The Nahar Group

46th ANNUAL REPORT 2025-26

Nahar SPINNING MILLS LIMITED

BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal	**Chairman**
Sh. Dinesh Oswal	Managing Director
Sh. Kamal Oswal	Director
Sh. Dinesh Gogna	Director
Sh. Satish Kumar Sharma	Director
Dr. Manisha Gupta	Independent Director
Dr. Vijay Asdhir	Independent Director
Dr. Roshan Lal Behl	Independent Director
Dr. Yash Paul Sachdeva	Independent Director
Dr. Anchal Kumar Jain	Independent Director

CHIEF FINANCIAL OFFICER

Sh. Anil Garg

G.M. (FINANCE)

Sh. P.K. Vashishth

COMPANY SECRETARY

Sh. Brij Sharma

AUDITORS

M/s Gupta Vigg & Co.,
Chartered Accountants
101, Kismat Complex, G.T. Road,
Miller Ganj, Ludhiana - 141 003.

REGISTRAR & SHARE TRANSFER AGENT

M/s Alankit Assignments Limited
Alankit House, 4E/2,
Jhandewalan Extension
New Delhi - 110 055.

PRINCIPAL BANKERS	:	Punjab National Bank, State Bank of India
REGD. OFFICE	:	373, Industrial Area- 'A', Ludhiana-141 003
WORKS	:	427, Industrial Area - 'A', Ludhiana (Punjab)
		Dhandari Kalan, G.T. Road, Ludhiana (Punjab)
		Village Simrai, Mandideep, Distt. Raisen (M.P.)
		Village Lalru and Lehli, Distt. S.A.S. Nagar (Punjab)
		Village Jalalpur, Distt. S.A.S. Nagar (Punjab)
		Rishab Spinning Mills, Village Jodhan, Distt. Ludhiana
		Nahar Fibres, Jitwal Kalan, Malerkotla, Distt. Sangrur

46th ANNUAL GENERAL MEETING

Day	:	Friday
Date	:	25th September, 2026
Time	:	10.00 A.M.
Mode	:	Video Conference (VC) or other Audio Visual Means (OAVM)

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE **46th ANNUAL GENERAL MEETING (AGM)** of the members of **NAHAR SPINNING MILLS LIMITED ('the Company')** will be held on **Friday, the 25th day of September, 2026 at 10.00 A.M** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities & Exchange Board of India in this regard, to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.1-ADOPTION OF FINANCIAL STATEMENTS

To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2 - DECLARATION OF DIVIDEND

To declare a Dividend of Rs. 1.00/- per Equity Share of Rs. 5/- each on Equity Share Capital for the financial year ended 31st March, 2026.

ITEM NO. 3 - APPOINTMENT OF MR. JAWAHAR LAL OSWAL (DIN: 00463866) AS A NON EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a Director in place of Mr. Jawahar Lal Oswal (DIN: 00463866) in terms of Section 152(6) of the Companies Act, 2013, who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO. 4 - APPOINTMENT OF MR. SATISH KUMAR SHARMA (DIN: 00402712) AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. Satish Kumar Sharma (DIN: 00402712) in terms of Section 152(6) of the Companies Act, 2013, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM NO.5 - RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors M/s. Ramanath Iyer & Co. (Firm Registration No. 000019), New Delhi appointed by the Board of Directors of the Company, to conduct the audit of the Cost Records of the Company for the financial year 2026-27 at a remuneration of Rs. 2.20 Lakhs (Rupees Two Lakhs Twenty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred, be and is hereby ratified."

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

ITEM NO. 6 - TO APPROVE CONTINUATION OF HOLDING OF OFFICE AS NON-EXECUTIVE DIRECTOR BY MR. SATISH KUMAR SHARMA (DIN: 00402712), UPON ATTAINING THE AGE OF 75 YEARS

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)based on the recommendation and approval of Nomination and Remuneration Committee and Board of Directors of the company, consent and approval of the Members be and is hereby accorded for continuation of holding of office as Non-Executive Director of the Company by Mr. Satish Kumar Sharma (DIN: 00402712) upon attaining the age of 75 years on September 4, 2027."

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

ITEM NO. 7 - TO RE-APPOINT MR. DINESH OSWAL (DIN: 00607290), AS MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and rules framed thereunder and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) & Articles of Association and based on the recommendation of Nomination and Remuneration committee and approval of the Board of Directors, consent and approval of the Members be and is hereby accorded for the re-appointment of Mr. Dinesh Oswal (DIN : 00607290) as Managing Director of the Company, for a period of five years w.e.f. 1st January, 2027 to 31st December, 2031 on the terms and conditions including the payment of remuneration and perquisites as set out below: (I) Salary (Scale) : Rs.95,00,000-5,00,000-

1,15,00,000/- per month. (II) Commission: 2% of the Net Profit. (III) Perquisites: Following perquisites shall be allowed in addition to salary and commission. "

I) Housing

Mr. Dinesh Oswal shall be entitled to House Rent Allowance @50% of the salary.

EXPLANATION

i) The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 2026. This shall however be subject to a ceiling of 10% of the salary of Mr. Dinesh Oswal.

ii) Medical Reimbursement: Reimbursement of expenses incurred including Insurance premium paid for the medical policy for self and family subject to a ceiling of one month's salary in a year or Five months' salary over a period of Five years.

iii) Leave Travel Concession: Leave travel concession for a self and family twice in a year incurred by him.

iv) Club Fees: Fees of the club subject to a maximum of five clubs including admission fees and life membership fee.

v) Personal Accident Insurance: Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 20000/-.

vi) Provident Fund and superannuation fund: Contribution to Provident Fund, Superannuation Fund or Annuity fund in accordance with the rules specified by the Company.

vii) Gratuity: Gratuity paid shall not exceed half month's salary for each completed year of service subject to maximum limit as per Payment of Gratuity Act 1972.

viii) Leave Encashment: Encashment of the leave at the end of the tenure, as per rules of the Company.

ix) Car and Telephone: Free use of Company's car with driver for official work, mobile expenses and telephone at residence.

NOTE: For the purpose of perquisites stated herein above, family means the spouse, the dependent children, dependent parents of the appointee."

"**RESOLVED FURTHER THAT** above mentioned remuneration be paid to Mr. Dinesh Oswal, being a member of Promoter/Promoter Group of the Company, notwithstanding the aggregate annual remuneration payable to him may exceeds the limit as provided under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during his tenure from January 1, 2027 to December 31, 2031."

"**RESOLVED FURTHER THAT** The Board of directors of the company, subject to the recommendation of Nomination and Remuneration committee, be and are hereby authorised to alter and vary the terms and conditions of appointment and /or remuneration of Mr. Dinesh Oswal, as the Board of Directors may deem appropriate during his tenure as Managing Director of the Company, provided such revision in remuneration does not exceed limits approved by the members under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force)."

"**RESOLVED FURTHER THAT** wherein any financial year, the Company has no profits or its profits are inadequate, the Company may pay remuneration by way of salary, commission and perquisites as above to Mr. Dinesh Oswal, as Minimum Remuneration for a period not exceeding 3 (three) years or such other period as may be permitted subject to the requisite approvals, if any."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

ITEM NO.8 – TO APPROVE INCREASE IN THE FEE PAYABLE TO SH. JAWAHAR LAL OSWAL DIN: 00463866, NON-EXECUTIVE DIRECTOR/ CHAIRMAN OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of Nomination and Remuneration Committee, Audit Committee and approval of the Board of Directors of the Company, consent and approval of the members of the Company, be and is hereby accorded for the increase in payment of Mr. Jawahar Lal Oswal, Non-Executive Director/Chairman of the Company (DIN: 00463866) from @0.50% to @0.60% of Export Sales of the Company w.e.f. 1st April, 2026 for the remaining period of the office i.e. till 30th September, 2027 in addition to sitting fees for attending the meetings of the Board of Directors as approved by the Board of Directors for Non-Executive Directors of the Company."

"**RESOLVED FURTHER THAT** the said amount will be paid to Mr. Jawahar Lal Oswal even if it exceeds one percent of the net profits of the Company in accordance with Section 197 and 198 of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof."

"**RESOLVED FURTHER THAT** wherein any financial year, the Company has no profits or its profits are inadequate, the Company may pay Mr. Jawahar Lal Oswal, the said amount as Minimum Remuneration w.e.f. 1st April, 2026 till 30th September,2027 or such other period as may be statutorily permitted subject to the requisite approvals, if any."

"**RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, above said payment be made to Mr. Jawahar Lal Oswal, Non-Executive Director/Chairman of the Company, in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the financial year 2026-27."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and are hereby authorised to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

ITEM NO: 9 - TO RE-APPOINT DR. YASH PAUL SACHDEVA (DIN: 02012337), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 & 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force)), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and Board of Director, Dr. Yash Paul Sachdeva (DIN: 02012337), who was appointed as an Independent Director for five consecutive years by the shareholders on 24th August, 2022 and who holds office upto 23rd August, 2027 and who qualifies for being appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years for a second term w.e.f. 24th August,2027 up to 23rd August, 2032."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO. 10 - TO RE-APPOINT DR. ANCHAL KUMAR JAIN (DIN: 09546925), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 & 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and Board of Directors, Dr. Anchal Kumar Jain (DIN: 09546925), who was appointed as an Independent Director for 5(five) consecutive years by the shareholders on 24th August, 2022 and who holds office upto 23rd August, 2027 and who qualifies for being appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years for a second term w.e.f. 24th August,2027 upto 23rd August, 2032."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO: 11 – ALTERATION IN MAIN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provision of Section 4 and 13 and other applicable provisions, If any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the rules framed there under and in accordance with the provisions of the Memorandum and Articles of Association of the Company, subject to the approval of Ministry of Corporate Affairs and any other regulatory authority as may be required consent and approval of the Members be and is hereby accorded for amendment of Main Objects clause of Memorandum of Association of the Company by inserting following Sub-clause 8, 9, and 10 after Sub-clause 7 in the Clause III (A) of Memorandum of Association of the Company:-

8) To carry on the business of generating, trading, purchasing, marketing, selling, producing, manufacturing, transmitting, accumulating, distributing and supplying solar energy Including solar for its own use

or for sale to Governments, State Electricity Boards, Intermediaries in Power Transmission/Distribution, Companies, Industrial Units, or to other types of users / consumers of Energy, including construction, generation, operation and maintenance, renovation and modernization of Power Stations.

9) To acquire concessions or licenses granted by or to enter into contracts with, the Government of India, any State Government, Municipal, Local Authority or other Statutory bodies, Companies or any other person for the development, erection, installation, establishment, construction, operation and maintenance of Solar Power Plants, and in this regard to promote, develop, own, acquire, set up, erect, build, install, commission, construct, establish, maintain, improve, manage, operate alter, control, take on hire / lease, carry out and run all necessary Plants, equipment, sub-stations, workshops, generators, transmission facilities, machinery, electrical equipment, accumulators, repair shops, wires, cables, lamps, fittings and apparatus in the capacity of principals, contractors, developers or otherwise and to deal, buy, sell and hire / lease all apparatus and things required for or used in connection with generation, distribution, supply, accumulation of Solar Energy.

10) To carry on the business of consultants, advisors, auctioneers for all type of solar energy plants and to undertake research and development in the field of solar energy and other allied fields."

"RESOLVED FURTHER THAT Mr. Satish Kumar Sharma (DIN:00402712), Director and Mr. Brij Sharma, Company Secretary of the Company be and are hereby severally authorized to sign, file, verify and execute all such papers, documents, or agreements, as may be required and deemed necessary in order to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as may be necessary or incidental in this regard."

By Order of the Board
For Nahar Spinning Mills Limited

Dated: 5th August, 2026
Registered Office:
373, Industrial Area-A,
Ludhiana -141003 (India)
CIN: L17115PB1980PLC004341
E-mail: secnsm@owmnahar.com

Brij Sharma
(Company Secretary)
Mem. No. FCS 2458

NOTES:

1. **The Ministry of Corporate Affairs (MCA) vide its General Circular No. 20/2020 dated May 05, 2020, read with the subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated September 22, 2025 (referred to as "MCA Circulars") has permitted to conduct the Annual General Meeting through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), till further orders. In compliance with aforesaid MCA Circulars, the 46th Annual General Meeting will be held through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the Members at a common venue. Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 25. The 46th AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.**
2. The venue of the Meeting shall be deemed to be the Registered Office of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of this Notice.
4. Pursuant to MCA Circulars and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations), the facility to appoint a proxy to attend and cast vote for the members is not applicable for this AGM as this AGM would be conducted through VC / OAVM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
5. 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.
6. In line with the MCA Circulars and SEBI (LODR) Regulations, the Notice calling the AGM along with Annual Report for the year 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. A letter providing the web-link for accessing the Annual Report, including the exact path, is being sent to those members who have not registered their email address with the Company. However, hard copy of full annual report will be sent to the shareholder who request for the same.

   Members may note that Notice and Annual Report 2025-26 has been uploaded on the website of the Company at www.owmnahar.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and 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.

7. The Register of Members and Share Transfer Register of the Company shall remain closed from 5th September, 2026 to 9th September, 2026 (both days inclusive) for the purpose of equity dividend for the year ended 31st March, 2026.

8. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members subject to deduction of tax at source, whose names shall appear in Register of Members as on 4th September, 2026 or Register of Beneficial Owners, maintained by the Depositories at the close of 4th September, 2026.

   Members may note that the Income-tax Act, 2025, ("the IT Act") mandates that dividend income is taxable in the hands of members and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, in accordance with the provisions of the IT Act.

9. 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 AGM without restriction on account of first come first served basis.

10. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Jawahar Lal Oswal (DIN: 00463866) and Mr. Satish Kumar Sharma (DIN: 00402712), Non-Executive Directors, retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend their respective re-appointments.

11. The relevant information under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be re-appointed, is given hereto and form part of the Notice.

12. TRANSFER OF SHARES AND DIVIDEND TO IEPF: Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2017-18 has been transferred to Investor Education and Protection Fund. Further, unpaid dividend for the year 2018-19 is to be transferred to Investor Education and Protection Fund in November, 2026. Shareholders who have not yet claimed the dividend relating to said period are requested to claim the amount from the Company at the earliest.

   Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend was remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: https://www.owmnahar.com/spinning/pdf/Financial-year2017-18.pdf.

   Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. Concerned members/investors are advised to access the web link: https://www.mca.gov.in for lodging claim in e-Form IEPF-5 for refund of shares and / or dividend from the IEPF Authority.

13. As per Regulation 40 of SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form.

   In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.

