to the Company as per AS 17 - Segment Reporting.

37. Employee benefits

The Company has various schemes for long-term benefits such as Provident Fund, Gratuity and Leave Encashment. The Company's defined contribution plans are Provident Fund (in case of certain employees), Employees State Insurance Fund. The Company has no further obligation beyond making the contributions to such plans. The Company's defined benefit plans include Provident Fund (in case of certain employees), Gratuity, and Leave Encashment.

37.1 Change in defined benefit obligation

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Gratuity (Non-funded)				
Present value of defined benefit obligation as at the beginning of the period		33.61		17.88
Current service cost		12.82		9.60
Interest cost		2.12		1.27
Liability transferred in/(out of) due to amalgamations		-		-
Actuarial (gain)/loss		8.68		4.85
Contributions by plan participants		-		-
Benefits paid		(7.37)		-
Past service cost		-		-
Curtailments		-		-
Settlements		-		-
Exchange differences on foreign plans		-		-
Present value of defined benefit obligation as at the end of the period		49.86		33.61

37.2 Reconciliation of present value of defined benefit obligation and fair value of plan assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Gratuity (Non-funded)				
Present value of funded obligation as at the end of the year		49.86		33.61
Unfunded liability/(assets) recognised in the balance sheet		49.86		33.61
Liability recognised under				
Long-term provisions (see note 7)		29.31		30.98
Short-term provisions (see note 11)		20.55		2.62

37.3 Reconciliation of present value of defined benefit obligation and fair value of plan assets

Particulars	As at March 31, 2026		As at March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Gratuity (Non-funded)				
Current service cost		12.82		9.60
Interest cost		2.12		1.27
Net actuarial (gain)/loss		8.68		4.85
Total expense/(income) recognised in the Statement of Profit and Loss		23.62		15.73

37.4 Principal actuarial assumptions used

Particulars	As at March 31, 2026		As at March 31, 2025	
	%		%	
Gratuity (Non-funded)				
Discount rate (per annum)		6.50%		6.55%
Expected rate of return on plan assets		Not Applicable		Not Applicable
Expected rate of increase in salaries		7.00%		7.00%
Withdrawal rates		40% - 50%		40% - 50%

37.5 Contribution to defined contribution plans

Particulars	Period ended March 31, 2026		Period ended March 31, 2025	
	in Rs. lacs	in Rs. lacs	in Rs. lacs	in Rs. lacs
Provident Fund		53.45		72.66
Total		53.45		72.66

38. Other notes

1. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
 2. The outstanding balance as on year end in respect of trade receivables, trade payables, loans and advances and other payables, and other receivables, if any, are subject to confirmation from respective parties and consequential reconciliation and/or adjustments arising there from, if any. Management of the Company, however, does not expect any material variation.
 3. According to the opinion of the management of the Company, the value of realization of trade and other receivables and loans and advances given in the ordinary course of the business, if any, would not be less than the amount at which they are stated in the balance sheet.
 4. During the financial year, the Company migrated its accounting operations to Tally ERP . The accounting data and financial records for the period from 1st April 2025 to 30th September 2025, which were maintained on the erstwhile cloud-based accounting software, became irretrievable consequent to the discontinuation of the said software by its service provider and the simultaneous damage to the cloud storage infrastructure hosting the Company's data. Despite efforts to recover the data through the service provider and alternative technical means, the records could not be retrieved. The financial figures for the said period incorporated in this Statement have been compiled by the management based on the half- yearly financial results for the period ended 30th September 2025, as published pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and corroborated to the extent possible with available bank statements and statutory filings. The Company has since implemented enhanced data backup and redundancy measures to prevent recurrence.
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Signature to notes 1 to 38 of the financial statements.