14. The Company actively participated in the "100 Days Campaign - Saksham Niveshak", the initiative launched by the IEPF Authority from July 28, 2025 to November 6, 2025 and April 1, 2026 to July 9, 2026 focused on proactive shareholders engagement.

Demonstrating a pro-active approach, the Company engaged with its Shareholders to facilitate KYC updates, dematerialisation of shares, and reclaiming of unpaid dividends. The Company created awareness of this campaign through e-mails, letters, newspaper- advertisement, website and intimation to stock exchanges etc.

15. SPECIAL WINDOW FOR RE-LODGEMENT OF TRANSFER REQUESTS: SEBI vide Circular No. SEBI/HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, has re-opened the Special Window for a period of 1 (one) year from February 5, 2026 to February 4, 2027 to facilitate shareholders for lodging/re-lodging requests for transfer and dematerialisation ("demat") of physical securities which were sold/purchased prior to April 01, 2019. This special window is also available for such transfer requests which were submitted earlier and were rejected/returned/not attended to due to deficiency in the documents/process/or otherwise. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock-in, during which they cannot be transferred, lien-marked, or pledged. In accordance with the Circular, the Company has created awareness through newspaper advertisement, website and stock exchanges filings to encourage Members to avail benefit from this facility.

Eligible shareholders may submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent (RTA) at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, 4E/2, Alankit House, Jhandewalan Extension, New Delhi – 110055 (Tel. 011-42541234), within the stipulated period. Eligible shareholders are requested to submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent (RTA) at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Ltd. 4E/2, Alankit House, Jhandewalan Extension, New Delhi – 110055 (Tel. 011-42541234), within the stipulated period.

16. ELECTRONIC CREDIT OF DIVIDEND: As per SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, dividend shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, contact details including mobile number, bank account details and specimen signature. Hence, shareholders are requested to update their above mentioned details with the Company at the earliest in order to avoid any delay in receipt of dividend.

17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent: M/s. Alankit Assignments Limited, the details of such folios together with the share certificates for consolidating and latest client master list their holdings in one folio and directly credit of shares to their demat account.

18. 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 at the AGM.

19. As per SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, it is mandatory for all the holders of physical securities in listed company to furnish/ update PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details, Specimen Signatures) and Nomination details in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14.Communication in this regard has been sent to all physical holders whose folios are not KYC updated at the latest available address. Members are again requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 373, Industrial Area-A, Ludhiana – 141003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055. The aforesaid forms can be downloaded from the website of the Company at https://www.owmnahar.com/spinning/kyc_updation.php.

20. SEBI vide its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 as amended from time to time, has established a common Online Dispute Resolution Portal (Smart ODR) to raise disputes arising in the Indian Securities Market. After exhausting the option for resolution of the grievance with the RTA/Company directly and through SCORES portal, the investors can initiate dispute resolution through the ODR Portal i.e. https://smartodr.in/login.

21. As an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6. Consolidation of securities certificates/folios; 7. Transmission; 8. Transposition. Therefore,

Members are requested to kindly get their shares dematerialized at the earliest.

22. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection in electronic mode without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. September 25, 2026. Members seeking to inspect such documents can send an email to secnsm@owmnahar.com

23. 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, 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.

24. 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 secnsm@owmnahar.com or rta@alankit.com.
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.

25. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

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 22nd September, 2026 (9:00 a.m.) and ends on 24th September, 2026 (5:00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2026, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The member 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 December 9, 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

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 and 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 e-voting is in progress as per the information provided by company. On clicking the E-voting 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. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from 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 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's 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 toll free no.: 022-48867000 and 022-24997000

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

(v) Login method of e-Voting and joining virtual AGM for **Physical Shareholders & shareholders other than individual shareholders holding in demat form.**

a. The shareholders should log on to the e-voting website www.evotingindia.com.

b. Click on "Shareholders" module.

c. Now Enter your User ID

i. For CDSL: 16 digits beneficiary ID,

ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

f. 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 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

g. After entering these details appropriately, click on "SUBMIT" tab.

h. Members 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 also to be 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.

i. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

j. **Click on the EVSN for NAHAR SPINNING MILLS LIMITED i.e. 260807011 to vote.**

k. 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.

l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m. 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.

n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

o. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

p. If 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.

q. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

r. Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 at bathla7@gmail.com and to the Company at secnsm@owmnahar.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(vi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18th September, 2026 may follow the same instructions as mentioned above for e-Voting.

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

(vii) 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 on toll free no. 1800-21-09911.

(viii) Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting:

Mr. Brij Sharma,
Company Secretary and Compliance Officer
373, Industrial Area-A, Ludhiana – 141003
CIN: L17115PB1980PLC004341
Phone: 0161-2600701 to 705
E-mail: secnsm@owmnahar.com

26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING AGM ARE AS UNDER:

(i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

(ii) 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 Remote e-voting.

(iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(iv) Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.

(v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(vi) 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.

(vii) 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 atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secnsm@owmnahar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secnsm@owmnahar.com. These queries will be replied to by the company suitably by email.

(viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(x) 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 shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Other instructions:

27. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.

28. The Company has appointed Mr. P.S. Bathla, Practicing Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting, in a fair and transparent manner.

29. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days of the conclusion of the AGM.

30. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.owmnahar.com and on the website of CDSL i.e. www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

31. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 46th Annual General Meeting i.e. 25th September, 2026.

32. A person who is not a Member as on the cut-off date i.e. 18th September, 2026 should treat this Notice for informational purpose only.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned under Item No. 5 to Item No. 11 of the accompanying Notice:

ITEM NO. 5

As per the provisions of Companies (Cost Records and Audit) Rules, 2014, as amended Company's activities fall within the purview of Cost Audit requirement. Accordingly, the Board at its meeting held on 28th May, 2026 on the recommendation of Audit Committee, approved the appointment of M/s Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) at a remuneration of Rs. 2.20 Lakhs (Rupees Two Lakhs Twenty Thousand only) plus applicable taxes and Reimbursement of Out of pocket expenses incurred for conducting the Cost Audit of the Cost records of the Company for the financial year 2026-27.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the shareholders of the Company.

Accordingly, consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of remuneration payable to M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) for financial year 2026-27.

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

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

ITEM NO. 6

Mr. Satish Kumar Sharma (DIN: 00402712) is being appointed as a Non Executive Director of the Company (Item No 4 of the accompanying Notice) under the provisions of Section 152 of the Companies Act, 2013. The provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, provides that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect.

Mr. Satish Kumar Sharma is 74 years of age and will reach the age of 75 years on 4 September, 2027. Mr. S.K. Sharma is a Non- Executive Director of the Company. He is MBA having more than 52 years of work experience in corporate affairs and Marketing. He provides guidance and leadership to the executive team of professionals to achieve the milestones as specified by the Board. He strives towards adopting best practices in governance while fully complying with the applicable laws and statutes.

The Nomination and Remuneration Committee and the Board reviewed and confirmed that Mr. Satish Kumar Sharma (DIN: 00402712) possesses appropriate skills, experience and knowledge as required for continuing as a Director of the Company. He is a fit and proper person to continue the Directorship of the Company and He is not debarred from holding the office of director by virtue of any order by the Securities and Exchange Board of

India or any other authority. He is not disqualified for continuing as a Director in terms of Section 164 of the Companies Act, 2013.

Having regard to his leadership, strategic inputs, management skills, stakeholders' relationships, governance acumen as well as operational guidance towards the growth of the Company, the Nomination and Remuneration Committee has recommended his continuation on the Board as a Non-Executive Director. The Board is of the opinion that his continued association would be of immense beneficial to the Company and it is desirable to continue to avail his services as a Non-Executive Director.

In view of above, the Company seeks consent of the members by way of Special Resolution for continuation of Directorship of Mr. Satish Kumar Sharma as a Non-Executive Director of the Company after attaining the age of 75 years on September 4, 2027, has been proposed for your approval.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for your approval.

Except Mr. Satish Kumar Sharma, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the Resolution. Mr. Satish Kumar Sharma is holding 16987 Equity Shares of the company by himself and His wife Mrs. Sunita Sharma is holding 18382 equity Shares in the Company.

Brief profile of Mr. Satish Kumar Sharma alongwith other information as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are provided at the end of this Notice.

ITEM NO. 7

Mr. Dinesh Oswal (DIN: 00607290) was appointed as Managing Director of the Company w.e.f 1st January, 2022 for a period of 5 Years. His period of office shall expire on 31st December, 2026. Mr. Dinesh Oswal is 61 years of age. He is a Commerce graduate and has more than 41 years business experience in Textile Industry and has financial expertise. He has been involved in the Operations of the Company since 1985. During his leadership, the Company has become one of the leading Integrated Textile Company. The Company has been awarded several Export Trophies by TEXPROCIL for Company's excellent export performance in Yarns/ Knitted garments. It would be in the interest of the company if he is reappointed as Managing Director of the Company under the category of the Key Managerial Personnel.

The Board keeping in view the overall growth of the Company under his able and dynamic leadership and on the recommendation of Nomination and Remuneration Committee (subject to the approval of the shareholders) has approved to re-appoint him as Managing Director for a further period of 5 years commencing from 1st January, 2027. Mr. Dinesh Oswal is eligible for re-appointment as Managing Director and his remuneration and perquisites as set out in the resolution as set out at Item No. 7 are in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') provides that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if- the annual remuneration payable to such executive director exceeds Rs. 5 Crores or 2.5 per cent of the net profits (calculated as per Section 198 of the Companies Act, 2013) of the listed entity, whichever is higher.

Mr. Dinesh Oswal belongs to the Promoter/Promoter Group of the Company. Accordingly, approval of the members is being sought for payment of remuneration to Mr. Dinesh Oswal, Managing Director of the Company, being a promoter of the Company, even if the aggregate annual remuneration payable to him may exceeds the limit as provided under Regulation 17(6)(e) of Listing Regulations, during his proposed term i.e. from January 1, 2027 to December 31, 2031.

Wherein any financial year during his tenure as Managing Director, the Company has no profits or its profits are inadequate, the Company may pay the remuneration as set out in the resolution to Mr. Dinesh Oswal, as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be permitted subject to the requisite approvals, if any.

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings regarding particulars of Director seeking re-appointment:

Directorship of Board in other Company as on 31st March 2026 :

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Capital and Financial Services limited	Managing Director
2	Nahar Poly Films Limited	Director
3	Nahar Industrial Enterprises Limited	Director
4	Closettrunk Private Limited	Director
5	Oswal Woollen Mills Limited	Director
6	Nahar Industrial Infrastructure Corporation Limited	Director
7	Sankheshwar Holding Company Limited	Director
8	Abhilash Growth Fund Private Limited	Director

Chairmanship/ Membership of Board Committees:

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1.	Nahar Capital and Financial Services limited	CSR Committee Share Transfer Committee Asset Liability Management Committee Investment Committee
2.	Nahar Poly Films Limited	CSR Committee Share Transfer Committee

Listed entities from which the Director has resigned in the past three years: Nil

No. of Board Meetings attended during the year: 4

Shareholding in the Company: 123766 Equity Shares of Rs.5/- each

Disclosure of relationship between Directors inter-se: Mr. Dinesh Oswal is related to Mr. Jawahar Lal Oswal (Chairman) and Mr. Kamal Oswal (Director). None of the other Directors are in any way related to Mr. Dinesh Oswal.

Terms and Conditions of appointment/Re-appointment: Re-appointment as a Managing Director for a term of five years w.e.f. January 1, 2027

Details of Remuneration sought to be paid: He shall be paid remuneration as proposed in the resolution set out at Item no. 7 of the accompanying Notice of the Annual General Meeting.

Mr. Dinesh Oswal may be deemed to be concerned or interested in the aforesaid resolution. Further, Mr. Jawahar Lal Oswal (DIN: 00463866), Non-Executive Director/ Chairman and Mr. Kamal Oswal (DIN: 0493213), Non-Executive Director, being relatives of Mr. Dinesh Oswal may be deemed to be concerned or interested in the proposed resolution. The other relatives of Mr. Dinesh Oswal may deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above said resolution.

The Resolution as given in the notice may also be treated as an abstract of terms of Contract of Appointment under the provisions of Section 190 of the Companies Act, 2013. The terms and conditions of appointment as set out in the draft agreement to be entered into between the Company and Mr. Dinesh Oswal is available for inspection at the Registered Office of the Company.

The Board recommends the special resolution set out at Item no. 7 of the accompanying Notice for your approval.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION:

(1) Nature of Industry

The Company is mainly engaged in the manufacturing of Yarn and Garments under the main head Textile Industry.

(2) Date or expected date of commencement of commercial production

The Company was incorporated on 16th December, 1980 and is working since then.

(3) In case of new companies expected date of commencement of activities as per project approved by the financial institution appearing in the prospectus.

Not Applicable, as the company is an existing Company operating its Spinning/Garment Plants successfully.

(4) Financial performance based on the given indicators

(Amount in Rs.)

	FY 2025-26	FY 2024-25
Gross Revenue	3,23,311.25	3,31,890.66
Profit before Tax	2,603.93	2,113.25
Net Profit for the period	2,181.93	1,235.25

(5) Foreign investments or Collaborators, if any

The Company has not entered into any foreign collaboration and no foreign direct capital investment has been made in the Company.

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details

Mr. Dinesh Oswal is 61 years of age. He is commerce graduate and has more than 41 years of business experience in textile industry and financial matters. He is also a Managing Director of M/s. Nahar Capital and Financial Services Ltd.

(2) Past Remuneration (last two years)

(Amount in Rs.)

Particulars	Financial year (2025-26)	Financial Year (2024-25)
Salary	155250000	146250000
Perquisite and Allowances	12420000	11683604
Commission/bonus	8500000	0
Retirement Benefits	0	**0**
Total	**176784920**	**157933604**

Note: Mr. Dinesh Oswal was paid remuneration during the year 2024-25 and 2025-26 as approved by the Shareholders vide their Special Resolution dated 30th September, 2021.

(3) Recognition or Awards

Under the able & dynamic leadership of Sh. Dinesh Oswal, Managing Director, Company has been awarded several export Awards and trophies by the TEXPROCIL and Apparel Export Promotion Council and the Government of India

(4) Job profile and his suitability

Mr. Dinesh Oswal was reappointed as Managing Director of the company by the members for a period of five years w.e.f. 1st January, 2022, vide their resolution dated 29th September, 2021. He is overall responsible for operations of the Company under the supervision of the Board of Directors. He is having more than 41 years of experience in Textile Industry. Mr. Dinesh Oswal joined the Company as Director, in the year 1985. Under his able and dynamic leadership of 41 years, Company has become one of the largest integrated Spinning Mills of the Country. The Company's Operating income which was 153 million in the year 1985 has risen to Rs. 32,331.125 million in the year 2026. He has played a pivotal role in charting the Company's strategy for expanding its operations in the Global as well as Domestic Markets. Having regard to his textile knowledge, Business experience and leadership to the executive team, he is the best suited person for the responsibilities entrusted to him by the Board of Directors.

(5) Remuneration Proposed

The remuneration proposed has already been given in the Special Resolution at Item No. 7 of the accompanying Notice of Annual General Meeting. In case of inadequacy of profits, the said remuneration will be paid as minimum remuneration.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Considering the size of the Company, the profile of Mr. Dinesh Oswal, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him commensurate with the remuneration packages paid to persons appointed at similar level in other companies.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Mr. Dinesh Oswal belongs to promoter category. He is a relative to Mr. J.L. Oswal, Chairman and Mr. Kamal Oswal, Directors of the Company. Besides the remuneration proposed, Mr. Dinesh Oswal, does not have any other pecuniary relationship with the Company or with the Managerial Personnel.

I. OTHER INFORMATION:

- **Reasons for loss or inadequate profits**

  The Company has earned a Net Profit of Rs. 2,181.93 lakhs for the year ended 31st March, 2026. The prevailing geo-political situation West Asia war and Tariff imposed by U.S. on several countries including India may impact economic and financial activities which may affect the Company's profitability in future periods.

- **Steps taken or proposed to be taken for improvement**

  The global economy continues to face uncertainties arising from ongoing West Asia war and geo-political developments. However, with gradual improvement in market sentiment and demand in the textile sector, the Company remains optimistic about the prospects of its products in the coming periods.

- **Expected increase in the productivity and profits in the measurable terms.**

  Currently, it is not feasible to predict with accuracy the expected increase in the productivity and profits in the measurable term. However with the improvement in the economic activity at the Global and Domestic markets, your Management expects that the productivity and profits will improve in coming period. With the improvement in business cycle, the textile industry is expected to perform reasonably well in the coming period.

II. DISCLOSURES:

The Company has provided all the disclosures in Corporate Governance Report as required under Section II of Part II of Schedule V of the Companies Act, 2013.

ITEM NO. 8

The Shareholders vide their Special Resolution dated 25th September, 2024 approved the payment @0.50% of Export Sales of the Company, to Sh. Jawahar Lal Oswal (DIN: 00463866), Non-Executive Director/ Chairman of the Company w.e.f. 1st October, 2024 to 30th September, 2027, in addition to sitting fees for attending the meetings of the Board of Directors as approved by the Board of Directors for Non-Executive Directors of the Company.

Accordingly Sh. Jawahar Lal Oswal (DIN: 00463866) who was appointed as an Export Advisor, is being paid fee of 0.50% of the Company's export sales. The Nomination and Remuneration and Board has recommended, subject to your approval increase in the fee from 0.50% to 0.60% w.e.f. 1st April, 2026 for the remaining period of the office i.e. till 30th September, 2027. In addition to the said payment, Mr. Jawahar Lal Oswal shall continue to be eligible for the payment of sitting fees for attending the meetings of the Board of Directors.

The said payment will be paid to Mr. Jawahar Lal Oswal even if it exceeds one percent of the Net Profits of the

Company in accordance with Section 197 and 198 of the Companies Act, 2013.

Wherein any financial year during his directorship, the Company has no profits or its profits are inadequate, the Company may pay the said payment to Mr. Jawahar Lal Oswal, w.e.f. 1st April, 2026 as the minimum amount till 30th September, 2027 or such other period as may be statutorily permitted subject to requisite approvals, if any.

Further, pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members of the Company, is also being sought for above payment to Mr. Jawahar Lal Oswal, Non-Executive Director/Chairman of the Company, in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the financial year 2026-27.

Mr. Jawahar Lal Oswal may be deemed to be concerned or interested in the aforesaid resolution. Further, Mr. Dinesh Oswal (DIN: 00607290), Managing Director and Mr. Kamal Oswal (DIN: 0493213), Non-Executive Director, being relatives of Mr. Jawahar Lal Oswal may be deemed to be concerned or interested in the proposed resolution. The other relatives of Mr. Jawahar Lal Oswal may deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above said resolution.

The Board recommends the special resolution set out at Item no. 8 of the accompanying Notice for your approval.

ITEM NO. 9

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Yash Paul Sachdeva (DIN: 02012337) was appointed as Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 23rd August, 2027. Thus his period of office will be expiring on 23rd August, 2027.

Based on the recommendation of the Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Yash Paul Sachdeva and on the basis of report of performance evaluation, the Board in its Meeting held on 5th August,2026 has proposed the re-appointment of Dr. Yash Paul Sachdeva as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from August 24, 2027 upto August 23, 2032.

Dr. Yash Paul Sachdeva is 64 years of age. He is MBA with specialization in Financial Management and Ph.D. (Capital Markets and Investment Management). He is an eminent educationist and Corporate Advisor. His areas of specialization are Accounting and Financial Management, Security Analysis and Portfolio Management, and Management Control Systems. He has more than 30 years of experience in the field of Business Management and Administration. He retired as Professor in the Business Administration Department of Punjab Agriculture University, Ludhiana.

The role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, understanding of relevant laws, rules, regulations and policies, financial knowledge, policy shaping, corporate governance etc. Accordingly, the performance evaluation of Dr. Yash Paul Sachdeva was conducted on parameters such as his education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, including attendance at Board and Committee Meetings, independence of judgment, decision making ability for safeguarding the interest of the Company and its stakeholders etc.

The Nomination and Remuneration Committee and the Board reviewed and confirmed that Dr. Yash Paul Sachdeva is independent of the Management and possesses appropriate skills, experience and knowledge as required to be an Independent Director of the Company. He is a fit and proper person to be appointed as a Director of the Company and he is not debarred from holding the office of director by virtue of any order by the Securities and Exchange Board of India or any other authority. He is not disqualified for continuing as a Director in terms of Section 164 of the Companies Act, 2013. It will be in the interest of the Company to re-appoint him as an Independent Director for a second term of five years.

Having regard to his vast knowledge and expertise, the Board is of the opinion that his continued association would be of immense beneficial to the Company and it is desirable to re-appoint him as an Independent Director for a second term of five years.

The Company has received from Dr. Yash Paul Sachdeva (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Yash Paul Sachdeva fulfills the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.owmnahar.com.

Dr. Yash Paul Sachdeva does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Yash Paul Sachdeva, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the above said Resolution.

The Board recommend the Special Resolution set out at Item No. 9 of the Notice for your approval.

Brief profile of the Dr. Yash Paul Sachdeva, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

ITEM NO. 10

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Anchal Kumar Jain (DIN: 09546925) was appointed as Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 23rd August, 2027. Thus his period of office will be expiring on August 23, 2027.

Based on the recommendation of the Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Anchal Kumar Jain and on the basis of report of performance evaluation, the Board in its Meeting held on 5th August, 2026 has proposed the re-appointment of Dr. Anchal Kumar Jain as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from August 24, 2027 upto August 23, 2032.

Dr. Anchal Kumar Jain is 66 years of age and he has done B.Tech, M.Tech & P.h.D. and having more than 40 years' experience in Teaching. Presently he is working as Professor at Lovely Professional University, Phagwara (Punjab). He retired as Professor and Head (Soil and Water Engineering) from Punjab Agricultural University, Ludhiana. He was awarded from the 'Noble Citizen Award' in 2020. He was awarded 'Team Award' and 'Commendation Medal' from Indian Society of Agricultural Engineers for outstanding Contributions to research in soil and water engineering. Besides this, he was also honored with 'Shiksha Rattan Puraskar' in 2010 by India International Friendship Society.

The role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, understanding of relevant laws, rules, regulations and policies, policy shaping, corporate governance etc. Accordingly, the performance evaluation of Dr. Anchal Kumar Jain was conducted on parameters such as his education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, including attendance at Board and Committee Meetings, independence of judgment, decision making ability for safeguarding the interest of the Company and its stakeholders etc.

The Nomination and Remuneration Committee and the Board reviewed and confirmed that Dr. Anchal Kumar Jain is independent of the Management and possesses appropriate skills, experience and knowledge as required to be an Independent Director of the Company. He is a fit and proper person to be appointed as a Director of the Company and he is not debarred from holding the office of director by virtue of any order by the Securities and Exchange Board of India or any other authority. It will be in the interest of the Company to re-appoint him as an Independent Director for a second term of five years.

Having regard to his vast knowledge and expertise, the Board is of the opinion that his continued association would be of immense beneficial to the Company and it is desirable to re-appoint him as an Independent Director for a second term of five years.

The Company has received from Dr. Anchal Kumar Jain (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Anchal Kumar Jain fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.owmnahar.com.

Dr. Anchal Kumar Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Anchal Kumar Jain, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the above said Resolution.

The Board recommend the Special Resolution set out at Item No. 10 of the Notice for your approval.

Brief profile of the Dr. Anchal Kumar Jain, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

ITEM NO. 11

The Company is presently engaged in the business of manufacturing and exporting of cotton and blended yarns, knitted hosiery garments and value-added textile products. In line with the Company's long-term growth strategy and with a view to exploring new business opportunities in the renewable energy sector, the Board considers it desirable to expand the scope of the Company's business activities by venturing into the field of solar energy generation, development, operation and maintenance of solar power projects, consultancy services and allied activities.

The renewable energy sector, particularly solar energy, has witnessed significant growth in recent years and offers substantial business opportunities. The proposed addition of new objects will enable the Company to undertake activities relating to generation, transmission, distribution, supply, trading, marketing and sale of solar energy, development and operation of solar power plants, and provision of consultancy, advisory and research services in the field of solar energy and allied areas.

The existing Main Objects Clause of the Memorandum of Association does not specifically cover the aforesaid activities. Accordingly, the Board of Directors in their meeting held on 5th August, 2026 approved and proposed to amend Clause III(A) of the Memorandum of Association of the Company by inserting Sub-clauses 8, 9 and 10 after existing Sub-clause 7, as set out in the Special Resolution forming part of the Notice.

Pursuant to Section 13 of the Companies Act, 2013, alteration of the Object Clause of the Memorandum of Association requires approval of the Members by way of a Special Resolution.

A copy of the existing Memorandum of Association together with the proposed amendments shall be available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting and shall also be available for inspection during the meeting.

The Board of Directors are of the opinion that the proposed amendment is in the best interests of the Company and its Members and recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution except to the extent of their shareholding, if any, in the Company.

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment/re-appointment:

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

1. Name	**Mr. Jawahar Lal Oswal (DIN : 00463866)**
Age	82 Years
Qualification	Graduate
Expertise	Having more than 62 years of experience in Corporate Finance and Taxation

Directorship of Board in other Company as on 31st March 2026 :

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Industrial Enterprises Limited	Director
2	Nahar Poly Films Limited	Director
3	Nahar Capital And Financial Services Limited	Director
4	Monte Carlo Fashions Limited	Managing Director
5	Oswal Woollen Mills Limited	Managing Director
6	Palam Motels Limited	Director
7	MCFL Ventures Limited	Director
8	Sankheshwar Holding Company Limited	Director
9	Nagdevi Trading and Investment Company Limited	Director
10	Abhilash Growth Fund Private Limited	Director

Chairmanship of Board Committees in other Company as on 31st March 2026:

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Monte Carlo Fashions Ltd.	Corporate Social Responsibility Committee Share Transfer Committee
2	Oswal Woollen Mills Limited	Corporate Social Responsibility Committee Shareholder Committee
3	Abhilash Growth Fund Private Limited	Corporate Social Responsibility Committee
4	Nagdevi Trading and Investment Company Limited	Corporate Social Responsibility Committee

Membership of Board Committees in other Company as on 31st March 2026: Nil

Listed entities from which the Director has resigned in the past three years: Nil

No. of Board Meetings attended during the year: 3

Shareholding in the Company: 90374 Equity Shares of Rs. 5/- each

Disclosure of relationship between Directors inter-se: Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal and Mr. Dinesh Oswal. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers.

Terms and Conditions of appointment/Re-appointment: Re-appointment as a Non-Executive Director liable to retire by rotation

Remuneration drawn for FY 2025-26: Rs.98915180 (including sitting fees)

Details of Remuneration sought to be paid: He shall be paid remuneration as proposed in the resolution set out at Item no. 8 of the accompanying Notice of the Annual General Meeting

2. Name	**Mr. Satish Kumar Sharma (DIN : 00402712)**
Age	74 Years
Qualification	MBA
Expertise	Having more than 52 years of experience in Corporate Affairs and Marketing

Directorship of Board in other Company as on 31st March 2026 :-

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Poly Films Limited	Executive Director
2	Nahar Capital And Financial Services Limited	Director

Chairmanship of Board Committees in other Company as on 31st March 2026: Nil

Membership of Board Committees in other Company as on 31st March 2026:

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Capital And Financial Services Limited	Stakeholder's Relationship Committee Audit Committee

Listed entities from which the Director has resigned in the past three years: Nil

No. of Board Meetings attended during the year: 4

Shareholding in the Company: 16987 Equity Shares of Rs.5/- each

Disclosure of relationship between Directors inter-se: Nil

Terms and Conditions of appointment/Re-appointment: Re-appointment and continuation as a Non-Executive Director liable to retire by rotation

Remuneration drawn for FY 2025-26: Sitting fees of Rs.40000

Details of Remuneration sought to be paid: He shall be paid a fee for attending meeting of the Board.

3. Name	Dr. Yash Paul Sachdeva (DIN: 02012337)
Age	64 Years
Qualification	MBA, Ph.D (Business Administration)
Expertise	Having more than 30 years of experience in the field of Business Management and administration.

Directorship of Board in other Company as on 31st March 2026 :-

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Industrial Enterprises Limited	Independent Director
2	Nahar Capital And Financial Services Limited	Independent Director
3	Monte Carlo Fashions Limited	Independent Director

Chairmanship of Board Committees in other Company as on 31st March 2026 :-

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Industrial Enterprises Limited	Nomination and remuneration committee
2	Monte Carlo Fashions Limited	Audit Committee
3	Monte Carlo Fashions Limited	Nomination and remuneration committee
4	Nahar Capital And Financial Services Limited	Nomination and remuneration committee

Membership of Board Committees in other Company as on 31st March 2026 :-

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Capital And Financial Services Limited	CSR Committee
2	Monte Carlo Fashions Limited	Risk Management Committee

Listed entities from which the Director has resigned in the past three years: Nil

No. of Board Meetings attended during the year: 4

Shareholding in the Company: Nil

Disclosure of relationship between Directors inter-se: Nil

Terms and Conditions of appointment/Re-appointment: Re-appointment as a Independent Director for second term w.e.f. August 24, 2027

Remuneration drawn for FY 2025-26: Sitting fees of Rs.40000

Details of Remuneration sought to be paid: He shall be paid a fee for attending meeting of the Board.