For, H B Kalaria & Associates
Chartered Accountants
Firm Registration No. 104571W

For and on behalf of,
Cedaar Textile Limited

Rajesh Mittal
Managing Director
DIN: 08702551

Virender Goyal
CFO & Director
DIN: 08702573

Hardik H Kalaria
Partner
Mem. No. 155474

Monnappa Nachappa Bachangada
Director
DIN: 00205392

Anushka Jain
Company Secretary
Membership No.: A74894

Rajkot, May 30, 2026

Bangalore, May 30, 2026

Cedar Textile Limited (formerly Cedar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

12. Property, plant and equipment and intangible assets

(in Rs. lacs)

Particulars	Gross Block					Depreciation/Amortization					Net Block	
	Opening as at 01/04/2025	Additions	Deductions	Other adjustments	As at 31/03/2026	Opening as at 01/04/2025	Depreciation/ Amortization	Deductions	Other adjustments	As at 31/03/2026	As at 31/03/2026	As at 31/03/2025
Property, plant and equipment												
Land												
Freehold	1,499.09	6.73	-	-	1,505.82	-	-	-	-	-	1,505.82	1,499.09
<i>Sub-total</i>	<i>1,499.09</i>	<i>6.73</i>	<i>-</i>	<i>-</i>	<i>1,505.82</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,505.82</i>	<i>1,499.09</i>
Buildings												
Owned	1,421.55	0.04	-	-	1,421.60	154.42	37.67	-	-	192.10	1,229.50	1,267.13
<i>Sub-total</i>	<i>1,421.55</i>	<i>0.04</i>	<i>-</i>	<i>-</i>	<i>1,421.60</i>	<i>154.42</i>	<i>37.67</i>	<i>-</i>	<i>-</i>	<i>192.10</i>	<i>1,229.50</i>	<i>1,267.13</i>
Plant and equipment												
Owned	5,634.44	405.12	139.15	-	5,900.41	1,058.03	356.79	23.17	-	1,391.65	4,508.76	4,576.41
<i>Sub-total</i>	<i>5,634.44</i>	<i>405.12</i>	<i>139.15</i>	<i>-</i>	<i>5,900.41</i>	<i>1,058.03</i>	<i>356.79</i>	<i>23.17</i>	<i>-</i>	<i>1,391.65</i>	<i>4,508.76</i>	<i>4,576.41</i>
Furniture and fixtures												
Owned	51.44	0.84	-	-	52.29	14.36	4.94	-	-	19.30	32.98	37.08
<i>Sub-total</i>	<i>51.44</i>	<i>0.84</i>	<i>-</i>	<i>-</i>	<i>52.29</i>	<i>14.36</i>	<i>4.94</i>	<i>-</i>	<i>-</i>	<i>19.30</i>	<i>32.98</i>	<i>37.08</i>
Motor vehicles												
Owned	56.91	-	-	-	56.91	30.44	9.01	-	-	39.45	17.45	26.46
<i>Sub-total</i>	<i>56.91</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>56.91</i>	<i>30.44</i>	<i>9.01</i>	<i>-</i>	<i>-</i>	<i>39.45</i>	<i>17.45</i>	<i>26.46</i>
Computer equipment												
Owned	47.55	1.75	-	-	49.30	25.24	7.66	-	-	32.91	16.39	22.30
<i>Sub-total</i>	<i>47.55</i>	<i>1.75</i>	<i>-</i>	<i>-</i>	<i>49.30</i>	<i>25.24</i>	<i>7.66</i>	<i>-</i>	<i>-</i>	<i>32.91</i>	<i>16.39</i>	<i>22.30</i>
Office equipment												
Owned	303.59	-	-	-	303.59	81.94	57.68	-	-	139.62	163.97	221.65
<i>Sub-total</i>	<i>303.59</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>303.59</i>	<i>81.94</i>	<i>57.68</i>	<i>-</i>	<i>-</i>	<i>139.62</i>	<i>163.97</i>	<i>221.65</i>
Total (I)	9,014.57	414.49	139.15	-	9,289.91	1,364.44	473.76	23.17	-	1,815.03	7,474.88	7,650.13
Intangible assets												
Computer software												
Acquired	65.66	1.58	-	-	67.23	32.24	10.48	-	-	42.72	24.52	33.42
<i>Sub-total</i>	<i>65.66</i>	<i>1.58</i>	<i>-</i>	<i>-</i>	<i>67.23</i>	<i>32.24</i>	<i>10.48</i>	<i>-</i>	<i>-</i>	<i>42.72</i>	<i>24.52</i>	<i>33.42</i>
Total (II)	65.66	1.58	-	-	67.23	32.24	10.48	-	-	42.72	24.52	33.42
Grand total (I)+(II)	9,080.23	416.07	139.15	-	9,357.14	1,396.68	484.24	23.17	-	1,857.75	7,499.40	7,683.55