4. Name	Dr. Anchal Kumar Jain (DIN : 09546925)
Age	67 Years
Qualification	B.Tech, M.Tech & Ph.D
Expertise	Having more than 41 years experience in Teaching and Administration.

Directorship of Board in other Company as on 31st March 2026 :-

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Industrial Enterprises Limited	Independent Director
2	Nahar Poly Films Limited	Independent Director
3	Monte Carlo Fashions Limited	Independent Director

Chairmanship of Board Committees in other Company as on 31st March 2026 :- Nil

Membership of Board Committees in other Company as on 31st March 2026 :-

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Poly Films Limited	Risk Management Committee
2	Nahar Industrial Enterprises Limited	Stakeholder's Relationship Committee
3	Nahar Industrial Enterprises Limited	Nomination and remuneration committee
4	Nahar Industrial Enterprises Limited	CSR Committee
5	Monte Carlo Fashions Limited	Audit Committee

Listed entities from which the Director has resigned in the past three years: Nil

No. of Board Meetings attended during the year: 3

Shareholding in the Company: Nil

Disclosure of relationship between Directors inter-se: Nil

Terms and Conditions of appointment/Re-appointment: Re-appointment as a Independent Director for second term w.e.f. August 24, 2027

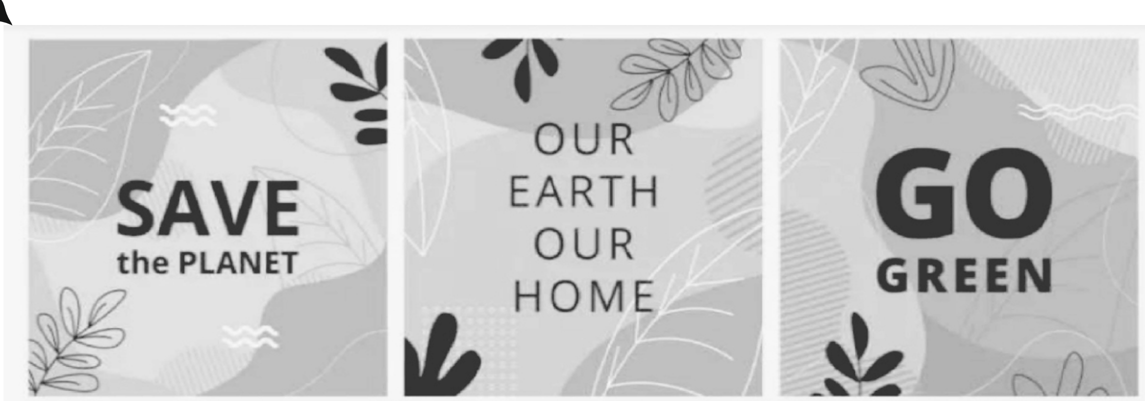
Remuneration drawn for FY 2025-26: Sitting fees of Rs.30000

Details of Remuneration sought to be paid: He shall be paid a fee for attending meeting of the Board.

By Order of the Board
For Nahar Spinning Mills Limited

Brij Sharma
(Company Secretary)
Mem. No. FCS 2458

Dated: 5th August, 2026
Registered Office:
373, Industrial Area-A,
Ludhiana -141003 (India)
CIN: L17115PB1980PLC004341
E-mail: secnsm@owmnahar.com



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **Forty-Sixth Annual Report** on the affairs of the Company for the financial year ended 31st March, 2026.

FINANCIAL PERFORMANCE

Your Company's Financial Performance during the year is summarized below:

(Rs. in Crores)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Total Income (Operational and Other Income)	**3233.11**	3318.91
Less: Total Expenses	**3206.16**	3292.54
Profit before tax and Exceptional Items	**26.95**	26.37
Less: CSR Expenses	**0.91**	5.24
Profit before tax	**26.04**	21.13
Less: Tax expenses (including deferred tax)	**4.22**	8.78
Net Profit from continuing operations	**21.82**	12.35

INDIAN ACCOUNTING STANDARD

The Company has adopted Indian Accounting Standards (IndAS) and the financial statements have been prepared as per the Indian Accounting Standard Rules, 2015, as prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and the other Accounting Principles generally accepted in India.

MODERNIZATION OF COMPANY'S SPINNING UNITS

Before reviewing the Operational performance, we are pleased to brief you regarding the status of modernization of company spinning units at various locations. The Company has already added ultra-modern machineries replacing the old machineries and spent Rs. 170 crores on the modernization programme. During the year company has also put up a Rooftop Solar PV System with the capacity 6.60 M.W. thereby increasing its capacity to 19.874 M.W. The modernization programme is expected to be completed by Financial Year 2027-28.This will help the company in improving quality as well as operational efficiencies and will enable the company to diversify and increase its exports to quality conscious markets of U.S. and European Union.

OPERATIONAL REVIEW AND STATE OF AFFAIR

We would like to inform you that the company operates in a single segment i.e. “TEXTILE” as such disclosure requirements as per Indian Accounting Standard (Ind AS) 108 issued by the Institute of Chartered Accountants of India, New Delhi, are not applicable.

In spite of prevailing Geo-Political situations and Global Challenges, Company has been able to improve its performance during the year under review. The Company achieved a total income of Rs. 3233.11 Crores against Rs.3318.91 Crores in the previous year. The export at Rs. 1699.37 Crores has shown an increase of 3.97% when compared with the previous year. The punitive tariff of 50% by United States in August 2025, which continued till February 2026, not only affected the Company's exports but also its profitability too. The Company has to offer deep discounts to retain its overseas customers which affected company profitability. In spite of above, Company improved its Financial performance earned a profit before tax of Rs. 26.04 Crores as against and Rs. 21.13 Crores in the previous year. After providing tax expense (including deferred tax) of Rs. 4.22 Crores, the net profit comes to Rs. 21.82 Crores.

During the current year, the company is performing well. However, the prevailing Geo-Political situation, U.S. Trade Tariff of 10% on imports and slowdown in global demand are still posing challenges to Textile Industry. Your management is looking at the future with optimism and expects that the company will be able to perform reasonably well in the coming periods.

TRANSFER TO RESERVES

During the year the Company has not transferred any amount to Reserves and has kept the net profit of Rs. 21.82 Crores in the retained earning in the financial statements of the company. Thus, the Company's reserves (other equity) stands at Rs. 1494.06 Crores as on 31st March, 2026.

CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year under review.

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY (DDP)

We are pleased to inform you that our Board in its meeting held on 28th May,2026 has recommended a dividend of Rs. 1.00/- per equity share of Rs. 5/- each (i.e. @ 20%) for the year ended 31st March, 2026, out of the profits of the Company. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting scheduled to be held on 25th September, 2026.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of the Profits of the Company for the year under reference, to all those shareholders whose names shall appear in the Register of Members on 4th September, 2026 or Register of beneficial Owners, maintained by the Depositories as at the close of 4th September, 2026. Further, as per the dividend income is taxable in the hands of members and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the provision of the Income Tax Act, 2025(the Act), at the time of making payments of dividend to the shareholders.

Pursuant to Regulation 43A of the SEBI (Listing

Obligations and Disclosure Requirements), 2015 as amended, a Dividend Distribution Policy setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company, is available on the website of the Company at http://www.owmnahar.com/spinning/pdf/dividend_distribution.pdf.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions Section 124(5) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all dividend remaining unpaid or unclaimed for period of seven consecutive years is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Accordingly, the Company has transferred an amount of Rs. 4,48,484.00/- (Rupees Four Lakhs Forty Eight Thousand Four Hundred Eighty Four only) being the amount of unclaimed dividend for the year 2017-18 to the Investor Education and Protection Fund in November, 2025. The shareholders whose dividends have been transferred to IEPF Authority can claim their dividend from the Authority. Further, pursuant to Section 124 of the Companies Act, 2013, unpaid or unclaimed dividend for the year 2018-19 will have to be transferred to the Investor Education and Protection Fund in November, 2026.The Company has already sent emails/notices in the month of May, 2026 to the members informing them to claim the Unclaimed Dividend before such transfer of dividend to the Investor Education and Protection Fund.

Besides, as per the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the equity shares on which dividend remains unpaid or unclaimed by the shareholders for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. Accordingly in compliance of the provisions of the Act, 55,172 (Fifty Five Thousand One Hundred Seventy Two only) equity shares of Rs. 5/- each were transferred to the DP/Client ID IN300708/10656671 opened in the name of the Investor Education and Protection Fund Authority. The details of the shareholders whose shares are transferred to the Demat account of IEPF Authority is available on the Company's website https://www.owmnahar.com/spinning/pdf/pertaining-to-fy-(2017-18).pdf.

Further, shares in respect of unclaimed/unpaid dividend for seven consecutive years from the financial year 2018-19 shall be transferred to Investor Education and Protection Fund pursuant to IEPF Rules in November, 2026. The Company has already sent letter to the shareholders and published the Notice in the Newspaper informing them to claim the unclaimed dividend from the Company at the earliest. The list containing the details of shares along with unclaimed/unpaid dividend for seven consecutive years to be transferred to the IEPF Authority are available on Company's website at https://www.owmnahar.com/spinning/pdf/pertaining_to_fy_2018-19.txt.

The shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The concerned members/investors are advised to access the web link: https://www.mca.gov.in for filing e-Form IEPF-5 for refund of shares and/or dividend from the IEPF Authority.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015.

The Board has taken on record the declarations and confirmations submitted by the Independent Directors. In the opinion of the Board, all Independent Directors hold high standards of integrity and possess requisite qualifications, experience and expertise as required to discharge their duties as Independent Directors with an objective independent judgment and without any external influence. All the Independent Directors have confirmed that they are in compliance with Rules 6 of the Companies (Appointment and Qualification of Directors) Rules 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Appointment/Re-appointment/Retirement of Directors**

  Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Article 117 of Articles of Association of the Company, Mr. Jawahar Lal Oswal (DIN: 00463866) and Mr. Satish Kumar Sharma (DIN: 00402712), Non-Executive Directors of the Company, will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offered themselves for re-appointment. The resolutions seeking shareholders approval for their re-appointment along with the other required details form part of the Notice. The Board recommended their re-appointment to the members of the Company at the ensuing Annual General Meeting.

  Further, the first term of office of Dr. Yash Paul Sachdeva (DIN: 02012337) and Dr. Anchal Kumar Jain (DIN: 09546925), as Independent Directors of the Company, will expire on August 23, 2027. The

Board, on the recommendation of Nomination and Remuneration Committee and on the basis of their performance evaluation, has decided to recommend re-appointment of Dr. Yash Paul Sachdeva (DIN: 02012337) and Dr. Anchal Kumar Jain (DIN: 09546925), as Independent Director for a second term of five consecutive years w.e.f. August 24, 2027 upto August 23, 2032. The necessary resolution for their re-appointment has been proposed in the accompanying Notice for your approval.

Further, the period of office of Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company, who was appointed for a period of five years, is expiring on 31st December, 2026. The Board having regard to the overall growth of the Company under his able and dynamic leadership and on the recommendation of Nomination and Remuneration Committee has decided to recommend his reappointment as Managing Director for a further period of five years commencing from 1st January, 2027. The resolution for the same is being proposed for your approval in the accompanying Notice of ensuing Annual General Meeting.

Besides, Sh. Jawahar Lal Oswal (DIN: 00463866) who was appointed as an Export Advisor,is being paid fee of 0.50% of the Company's export sales. The Nomination and Remuneration Committee and Board has recommended, subject to your approval increase in the fee from 0.50% to 0.60% w.e.f. 1st April, 2026 for the remaining period of the office i.e. till 30th September, 2027. The resolution for the same is being proposed for your approval in the accompanying Notice of the ensuing Annual General Meeting.

- **Key Managerial Personnel**

  Pursuant to the provisions of Section 203 of the Companies Act, 2013, Sh. Dinesh Oswal (DIN: 00607290), Managing Director, Sh. Anil Garg, Chief Financial Officer and Sh. Brij Sharma, Company Secretary are the Key Managerial Personnel (hereinafter referred as KMP) of the Company and there has been no change in the KMP since the last fiscal year.

BOARD EVALUATION

The provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandate that a Formal Annual Evaluation is to be made by Board of its own performance and that of its Committees and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated.

The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination and Remuneration Committee of the Company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Fiscal year 2026 was discussed by the Nomination and remuneration Committee in its meeting held on 28th May, 2026 and the Board in its meeting held on 28th May, 2026.

The Board was satisfied with the evaluation process and the approved the evaluation results thereof.

CORPORATE POLICIES:

As per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the listed Companies are required to formulate certain policies. As a good corporate entity, the Company has already formulated several corporate governance policies and the same are available on the Company's website i.e. www.owm nahar.com. The said policies are reviewed periodically by the Board to make them in compliance with the new Regulations/requirements.

The Company has adopted certain policies, the details of which are given hereunder:

Name of the Policy	Brief Description
Appointment Remuneration Policy	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The policy formulates the principle and criteria for determining qualification, competence, positive attributes, integrity and independence etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of Directors, Key Managerial Personnel

	and other employees. The Policy has been uploaded on the Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf
Corporate Social Responsibility	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy outlines the various programmes/projects/Activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013 relating to promoting education, healthcare, rural development, environment, hunger, poverty etc. The Policy has been uploaded on the Company's website and can be accessed at
Whistle Blower Policy	Pursuant to the provisions of Section 177 of the Companies Act, 2013 Company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its Directors and employees. The aim of the policy is to provide a channel to the Directors and employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct. The Policy has been uploaded on the Company's website and can be accessed at https://www.owmnahar.com/spinning/pdf/vigil_mechanism_25.pdf
Policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions	Pursuant to the requirements of regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has approved a policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions. The Policy regulates the transaction between the Company and its Group Companies and related parties. The policy has been uploaded on Company's website and can be accessed at https://www.owmnahar.com/spinning/pdf/RPT-NAHAR-SPINNING-2025.pdf
Insider Trading Policy	Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Board has adopted the following Codes to provide framework for dealing in the Securities of the Company by the Insiders: i. Code of practices and procedures for fair disclosure of unpublished price sensitive information ii. Code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons The Codes help to regulate trading in securities by the designated persons and immediate relatives of designated persons. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Policy has been uploaded on the Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/code-of-practices.pdf
Policy for Preservation of documents	The Board of directors in their meeting held on 10th February, 2016 has approved and adopted the policy for Preservation of documents. The policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years as per the requirements of applicable laws.
Archival Policy	Pursuant to the requirements of Regulation 30(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Archival Policy in its Meeting held on 10th February, 2016. The policy ensures protection, maintenance and archival of Company's disclosures, documents and records that are placed on Company's website i.e. www.owmnahar.com
Board Diversity Policy	The Board of Directors in their Meeting held on 12th November, 2014 has approved and adopted the Board Diversity Policy as per the recommendation of Nomination and Remuneration Committee. The policy envisages diversification of Company's Board in respect of age, knowledge, experience and expertise.
Dividend Distribution Policy	Pursuant to the requirements of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

	Board of Directors in their Meeting held on 31st May, 2021 has approved and adopted the Dividend Distribution Policy. The policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy has been uploaded on Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/dividend_distribution.pdf
Risk Management Policy	The Board of Directors has formulated and adopted Risk Management Policy as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company. The policy has been uploaded on Company's website and can be accessed at https://www.owmnahar.com/spinning/pdf/risk-management-policy-22.pdf

APPOINTMENT AND REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under Section 178(3) of the Companies Act, 2013. The objective of the Policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of Governance and Management. The present Board consists of ten members. Sh. Jawahar Lal Oswal (DIN: 00463866) is a Non-Executive Director/Chairman. Sh. Dinesh Oswal (DIN: 00607290) is a Managing Director. There are four Non-Executive Directors and five are Independent Directors out of which one Director namely; Dr. Manisha Gupta (DIN: 06910242) is a Woman Independent Director on the Board.

The Company's Policy of Appointment and Remuneration includes criteria for determining Qualification, Positive Attributes, Independence of Directors and other matters, as required under sub Section 3 of Section 178 of the Companies Act, 2013. The policy also laid down the criteria for determining the remuneration of Directors, Key Managerial Personnel and other employees. The Appointment and Remuneration Policy of the Company is available on the Company's website and can be accessed at https://www.owmnahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf. There has been no change in the Policy since the last fiscal year. We affirm the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors held their meeting on 11th November, 2025 without the attendance of Non-Independent Directors and members of the Management. All Independent Directors were present at the meeting. At the meeting they:

1. Reviewed the performance of Non-Independent Directors and the Board as a whole;
2. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors;
3. Assessed the quality, quantity and timeliness of the flow of information between the Company's management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARISATION PROGRAMS FOR BOARD MEMBERS

At the time of appointing a Director, the Company issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All the Independent Directors are provided with all policies/Guidelines as framed by the Company under various statutes and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations. The details of the Company's policy on Familiarization Programs conducted during the year under review for Independent Directors are posted on the Company's website and can be assessed at: https://www.owmnahar.com/spinning/pdf/familiarization-program-2025-26.pdf.

NO. OF BOARD MEETINGS

During the year under review, the Board of Directors of the Company met four times i.e. 28th May, 2025, 31st July, 2025, 13th November, 2025 and 7th February, 2026 with a predefined agenda circulated well in advance. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Company is engaged in the manufacture & exports of yarns and knitted garments. Likewise, some Group Companies (which are public limited Companies) are also engaged in the Textile Industry. Because of nature of Industry, sometimes sale/purchase/fabrication jobs etc. transactions takes place between the Group Companies which are in the ordinary course of business on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict of interest with the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134(3)(h) of the Companies Act, 2013. However, the transactions entered into with the Group Companies/Related Parties, during the year under review, has been given in Notes to the financial statements in accordance with the Accounting Standards.

The Company has not entered into any contract or arrangement with the related parties as referred in Section 188(1) of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2026. Thus the requirement for disclosure of particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable. However, as per Company's policy, all the Group Companies transactions regarding sales/purchase etc. are placed before the Audit Committee as well as the Board, for their information and approval.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.

SHARE CAPITAL

The Paid up equity share capital of the Company as on 31st March, 2026 is Rs. 1803.27 Lakhs. During the year under review, Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor granted any stock options or sweat equity shares under any scheme.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Directorate General of GST Intelligence has passed orders under section 74 of Central Goods and Services Tax Act,2017 imposing a penalty of Rs. 5 Crores on the Company, for which the Company has gone in for appeal before the Commissioner Appeal. The case is pending as on date.

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

The Company has not provided any Guarantee under Section 186 of the Companies Act 2013. However, the details of Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company adopted CSR Policy and decided to undertake CSR activities in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation which is a Registered Society formed in 2006 with vide Registration No. CSR0000145, having its charitable objects in various fields. The details of the CSR policy are available on the Company's website i.e. www.owmnahar.com

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, company's CSR obligation for the financial year 2025-26 was Rs. 90.96 Lakhs (being the 2% of the average net profits made during the three immediate preceding financial years. During the year under review, the Company has contributed an amount of Rs. 66.11 Lakhs to the Oswal Foundation, towards “Healthcare”. Further ,the Company contributed Rs.17.07 Lakhs to the Indian Red Cross Society for Flood relief activities in Punjab. An amount of Rs.5.00 Lakhs was contributed to Child Mental Health Foundation. The Company also contributed Rs. 0.50 Lakh towards providing medical instruments and laboratory equipments at Mandideep, Madhya Pradesh and incurred Rs. 1.28 Lakhs towards registration of a vehicle given under the healthcare initiative. Further,under the 'Promoting Education' initiative, the Company contributed Rs. 1.00 Lakh towards improvement of educational infrastructure at the Anganwari Centre, Village Bhatian Khurd, District Malerkotla ,Punjab.

The disclosure in respect of the existing CSR activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014, is annexed hereto as 'Annexure I' and forms part of this Report.

AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013, the Board of Directors has already constituted the

Audit Committee consisting of three Non-Executive Directors under the Chairmanship of Dr. Vijay Asdhir (DIN: 06671174), Sh. Dinesh Gogna (DIN: 00498670) and Dr. Roshan Lal Behl (DIN: 06443747) as members. Mr. Brij Sharma is the Secretary of the Committee. The Committee held four meetings during the year under review. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employees, directors, customers, vendors etc., can report the genuine concerns or grievances of the members to the Audit Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such Mechanism. The Mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website. The Company has a dedicated e-mail address i.e. whistleblowernsml@owm nahar.com for reporting the genuine concerns. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at https://www.owmnahar.com/spinning/pdf/vigil_ mechanism_25.pdf

The Audit Committee regularly reviews the working of the Mechanism. No complaint was received during the year under review.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY

The Company does not have any subsidiary, joint venture and associate company during the year under review.

CREDIT RATING

We would like to inform you that Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/376311/CP/0825/127657 dated August 28, 2025 has intimated the company's rating outlook on the long term bank facilities 'CRISIL A/Negative' (Reaffirmed). The rating on short-term bank facility has been reaffirmed at 'CRISILA1'.

GREEN INITIATIVE

To save environment and to comply with the provisions of the Companies Act, 2013, SEBI (LODR), Regulations, 2015 as amended from time to time, Company is sending documents such as notices of General Meetings, Annual Report and other communications to its shareholders via electronic mode to the registered E-mail addresses of the shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest E-mail addresses with their Depository Participant (D.P.) with whom they are having Demat Account or send the same to the Company via E-mail at:- secnsm@owmnahar.com or gredressalnsml@owmnahar.com. We solicit your valuable co-operation and support in our endeavour to contribute our bit to the Environment.

LISTING OF SECURITIES

The securities of the Company are presently listed on the following Stock Exchanges:

I. The BSE Ltd., 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

ii. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051.

The Company has paid listing fee to both the Stock Exchanges for the financial year 2026-27.

DEMATERIALISATION OF SECURITIES

Your Company has established connectivity with both the Depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31st March, 2026, 98.90% of the total equity share capital of the Company has been dematerialized.

Pursuant to Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with the depository. Hence, all members, who are holding equity shares in physical form, are requested to go in for dematerialization of securities at the earliest.

Further, the Company has appointed M/s Alankit Assignments Ltd., as Registrar for Share Transfer and Electronic connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, demat/remat, change of address etc. to our registrar at below mentioned address:

M/s. Alankit Assignments Limited
(Unit: Nahar Spinning Mills Limited)
Alankit House, 4E/2, Jhandewalan Extension
New Delhi – 110 055
Telephone No. : (011) 42541234
Fax No. : (011) 23552001

E-mail address : rta@alankit.com

In case any query/complaint remains unresolved with our Registrar please write to Company Secretary at the Registered Office of the Company.

SPECIAL WINDOW FOR RE-LODGEMENT OF TRANSFER REQUESTS

SEBI vide its Circular No. SEBI/HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026 has re-introduced a special window from February 5, 2026 to February 4, 2027 to facilitate shareholders for lodging/re-lodging requests for transfer and dematerialisation ("demat") of physical securities which were sold/purchased prior to April 01, 2019 and original share certificate is available. This special window is also available for such transfer requests which were submitted earlier and were rejected/returned/not attended to due to deficiency in the documents/process/or otherwise. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock-in, during which they cannot be transferred, lien-marked, or pledged. In accordance with the Circular, the Company has created awareness through newspaper advertisement, website and stock exchanges filings to encourage Members to avail benefit from this facility. Eligible shareholders are requested to submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent (RTA) at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Ltd. 4E/2, Alankit House, Jhandewalan Extension, New Delhi – 110055 (Tel. 011-42541234), within the stipulated period.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirely the requirements of the Companies Act, 2013. Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge & ability, confirm that:

i. in preparation of the Annual Accounts, the applicable Accounting Standards have been followed alongwith proper explanations relating to material departures;

ii. 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 or loss of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they had prepared the annual accounts on a going concern basis.

v. that the directors, in the case of a listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS & AUDITORS' INDEPENDENT REPORT

Statutory Auditors: The members at the Annual General Meeting held on 24th August, 2022 appointed M/s. Gupta Vigg & Co., Chartered Accountants (Firm Registration No. 001393N) as Statutory Auditors of the Company for a term of 5(Five) consecutive years to hold the office from the conclusion of 42nd Annual General Meeting upto the conclusion of 47th Annual General Meeting of the company to be held in the year 2027.

M/s. Gupta Vigg & Co., Chartered Accountants, have given declaration to the effect that they have not incurred any disqualification as mentioned under Section 141(3) of the Companies Act, 2013 after their appointment as Statutory Auditors of the Company and they are eligible to continue their above said appointment for the financial year 2026-27.

Audit Report: The Statutory Auditors have submitted the Audit Report on the Financial Statements of the Company for the accounting year ended 31st March, 2026. There were no qualifications, reservations, adverse remarks or disclaimers in the Report. The observations and comments given by the Auditors in their Report read together with the Notes to the Financial Statements are self-explanatory and require no comments.

Cost Auditors: In compliance with the provisions of Section 148(1) of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, Cost Audit is applicable to the Company. Accordingly, the Company is maintaining Accounts and Costing Records. Further, the Board of Directors on the recommendation of Audit Committee has appointed M/s. RamanathIyer & Co., Cost Accountants (Firm Registration No. 000019), as Cost Auditors of the Company for the financial year 2025-26. Accordingly, they have conducted Cost Audit for the financial year 2025-26. The report does not contain any qualification, reservation or adverse remark and requires no comments.

The Board has re-appointed M/s. RamanathIyer & Co., Cost Accountants (Firm Registration No. 000019), to conduct Cost Audit of the Company for the Financial Year 2026-27. They have confirmed their eligibility for the said re-appointment. The remuneration of Rs.2.20 Lakhs (Rupees Two Lakhs Twenty Thousand Only) plus applicable taxes and reimbursement of out of Pocket expenses incurred, for the year 2026-27 payable to the Cost Auditors is required to be ratified by the members as per the provision of Section 148(3) of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014. Accordingly, a resolution for ratification of the remuneration of the Cost Auditors has been proposed in the notice of the ensuing Annual General Meeting for your approval.

Secretarial Auditor: In compliance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 the Board, based on recommendation of the Audit Committee, has approved the appointment of Mr. P.S. Bathla, proprietor of M/s. P.S. Bathla and Associates, Peer Reviewed Company Secretary in Practice, Ludhiana having Certificate of Practice Number 2585, as Secretarial Auditor of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30.

M/s. P.S. Bathla& Associates, Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2026 and their Secretarial Audit Report in Form No. MR-3 is annexed hereto as Annexure II and form part of this Report.

The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks. The Report is self explanatory and requires no comments.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, no frauds were reported by the Statutory Auditors and the Secretarial Auditor under Section 143(12) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards (SS-1 &SS-2) relating to the meetings of Board of Directors and General meetings respectively issued by the Institute of Company Secretaries of India.

BUSINESS RISK MANAGEMENT

In compliance with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015 the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plans for the Company. The Risk Management Committee comprises of three Directors under the chairmanship of Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company. Dr. Anchal Kumar Jain (DIN: 09546925) and Dr. Roshan Lal Behl (DIN: 06443747), Independent Directors of the Company, are the other two members of the Committee. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness. The Risk Management Committee met two times during the year under review i.e. on 20th May, 2025 and 5th December, 2025.

Your Board has formulated and adopted the Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks associated with the business of the Company. The Board as well as Audit Committee regularly oversees the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is operating in Textile segment and has identified certain risks which may affect the performance of the Company. The risks associated with the textile industry are operational risks such as fluctuation in cotton prices, fluctuation in foreign exchange rates, labour problems etc. There are also Regulatory risks, Global Risks, Cyber Security risks. The Company's Risk Management Policy aims to suggest the steps to be taken to control and mitigate the risk associated with the Company's Textile Business. We are of the opinion that none of identified risk is such that which may threaten the existence of the Company. The Policy is also posted on the Company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/risk-management-policy-22.pdf

INTERNAL FINANCIAL CONTROL

The Company is maintaining an efficient and effective system of Internal Financial Controls for facilitation of speedy and accurate compilations of financial statements. The Company's Internal Financial Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliances with procedures, laws and regulations. The Company's Internal Control System commensurate with the nature of its business and size of its operations. In order to further strength the Internal Control System and to automate the various processes of the business, Company is making use of SAP S4 HANA application, which is based on SAP HANA database. It keeps all the data in memory which results in data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed M/s Raj Gupta & Co., Chartered Accountants as Internal Auditor of the Company. The company is having internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year under review, company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from the above, an Audit Committee consisting of three Non-Executive Directors has been constituted. All the significant audit observations and follow up actions thereon are taken care by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Controls in the company. The Audit Committee met four times during the financial year under review. The company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any Public Deposit within the meaning of Section 73 of the Companies Act, 2013 and the Rules made there under. There is no outstanding/unclaimed deposit from the public. However, the information as required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-

i. **Deposits accepted during the year:** Nil

ii. **Deposits remained unpaid or unclaimed as at the end of the year:** Nil

iii. **Default in repayment of deposits and deposits which are not in compliance with the Requirements of Chapter V of the Companies Act, 2013:** N.A.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) and the Rules framed thereunder.