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

12A. Property, plant and equipment and intangible assets

(in Rs. lacs)

Particulars	Gross Block					Depreciation/Amortization					Net Block	
	Opening as at 01/04/2024	Additions	Deductions	Other adjustments	As at 31/03/2025	Opening as at 01/04/2024	Depreciation/ Amortization	Deductions	Other adjustments	As at 31/03/2025	As at 31/03/2025	As at 31/03/2024
Property, plant and equipment												
Land												
Freehold	1,499.09	-	-	-	1,499.09	-	-	-	-	-	1,499.09	1,499.09
<i>Sub-total</i>	1,499.09	-	-	-	1,499.09	-	-	-	-	-	1,499.09	1,499.09
Buildings												
Owned	1,421.27	0.29	-	-	1,421.55	116.46	37.97	-	-	154.42	1,267.13	1,304.81
<i>Sub-total</i>	1,421.27	0.29	-	-	1,421.55	116.46	37.97	-	-	154.42	1,267.13	1,304.81
Plant and equipment												
Owned	5,353.15	468.50	-	-	5,634.44	783.95	318.78	-	-	1,058.03	4,576.41	4,569.20
<i>Sub-total</i>	5,353.15	468.50	-	-	5,634.44	783.95	318.78	-	-	1,058.03	4,576.41	4,569.20
Furniture and fixtures												
Owned	51.25	0.19	-	-	51.44	9.48	4.87	-	-	14.36	37.08	41.77
<i>Sub-total</i>	51.25	0.19	-	-	51.44	9.48	4.87	-	-	14.36	37.08	41.77
Motor vehicles												
Owned	56.91	-	-	-	56.91	21.48	8.96	-	-	30.44	26.46	35.43
<i>Sub-total</i>	56.91	-	-	-	56.91	21.48	8.96	-	-	30.44	26.46	35.43
Computer equipment												
Owned	46.62	0.93	-	-	47.55	16.99	8.25	-	-	25.24	22.30	29.63
<i>Sub-total</i>	46.62	0.93	-	-	47.55	16.99	8.25	-	-	25.24	22.30	29.63
Office equipment												
Owned	303.59	-	-	-	303.59	62.83	19.11	-	-	81.94	221.65	240.76
<i>Sub-total</i>	303.59	-	-	-	303.59	62.83	19.11	-	-	81.94	221.65	240.76
Total (I)	8,731.88	469.90	-	-	9,014.57	1,011.20	397.95	-	-	1,364.44	7,650.13	7,720.68
Intangible assets												
Computer software												
Acquired	65.66	-	-	-	65.66	21.83	10.41	-	-	32.24	33.42	43.83
<i>Sub-total</i>	65.66	-	-	-	65.66	21.83	10.41	-	-	32.24	33.42	43.83
Total (II)	65.66	-	-	-	65.66	21.83	10.41	-	-	32.24	33.42	43.83
Grand total (I)+(II)	8,797.54	469.90	-	-	9,080.23	1,033.03	408.36	-	-	1,396.68	7,683.55	7,764.51

Cedaar Textile Limited (formerly Cedaar Textile Private Limited)

Notes to Financial Statements for the period ended March 31, 2026

12.1 Movement in Capital Work in Progress

Particulars	As at March 31, 2026	As at March 31, 2025
	in Rs. lacs	in Rs. lacs
Opening Balance	43.13	0.02
Add: Addition during the year	3.48	43.11
(Less): Capitalised during the year	-	-
Closing Balance	46.61	43.13