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2025-26, the Company has not received any complaints on sexual harassment and hence no complaint remains pending as of 31st March, 2026.

To build awareness regarding sexual harassment, rights of the women under the POSH Act and reporting of complaints as per Company's policy, the Company has conducted seminars under POSH Act during the year under review.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

INFORMATION OF ONE-TIME SETTLEMENT FOR LOANS TAKEN FROM THE BANKS OR FINANCIAL INSTITUTIONS

There is no instance of one-time settlement with any Bank or Financial Institution during the financial year 2025-26, so the requirement to disclose 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, is not applicable to the Company.

COMPLIANCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

The Company is in compliance with the provisions of Maternity Benefit Act, 1961 during the year under review.

ANNUAL RETURN

The Annual Return of the Company, pursuant to the provisions of Section 92(3) read with the Section 134(3)(a) of the Companies Act, 2013 with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2025-26, the Form MGT-7 has been uploaded on Company's website at https://www.owmnahar.com/spinning/pdf/Annual-Return-2025-26.pdf .

STATEMENT UNDER SECTION 197 OF THE COMPANIES ACT, 2013

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as 'Annexure III' and form part of this report.

In terms of Section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. However, the details regarding remuneration received by Managing Director is also given in 'Annexure III' annexed hereto and form part of this report.

Pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Schedule V and other applicable provisions, the Company got shareholders' approval vide Special Resolution dated 29th September, 2021 and 25th September, 2024 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026 to Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company. A remuneration of Rs. 17,67,85,920/-(Rupees Seventeen Crore Sixty Seven Lakhs Eighty Five Thousand Nine Hundred Twenty only) has been paid to Sh. Dinesh Oswal, Managing Director of the Company for financial year 2025-26. Sh. Dinesh Oswal is 61 years of age. He is a commerce graduate and has business experience of more than 41 years in textile industry and financial expertise. He is employed on contractual basis for five years w.e.f 1st January, 2022 to 31st December, 2026. Before joining the Company, he was employed with M/s. Oswal Woollen Mills Ltd. as Commercial Manager. His shareholding in the Company is 123766 equity shares of Rs. 5/- each. He is related to Sh. Jawahar Lal Oswal, Non- Executive Director/Chairman, Sh. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms.Tanvi Oswal, President of the Company.

Sh. Jawahar Lal Oswal (DIN: 00463866), Non- Executive Director/Chairman of the Company has been paid sitting fee and payment @ 0.50% of company's exports sale as per the approval of the shareholders vide their special resolution dated September 25, 2025. Sh. Jawahar Lal Oswal is 83 years of age. He is a Commerce Graduate and has business experience of more than 63 years in Textile and Woollen Industry. He is employed on contractual basis for three years w.e.f 1st October, 2024. He is also employed with M/s. Monte Carlo Fashions Limited as Managing Director. His shareholding in the Company is 90374 equity shares of Rs. 5/- each. He is related to Sh. Dinesh Oswal, Managing Director, Sh. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms.Tanvi Oswal, President of the Company.

Detail of remuneration drawn by Ms. Tanvi Oswal under rule 5(2)(I) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given in 'Annexure-III' of the Directors' Report.

No other employee was in receipt of remuneration exceeding the limits as provided under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The detailed information as required under Section 134(3) of the Companies Act, 2013 read with sub rule 3 of the Rule 8 Companies (Accounts) Rules, 2014, is enclosed as per 'Annexure-IV' and forms part of this report.

REPORT ON THE CORPORATE GOVERNANCE

Your Company continues to follow the principles of good corporate governance. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. The Company has already constituted several committees of directors to assist the Board in good Corporate Governance. The Corporate Governance Report alongwith the Auditor's Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 annexed hereto as 'Annexure-V' and forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as per 'Annexure-VI' and form part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report for the year ended 31st March, 2026 mentioning therein the initiatives taken by the Company from an Environmental, Social and Governance (ESG) perspective in the format as specified by the SEBI under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been uploaded on Company's website at: https://www.owmnahar.com/spinning/pdf/BRSR-2025-26.pdf.

HUMAN RESOURCE/INDUSTRIAL RELATIONS

The Company recognizes human resources as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company is of firm belief that the human resources are the driving force that propels a Company towards progress and success. The Company has a team of able and experienced professionals to look after the affairs of the Company. The Company's employees at all levels have extended their whole hearted co-operation for the excellent performance of the Company.

ACKNOWLEDGEMENT

The Board of Directors of the Company wishes to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the Company. The Directors are thankful to the Bankers, Financial Institutions for their continued support to the Company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

For and on behalf of the Board of Directors

Place: Ludhiana
Dated: 5th August, 2026

Jawahar Lal Oswal
(Chairman)
Din: 00463866

Annexure-I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended]

1. **A brief outline of the Company's CSR Policy:**

   Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee formulated the Corporate Social Responsibility Policy (CSR Policy) which was adopted by the Board of Directors. As per policy, the Company joined hands with group companies under one umbrella to undertake the CSR Projects through Oswal Foundation. Oswal Foundation is a registered society formed in the year 2006 having its charitable objects in various fields. It has already registered with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities. The CSR policy is also available on the Company's website at the link: http://www.owmnahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf

2. **Composition of CSR Committee:**

   Pursuant to the provisions of Section 135 of the Companies Act, 2013, Company's Corporate Social Responsibility (CSR) Committee comprises of three members under the Chairmanship of Sh. Dinesh Oswal, (DIN: 00607290) Managing Director. Dr. Yash Paul Sachdeva, Independent Director and Sh. Dinesh Gogna (DIN: 00498670), a Non-Executive Director of the Company, are the other two members of the Committee. During the year under review, the committee held two meetings. The details are given here under:

Sr. 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.	Sh. Dinesh Oswal	Chairman/Managing Director	2	2
2.	Sh. Dinesh Gogna	Member/Non-Executive Director	2	2
3.	Dr. Yash Paul Sachdeva	Member/Independent Director	2	2

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:**

Composition of CSR committee	http://www.owmnahar.com/spinning/committees-of-directors.php
CSR Policy	http://www.owmnahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf
CSR projects approved by the Board	https://www.owmnahar.com/spinning/pdf/corporate-social-responsibility-csr-project-2026.pdf

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

   As per sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, the Company is not required to undertake impact assessment, through an independent agency of their CSR projects as the average CSR obligation for the three immediately preceding financial years has been less than Rs. 10 Crores. However, to monitor and supervise the Company's CSR projects undertaken, the CSR Committee has entrusted the responsibility to one of its committee member and reports the same to the Committee as well as the Board.

5. **(a) Average net profit of the company as per section135(5):** Rs.4548.18 Lakhs

   (b) Two percent of average net profit of the company as per Section 135(5) – Rs. 90.96 Lakhs

   (c) Surplus arising out of the CSR projects or programs or activities of the previous financials years – Nil

   (d) Amount required to be set off for the financial year, if any – Nil

   (e) Total CSR obligation for the financial year (b+c-d). – Rs. 90.96 Lakhs

6. **(a) Amount spent on CSR Projects (both Ongoing and other than Ongoing Project):** Rs. 90.96 Lakhs

   (b) Amount spent in Administrative Overheads – Nil

   (c) Amount spent on Impact Assessment (if applicable) – NA

   (d) Total amount spent for the Financial Year (a+b+c) – 90.96 Lakhs

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

Total amount spent for the financial year	Amount unspent (Rs. in Lakhs)				
	Total amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs. 90.96	Nil	NA	NA	Nil	NA

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

Sr. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	90.96
(ii)	Total amount spent for the Financial Year	90.96*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	0.00

**The Company's CSR obligation for the financial year 2025-26 was Rs. 90.96 Lakhs. To fulfil its CSR obligation for the financial year 2025-26, the Board, on the recommendation of the CSR Committee, approved various CSR initiatives covered under Schedule VII of the Companies Act, 2013. During the year, the Company contributed Rs. 66.11 Lakhs to the Oswal Foundation (Registration No. CSR0000145) towards "Healthcare". Further, the Company contributed Rs. 17.07 Lakhs to the Indian Red Cross Society for flood relief activities. An amount of Rs. 5.00 Lakhs was contributed to child mental health foundation (Registration No. CSR00086686). The Company also contributed Rs. 0.50 Lakh towards providing medical instruments and laboratory equipment at Mandideep, Madhya Pradesh, and incurred Rs. 1.28 Lakhs towards registration fee of a motor vehicle given under the healthcare initiative. Further, under the 'Promoting Education' initiative, the Company contributed Rs. 1.00 Lakh towards improvement of educational infrastructure at the Anganwari Centre, Village Bhatian Khurd, District Malerkotla.*

7. **Details of Unspent CSR amount for the preceding three financial years:** Nil

Sr. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount Spent in the reporting Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso Section 135(5), If any		Amount remaining to be spent in succeeding financial years	Deficiency, If any
					Amount	Date of transfer		
NIL								

8. **Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in Financial Year**

   ◯ **Yes** ✓ **No**

   If Yes, enter the number of Capital assets created/acquired: No capital asset was created or acquired during the financial year 2024-25 through CSR amount spent.

   Furnish the details relating to such asset(s) created or acquired through Corporate Social Responsibility amount spent in Financial Year –

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

Place: Ludhiana
Dated: 5th August, 2026

(Dinesh Oswal)
Managing Director/ Chairman of CSR Committee
DIN: 00607290

Annexure-II

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,
Nahar Spinning Mills Ltd.
(CIN: L17115PB1980PLC004341)
373 Industrial Area, Phase A,
Ludhiana, Punjab- 141003

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Nahar Spinning Mills Ltd** (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 here under 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Nahar Spinning Mills Ltd** ("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 there under;

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 there under;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 guidelines/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, 2013 and 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) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**; (Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review)**

(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) Textiles (Development and Regulation) Order, 2001

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

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

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.

2. I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including 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 and agenda, 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 and there was no instance of dissent voting by any member during the period under review.

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.

For P S Bathla & Associates

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

Place: Ludhiana
Dated: 5th August, 2026
UDIN: F004391H001022751

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,
Nahar Spinning Mills Ltd.
(CIN: L17115PB1980PLC004341)
373 Industrial Area, Phase A,
Ludhiana, Punjab- 141003

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.

For P S Bathla & Associates

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

Place: Ludhiana
Dated: 5th August, 2026

Annexure-III

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(I) The details of remuneration of each Director, Chief Financial Officer and Company Secretary, percentage increase/decrease in their remuneration during the financial year 2025-26 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2025-26	% increase / decrease in Remuneration in the Financial Year 2025-26	Ratio of remuneration of each Director / to median remuneration of employees
1	*Sh. J.L. Oswal Non-Executive Director	98915180 (Including sitting fee)	3.48	497.43
2	#Sh. Dinesh Oswal Managing Director	176784920	11.43	889.03
3	Sh. Kamal Oswal Non-Executive Director	40000	0	0.20
4	Sh. Dinesh Gogna Non-Executive Director	40000	0	0.20
5	Sh. S.K. Sharma Non-Executive Director	40000	0	0.20
6	Dr. Manisha Gupta Independent Director	40000	0	0.20
7	Dr. Vijay Asdhir Independent Director	40000	0	0.20
8	Dr. Roshan Lal Behl Independent Director	40000	0	0.20
9	Dr. Yash Paul Sachdeva Independent Director	40000	0	0.20
10	Dr. Anchal Kumar Jain Independent Director	30000	-25	0.15
11	Sh. Anil Garg Chief Financial Officer	3579676	4.85	-
12	Sh. Brij Sharma Company Secretary	2940322	5.29	-

Notes:

**Sh. J.L. Oswal, Non-Executive Director/Chairman has been paid an advisory fee @0.50% of export sales in addition to sitting fee.*

 # Sh. Dinesh Oswal, Managing Director, has been paid remuneration from 1st April 2025 to 31st March, 2026, as per shareholders' approval vide their Special Resolution dated 29 September, 2021 and 25th September, 2024 under Section 197 read with Schedule V of the Companies Act, 2013.

(ii) The median remuneration of employees of the Company during the financial year was Rs. 1.99 Lakhs (approx.)

(iii) In the financial year, there was an increase of 6% in the median remuneration of employees.

(iv) There were 9863 permanent employees on the rolls of Company as on March 31, 2026.

(v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2025-26 was 5.98% whereas the increase in the managerial remuneration (Managing Director) for the same financial year was 11.43%.

(vi) It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

Details of employees of the Company in terms of salary drawn as required under rule 5(2) and 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name & Designation	Remuneration received	Nature of employment (contractual or otherwise)	Qualification & experience	Date of commencement of employment	Age (in years)	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Dinesh Oswal (M.D.)	176784920.00	Contractual	B.Com, 41 Years	01.01.1987	61	Oswal Woollen Mills Ltd., Ldh	0.34	1. S/o Sh. J.L. Oswal (Chairman) 2. B/o Sh. Kamal Oswal (Director)
2	Ms. Tanvi Oswal (President)	27170000.00	Regular	B.SC (Management) 7 Years	01.11.2018	29	Nahar Spinning Mills Limited	0.00	D/o Sh. Dinesh Oswal (M.D.) & Mrs. Ritu Oswal (Export Advisor)
3	Sh. Mukesh Rustagi (CEO)	3807826.00	Regular	B. Tech. 41 Years	01.12.2015	63	Oswal Cotton Spinning Mills (Doraha, Ldh)	NIL	No
4	Sh. P.K. Vashishth (G.M. Finance & Commercial)	3585565.00	Regular	FCA 38 Years	06.09.1993	62	Hero Cycles Ltd., Ldh	NIL	No
5	Sh. Anil Kumar Garg (C.F.O)	3579676.00	Regular	FCA 43 Years	01.02.1993	69	Nahar Fibres Ltd., Jitwal Kalan, Distt. Sangrur	NIL	No
6	Sh. Surender Kumar Bhat (General Manager)	3563535.00	Regular	B.Tech 42 Years	16.08.2014	64	Maral Overseas Ltd., Indore	NIL	No
7	Sh. Anil Anand (G.M. Export)	3492024.00	Regular	Post Graduate 40 Years	11.01.1995	63	Malwa Cotton Spinning Mills Ltd., Ldh	NIL	No
8	Sh. Rajinder Kalsi (Sr. DY.G.M. (Export)	3282198.00	Regular	B.Tech 38 Years	16.11.1992	64	Maral Overseas Ltd.,	NIL	No
9	Sh. Suresh Puri (G.M)	3224637.00	Regular	B.A & Diploma in Textiles 42 Years	07.01.2021	64	Trident Group of Industry	NIL	No
10	Sh. Sukhdev Singh (President-Processing)	3201400.00	Regular	Diploma in Textile Chemistry 46 Years	29.05.1993	67	Punjab Wool Combers	NIL	No

For and on behalf of the Board of Directors

Place: Ludhiana
Dated: 5th August, 2026

Jawahar Lal Oswal
(Chairman)
Din: 00463866

Annexure-IV

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

a. Measures taken for conservation of energy

Energy conservation is an ongoing process in our organization. The company carries out continuous monitoring, planning, development and modification in our all units to conserve energy. The company always select latest art of technology, machinery and equipment having low energy consumption. The company has also taken following measures for energy conservation:

1. The Company has installed Roof Top Solar Power Plant at its spinning units. During the year company has expanded its Solar power capacity by 6.60 M.W with an investment of Rs. 14.40 Crores, which increased Company's total solar power capacity by 19.874 M.W, enabling renewable energy to account for approximately 32% of total energy consumption during the fiscal year.
2. The Company has achieved overall good power factor near unity at our 66 kV grid by proper maintaining APFC panel & optimization of proper power capacitor bank setup as per load regulation. Due to this overall energy/line losses in the power system is reduced, also reduction in harmonics & power bills too.
3. The Company continue to monitor compressed air system (by flow meters) on daily basis. We identify leakage areas and attend the same on daily basis which caused reduction in power consumption.
4. The Company is replacing old machines with new machines of updated modern technology to meet better quality & production efficiencies which will help in reducing power consumption, manpower consumption, also less maintenance cost in Unit-1.
5. The Company is giving regular training to its employees & workers regarding energy saving practices at our dedicated Training Centre called Manav Vikas Kendra. The Company has also display sign boards in the machine area to save energy in our daily life.
6. We are monitoring continuous water consumption by digital water flow meters for controlling water consumption in Plant & Colony areas. We regularly provide training to the workers for water saving. We are using STP plant to meet zero discharge & treated water is being used in H-Plant,Cooling Tower, Toilet flushing, Garden etc. This directly affects less power consumption too.
7. As a Designated Consumer:

- Nahar Fibre unit achieved our TCO2 equivalent target 3.641 against 3.7612 (approved target by BEE for FY 2025-26).
- Rishab Spinning Mill unit achieved our TCO2 equivalent target 3.413 against 3.5287 (approved target by BEE for FY 2025-26).

b. Steps taken for utilizing alternate sources of energy

The Company has installed Roof Top Solar Power Plant at its spinning units. During the year company has expanded its Solar power capacity by 6.60 M.W with an investment of Rs. 14.40 Crores, which increased Company's total solar power capacity by 19.874 M.W, enabling renewable energy to account for approximately 32% of total energy consumption during the fiscal year.

c. Capital Investment on energy conservation equipments

The Company continues to make Capital Investment on energy conservation equipments.

B. TECHNOLOGY ABSORPTION

The Company continues to make efforts for Technology Absorption in all its spinning units. The efforts made by the Company are summarized as under:

Efforts made towards Technology Absorption

1. The Company has installed Ultra-Modern machineries in all the Company's Spinning Units.
2. The Company has adopted the new technology of Airjet Spinning and successfully producing yarn at 98% efficiency at lower energy consumption.

Benefits derived

The company has not only improved its product quality and productivity but has reduced its manufacturing costs. The Company has been able to build its Brand in the World Markets as a Manufacturer of 'world class yarn' as well as garments. This has enabled the company to compete in the global markets and expand its market to value added market segments.

- **Information regarding Technology imported during the last three years:**

  Detail of Technology imported : NIL

  Year of import : NA

Whether the technology has been fully absorbed : NA

If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : NA

- **Expenditure on R & D**

The R&D efforts in the company are focused not only on productivity, quality improvement with waste reduction but also developing value added products like Compact Yarn, Multi Slub yarn, Injected Slub Yarn, Duel Slub Yarn, Vario SIRO Yarn, Multi Count& Multi Twist yarn, 100% organic cotton, 100% Organic – In conversion cotton & organic cotton, Blends, Recycle cotton blends, BCI cotton, Regenagri Cotton, 100% Polyester Virgin & recycled Ring Spun Yarn, Polyester, cotton blends, Recycle Polyester blends Zero Twist yarn and Melange Yarn in different shades for Overseas & Domestic markets. The company has the latest on line & off line testing and monitoring equipments to maintain the consistency of raw material as well as finished products. The Company has been able to procure improved quality of raw material through R & D monitoring and achieve quality standards of the yarns.

- **Future Plans**

The company is committed to continue the upgradation of its R&D facilities by adding latest instruments & machineries that will strive to develop new products, keeping in view the future market requirements and will thus improve its competitiveness.

(I)	Activities relating to Exports, initiative taken to increase exports, Development of New Export Markets for products and export plans.	The company continued its efforts to increase its exports and diversified export Markets. The Company provides quality products at very competitive rates so that it can compete with Global suppliers and maintain a steady growth of exports.

(Rs in lakhs)

	Current Year	**Previous Year**
(II) Total Foreign Exchange used and earned		
a) Earning (FOB value of Exports etc.)	**179724.73**	144769.45
b) Outgo (CIF value of Imports, expenditure in foreign currency and other payments)	**11503.20**	13317.67

For and on behalf of the Board of Directors

Place: Ludhiana
Dated: 5th August, 2026

Jawahar Lal Oswal
(Chairman)
Din: 00463866

Annexure-V

CORPORATE GOVERNANCE REPORT

This Report of Corporate Governance form part of the Annual Report.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continues to practice the principle of good Corporate Governance. It is the Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company's philosophy envisages managing the company's affairs in a fair and transparent manner with accountability in its operations so that Company's goal of creation and maximization of wealth for the shareholders could be achieved. Moreover, Good corporate Governance practices ensure that the Company gains as well as retains the trust of Shareholders. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") incorporate certain mandatory disclosure requirements which are required to be made with regard to Corporate Governance (Part C of Schedule V). Accordingly, we are pleased to report on the Corporate Governance set out as hereunder: -

II. BOARD OF DIRECTORS:

a. Board Composition:

Your Management believes that well informed and Independent Board is necessary to ensure High Standard of Corporate Governance. The Board oversees the Management's functions and protects the long term interests of all the stakeholders. The Listing Regulations prescribe that the Board of the Company should have the optimum combination of Executive and Non-Executive Directors with at least one Woman Director. Besides, where the non-executive Chairperson is a promoter of the listed entity or is related to any promoter then at least half of the Board of Directors should consist of Independent Directors.

We are pleased to inform that the Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its independence in governance and management of the Company. As on March 31, 2026, the present strength of the Board is Ten Directors. Sh. Dinesh Oswal (DIN: 00607290) is Managing Director of the Company and Sh. Jawahar Lal Oswal (DIN: 00463866) is Non-Executive Chairman and is one of the promoters of the Company. Accordingly, the Company's Board consists of five Independent Directors namely; Dr. Vijay Asdhir (DIN: 06671174), Dr. Roshan Lal Behl (DIN: 06443747), Dr. Yash Paul Sachdeva (DIN: 02012337), Dr. Anchal Kumar Jain (DIN: 09546925) and Dr. Manisha Gupta (DIN: 06910242), an Independent Woman Director, Sh. Kamal Oswal (DIN: 00493213), Sh. Dinesh Gogna (DIN: 00498670) and Sh. S.K. Sharma (DIN: 00402712) are other Non-Executive Directors of the Company. Thus, the Company is in the compliance with Regulation 17(b) of SEBI (LODR) Regulations, 2015 in respect of the Board Composition.

b. Board Meetings held and dates on which held:

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with Listing Regulations, every Company is required to hold minimum four Board Meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive Board Meetings. We are pleased to report that the Company held four Board Meetings during the year i.e. on May 28, 2025, July 31, 2025, November 13, 2025 and February 7, 2026 with a clearly defined agenda and has thus complied with the said provisions of the Act. The agenda along with the explanatory notes are circulated to the directors well in advance. Every Board member can suggest the inclusion of additional items in the agenda. All the Directors strive to be present at the Board Meetings.

c. Details of Attendance of Directors at the Board Meetings and Last Annual General Meeting:

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The names and categories of the directors on the Board, their attendance at Board Meetings held during the year and last Annual General Meeting held on Thursday, the 25th Day of September, 2025 and the number of directorship and committee chairmanships/memberships held by them in other public companies as on 31st March, 2026 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanship/membership of Board Committees shall include only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1)(b) of Listing Regulations:

Name of Directors	Category of Directors	No. of Directorship in other Public Companies	No. of Committee position held in other Public Companies		No. of Board Meetings attended	AGM Attendance	No. of Shares Held	Directorship in other Listed Entities	
			Member	Chairman				Name	Category
Sh. Jawahar Lal Oswal	Non Executive, Promoter	8	*	*	3	NO	90374	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd. d) Monte Carlo Fashions Ltd.	Director
Sh. Dinesh Oswal	Executive, Promoter	6	*	*	4	YES	123766	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd.	Director
Sh. Kamal Oswal	Non Executive, Promoter	7	1	*	4	NO	24750	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd. d) Oswal Leasing Ltd.	Director
Sh. Dinesh Gogna	Non Executive	8	7	2	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Ltd. d) Monte Carlo Fashions Ltd. e) Oswal Leasing Ltd.	Director
Sh. S.K. Sharma	Non Executive	2	2	*	4	YES	16987	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Ltd.	Director
Dr. Manisha Gupta	Independent	6	6	2	4	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Ltd. c) Nahar Industrial Enterprises Ltd. d) Oswal Leasing Ltd.	Independent Director
Dr. Vijay Asdhir	Independent	1	2	1	4	YES	NIL	a) Nahar Capital and Financial Services Ltd.	Independent Director
Dr. Roshan Lal Behl	Independent	7	9	5	4	YES	27	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Ltd. c) Monte Carlo Fashion Ltd. d) Oswal Leasing Ltd. e) Nahar Poly Films Ltd.	Independent Director
Dr. Yash Paul Sachdeva	Independent	3	1	1	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Ltd. c) Monte Carlo Fashion Ltd.	Independent Director
Dr. Anchal Kumar Jain	Independent	3	2	*	3	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Industrial Enterprises Ltd. c) Monte Carlo Fashion Ltd.	Independent Director

Note:-*Membership includes Chairmanship.*

d. Number of other Board of Directors or Committee in which Directors are member or chairperson:

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2026, is already given in the table given in Para C above. None of the Directors holds Directorship in more than twenty Companies and is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Further, as per Regulation 17(A) of SEBI LODR Regulations, 2015 mandates that a person shall not act as Director of more than seven listed entities and an independent director of more than seven listed entities.

None of the directors is a member of more than ten (10) Board level Committees or is Chairperson of more than Five (5) such Board level Committees as required under Regulation 26(1) of SEBI (LODR)

Regulations, 2015.

e. Disclosure of relationships between directors

Sh. Jawahar Lal Oswal is the father of Sh. Kamal Oswal, Director and Sh. Dinesh Oswal, Managing Director of the Company. Sh. Kamal Oswal and Sh. Dinesh Oswal are brothers. None of the other Director is related to any other director within the meaning of Section 2(77) of the Companies Act, 2013.

f. No. of Shares and Convertible Instruments held by non-executive directors:

Sh. Jawahar Lal Oswal who is Chairman and Non-Executive Promoter Director of the Company is holding 90374 equity shares of Rs. 5/- each of the Company. Sh. Dinesh Oswal, who is Managing Director of the Company, is also holding 123766 equity shares of Rs. 5/- each of the Company. Sh. Kamal Oswal, who is Non-Executive Promoter Director, is holding 24750 equity shares of Rs. 5/- each of the Company. Sh. S.K. Sharma, who is Non-Executive Director, is holding 16987 equity shares of Rs. 5/- each of the Company. Likewise, Dr. Roshan Lal Behl, who is an Independent Director, is also holding 27 equity shares of Rs. 5/- each of the Company.

g. Web link of Familiarization Programs:

The details of the Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at https://www.owmnahar.com/spinning/pdf/familiarization-program-2025-26.pdf.

h. Board-skills/expertise/competencies:

The Company's Board comprises qualified members who bring in the required skill/expertise that allow them to make effective contribution to the Board and its Committees. Pursuant to Regulation 34(3) read with Schedule V Part (C)(2)(h) of Listing Regulations, the Board of Directors has identified the following requisite skills/ expertise and competencies required in the context of Company's business and sector to function effectively.

Sr. No.	Core Skills/Expertise/Competencies
1.	Leadership skills
2.	Industry knowledge and Experience
3.	Managerial and Entrepreneurial Skills
4.	Experience and exposure in policy shaping and industry promotion
5.	Understanding of relevant laws, rules, regulations and policies
6.	Corporate Governance
7.	Financial expertise/Knowledge
8.	Risk Management
9.	Information Technology

A Chart matrix setting out the skill/ expertise/ competency currently available in the Board: A table showing details of Skill/ Expertise actually available with the Directors of the Company.

Directors	Area of Expertise								
	Industry knowledge	Leadership Skills	Managerial and Entrepreneurial Skills	exposure in policy shaping	Understanding of relevant laws, rules, regulations and policies	Corporate Governance	Financial expertise/ Knowledge	Risk Management	Information Technology
Sh. JawaharLal Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Sh. Dinesh Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Sh. Kamal Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Sh. Dinesh Gogna	YES	YES	YES	YES	YES	YES	YES	YES	YES
Sh. S.K. Sharma	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Yash Paul Sachdeva	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Anchal Kumar Jain	YES	YES	YES	YES	YES	YES	-	YES	YES
Dr. Manisha Gupta	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Vijay Asdhir	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Roshan Lal Behl	YES	YES	YES	YES	YES	YES	YES	YES	YES

i. Confirmation of Independent Directors and their registration with Databank:

Based on the annual confirmations/declarations received from the Independent Directors in terms of Regulation 25(9) of the SEBI (LODR) Regulations, 2015, the Board is of the opinion that the Independent Directors fulfill the criteria of Independence as specified under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and they are independent of the management. All the Independent Directors have confirmed that they are in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

j. Resignation of an Independent Director:

Pursuant to Clause C(2)(j) of Schedule V read with Regulation 34(3) of Listing Regulations, requirement of providing the detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons is not applicable as no Independent Director has resigned during the year under review.

k. Separate Meeting of Independent Directors:

As per the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold at least one meeting in a year without the attendance of Non Independent Directors and members of Management. We are pleased to report that the Company's Independent Directors met on 11th November, 2025 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the

Meeting, they –

i. Reviewed the performance of non-independent directors and the Board as a whole;

ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;

iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Further, it is confirmed that in the opinion of the Board, the Independent directors fulfill the conditions specified in these regulations and are independent of the Management.

III. BOARD COMMITTEES

The Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee, CSR Committee and Share Transfer Committee which helps the Board in good Corporate Governance. The recommendations of the committees are submitted to the Board for its consideration and approval. During the year under review, all the recommendations of Committees were approved by the Board.

1. Audit Committee

a. Brief Description of Terms of Reference:

The Board has constituted an independent and qualified Audit Committee. The terms of reference of the Audit Committee is as per Part C of Schedule II of SEBI LODR Regulations, 2015 and Section 177(4) of the Companies Act, 2013.

b. Composition:

The Audit Committee comprises of three Directors under the chairmanship of Dr. Vijay Asdhir (DIN: 06671174), who is an Independent Director. Sh. Dinesh Gogna (DIN: 00498670), Non-Executive Director and Dr. Roshan Lal Behl (DIN: 06443747), Independent Director are the other two members of the Audit Committee as on 31st March, 2026. There is no change in the composition of the Committee during the year under review.

Dr. Vijay Asdhir is M.Com, Ph.D. having more than 38 years of experience in Teaching Business and Administration. He retired as Head of the Commerce Department (Post Graduate), Government College, Ludhiana. Dr. Vijay Asdhir is financially literate and has required accounting and financial management expertise. Dr. Roshan Lal Behl is M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies) and is having more than 39 years of experience in Teaching and Administration. He retired as principal of Aurobindo College of Commerce, Ludhiana. Likewise, Sh. Dinesh Gogna has more than 48 years of experience in corporate Finance, Taxation, Financial and Accounting matters. Mr. Brij Sharma is the Secretary of the Committee. Mr. Anil Garg, Chartered Accountant, is the Chief Financial Officer and is a permanent invitee of the Committee. The Statutory Auditors and Internal Auditors are also invited to attend the meetings as and when felt necessary and as per relevant provisions of the applicable laws/rules.

The Primary objective of the Audit Committee is to monitor and provide an effective supervision on the Management's financial reporting process, to ensure timely and accurate disclosures. Besides, the committee also oversees the work of internal and statutory auditors. Dr. Vijay Asdhir, Chairman of the Audit Committee attended the previous AGM of the Company held on September 25, 2025.

c. Meetings and Attendance:

During the financial year 2025-26, the Committee met four times i.e. on 28th May, 2025, 31st July, 2025, 13th November, 2025 and 7th February, 2026, for reviewing and adopting the quarterly un-audited/audited financial results as well as the financial statements before recommending the same to the Board of Directors for their perusal and adoption.

The attendance record of the Audit Committee Members at the Meetings held during the year 2025-26 is as under:

Name of Member	No. of Meetings Held	No. of Meetings Attended
Dr. Vijay Asdhir	4	4
Sh. Dinesh Gogna	4	4
Dr. Roshan Lal Behl	4	4

2. NOMINATION AND REMUNERATION COMMITTEE

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board constituted the Nomination and Remuneration Committee. The broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee identifies the persons who are suitably qualified to become directors and who may be appointed in senior management category in accordance with the criteria laid down and recommends to the Board their appointment and removal. It carries out an evaluation of every director's performance. The Committee also ensures that Company's remuneration policies in respect of Managing Director, Key Managerial Personnel and Senior Executives are competitive so as to recruit and retain the best talent. It also ensures that appropriate disclosure of remuneration paid to the Directors, Managing Director, KMP and Senior Executives as per the applicable provisions of the Companies Act, 2013 and also devises a policy on "Diversity of the Board of Directors". The Company's policy on Appointment and Remuneration of Directors has also been updated on Company's website i.e. www.owmnahar.com.

b. Composition:

The Nomination and Remuneration Committee comprises of three Independent Directors namely; Dr. Yash Paul Sachdeva (DIN: 02012337) as the Chairman, Dr. Manisha Gupta (DIN: 06910242) and Dr. Roshan Lal Behl (DIN: 06443747) as the members of the Committee as on 31st March, 2026. There is no change in the composition of the Committee during the year under review. Dr. Yash Paul Sachdeva, Chairman of the Nomination and Remuneration Committee attended the previous AGM of the Company held on September 25, 2025.

c. Meetings and Attendance:

The Nomination and Remuneration Committee met twice during the year i.e. on 28th May, 2025, 31st July, 2025.The attendance record of the members at the meetings held during the year 2025-26 is as under:

Name of member	No. of Meetings Held	No. of Meetings Attended
Dr. Yash Paul Sachdeva	2	2
Dr. Roshan Lal Behl	2	2
Dr. Manisha Gupta	2	2

d. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, ability to communicate effectively with other board members and management, effective decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

e. SENIOR MANAGEMENT

Particulars of Key Managerial Personnel and Senior Management Personnel given hereunder:

Name of Key Managerial Personnel	Category
Mr. Dinesh Oswal	Managing Director
Mr. Anil Garg	Chief Financial Officer
Mr. Brij Sharma	Company Secretary

Name of Senior Management	Category
Mr. Komal Jain	Chief Executive Officer
Mr. Prem Kishore Vashishth	General Manager (Finance)
Mr. Anil Anand	General Manager (Export)
Mr. Ashwani Kumar Aggarwal	General Manager (Export)
Mr. Mukesh Rustagi	Chief Executive Officer, spinning units, at village Jitwal Kalan and at village Jodhan
Mr. Suresh Puri	General Manager, spinning unit, at village Lalru and Lehli (Punjab)
Mr. S.k. Bhatt	General Manager, spinning unit, Mandideep (M.P.)
Mr. Sohinder Singh	President(Marketing)
Mr. Anil Sharma	Vice President (Personnel)
Mr. Rajneesh Kumar Jain	President (IT)
Mr. Ashok Kumar Verma	Senior Vice President (Finance & Accounts)
Mr. D.K. Mundra	Senior Vice President (Commercial and Administration)

f. REMUNERATION OF DIRECTORS

i. Pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:

Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and as per the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors and Shareholders approval his payment to be made of Rs. 98885180.00 of the year 2024-25 vide their special resolution dated 25th September, 2025 has proposed the payment @0.60% of Export Sales of the Company to Sh. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the Company w.e.f. 1st April, 2026 for the remaining period of the office i.e. till 30th September, 2027 subject to your approval.

ii. Criteria of making payment to non-executive directors:

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The details of sitting fee paid to Non-Executive Directors during the year 2025-26 is as follows:

Name of Director	Sitting Fees (Rs.)
Sh. Jawahar Lal Oswal	*98925180.00
Sh. Kamal Oswal	40000
Sh. Dinesh Gogna	40000
Sh. S.K. Sharma	40000
Dr. Vijay Asdhir	40000
Dr. (Mrs.) Manisha Gupta	40000
Dr. Roshan Lal Behl	40000
Dr. Yash Paul Sachdeva	40000
Dr. Anchal Kumar Jain	30000
Total	**99235180.00**

**It also includes the amount of fee paid to Sh. Jawahar Lal Oswal as per the shareholders' approval vide their special resolution dated 25th September, 2025. Further, the sitting fee for attending Board Meeting has been increased to Rs. 15,000/- per meeting w.e.f. 28th May 2026.*

iii. Disclosures with respect to remuneration:

The non-executive directors of the Company are being paid sitting fee for attending the Board Meeting. Sh. Dinesh Oswal (DIN: 00607290), being the Managing Director of the Company has been paid remuneration as per shareholders' approval vide special resolution dated 29th September, 2021 and 25th September, 2024 under Section 197 read with Schedule V of the Companies Act, 2013 for five years from 1st January, 2022 upto 31st December, 2026. The disclosure in respect of remuneration paid to Sh. Dinesh Oswal is as detailed below:

iv. Elements of remuneration package

The elements of remuneration package paid to Sh. Dinesh Oswal, Managing Director of the Company, during the year 2025-26 is as follows:

Name of Director	Salary & Perks	Commis sion	Benefits	Bonuses	Stock Option	Pension	Total
Sh. Dinesh Oswal	16,82,84,920	8500000	-	-	-	-	*17,67,84,920.00

**Note: Sh. Dinesh Oswal, Managing Director, has been paid remuneration from 1st April 2024 to 31st March, 2025, as per shareholders' approval vide their Special Resolution dated 29th September, 2021 and 25th September, 2024 under Section 197 read with Schedule V of the Companies Act, 2013.*

v. Details of fixed component and performance linked incentives, along with performace criteria:

The fixed Component of remuneration of Managing Director includes salary, H.R.A, perquisites and retirement benefits. He is also entitled to 2% commission of the net profits of the company, as per the shareholders' approval vide their special resolution dated 29th September, 2021 under the companies Act, 2013.

vi. Service contracts, notice period, severance fees;

The tenure of office of the Managing Director is for five years from the respective date of appointment and same can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

vii. Stock option details:

None of the Non-Executive Directors has been granted any stock option by the Company.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee. The Committee looks into the complaints/grievances of shareholders in respect of transfer of shares, Non-receipt of Dividend, Share Certificates, Dematerialisation and Annual Reports etc. and recommends measures for improving the quality of investor services. The committee also oversees the performance of M/s Alankit Assignment Ltd. the Registrar and Transfer Agent of the Company. The main objective of the committee is to assist the Board and Company in maintaining a healthier relationship with all stakeholders.

b. Composition:

The Stakeholders' Relationship Committee comprises of three Non-Executive Directors under the Chairmanship of Dr. Vijay Asdhir (DIN: 06671174), an Independent Director. Dr. Anchal Kumar Jain (DIN:09546925), Independent Director and Sh. S.K. Sharma (DIN:00402712), a Non-Executive Director are the other two members of the Committee as on 31st March, 2026. There is no change in the composition of the Committee during the year under review. Dr. Vijay Asdhir (DIN: 06671174), Chairman of the Stakeholders' Relationship Committee attended the previous AGM of the Company held on September 25, 2025.

c. Meetings and Attendance

The Committee met four times i.e. on 28th May, 2025, 31st July, 2025, 13th November, 2025 and 07th February, 2026 during the year under review. The attendance record of the members at the meetings held during the year 2025-26 is as under:

Name of Member	No. of Meetings Held	No. of Meetings Attended
Dr. Vijay Asdhir	4	4
Sh. S.K. Sharma	4	4
Dr. Anchal Kumar Jain	4	3

d. Name and Designation of Compliance Officer

Mr. Brij Sharma, Company Secretary is the Compliance Officer of the Company.

e. Details of Investors' complaints received / resolved / not solved to the satisfaction of shareholders/pending:

The Company has been quick in redressed of the grievances of the shareholders and has attended to most of the investors correspondence/grievances with in a period of 7 to 10 days from the date of the receipt of the same. The details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending is given here below:

No. of complaints received during the financial year : **2**

No. of complaints resolved during the financial year : 2

No. of complaints not solved to the satisfaction of shareholders : NIL

No. of complaints pending as on 31st March, 2026 : NIL

f. Dedicated e-mail for Investor Grievance

To enable investors to register their grievances, the

Company has designated an exclusive e-mail id .

g. Investor Grievance Redressal System:

As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company's Compliance Officer or our RTA i.e. M/s. Alankit Assignments Limited. If the response is not received/not satisfactory, shareholders can raise a complaint on SCORES/with Stock Exchanges i.e. NSE and BSE. After exhausting all the above available options for resolution of the grievance, if the shareholders are still not satisfied with the response, they can initiate dispute through the SMART ODR platform of SEBI at https://smartodr.in/login. The Company/RTA endeavors to redress the grievances of the Investors as soon as it receives the same from the respective forums.

4. RISK MANAGEMENT COMMITTEE

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015, the Board has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the company. The Risk Management framework includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

b. Composition:

The Risk Management Committee comprises of three Directors under the chairmanship of Sh. Dinesh Oswal (DIN :00607290), Managing Director of the Company. Dr. Anchal Kumar Jain (DIN:09546925) and Dr. Roshan Lal Behl (DIN: 06443747), Independent Directors are the other two members of the Committee as on 31st March, 2026. There is no change in the composition of the Committee during the year under review.

The main term of reference of the Committee is to review and monitor the risks associated with Company's business and suggest measures for mitigation of the same as per Company's Risk Management Policy.

However, business is not free from Normal Business Risks i.e. financial risk, Exchange risk, operational risks such as fluctuation in cotton prices, policy risk, global risks, regulatory risk, cyber security risk etc. Earlier, the Audit Committee was taking care of the Company's risk management policies but with the constitution of Risk Management Committee it is now reviewing the risk policies in its meetings so that the Company could face the challenges and risk associated with the Business successfully and become a Global competitive Company. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness.

c. Meetings and Attendance

The Risk Management Committee met twice during the year i.e. 20th May, 2025 and 5th December,2025. The gap between two consecutive meetings was not more than 210 days as stipulated under the Listing Regulations. The attendance record of the members at the meetings held during the year 2025-26 is as under:

Name of member	No. of Meetings Held	No. of Meetings Attended
Sh. Dinesh Oswal	2	2
Dr. Roshan Lal Behl	2	2
Dr. Anchal Kumar Jain	2	2

5. OTHER COMMITTEES

1. SHARE TRANSFER COMMITTEE

The Company has also constituted a Share Transfer Committee comprising of 4 (four) members under the Chairmanship of Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company. Sh. Dinesh Gogna (DIN: 00498670) Non-Executive Director, and Sh. S.K. Sharma (DIN: 00402712), Non-Executive Directors of the Company and Sh. Brij Sharma, Company Secretary of the Company, are the other members of the Committee. There is no change in the composition of the Committee during the year under review. The Committee is responsible for approving the transfer, transmission, transposition of securities, dematerialization of shares, issuance of duplicate share certificates and other shareholders related issues. The Committee met twenty one times during the year under review i.e. 15th April, 2025, 30th April, 2025, 15th May, 2025, 31st May, 2025, 16th June, 2025, 30th June, 2025, 31st July, 2025, 30th August, 2025, 18th September, 2025, 30th September, 2025, 15th October, 2025, 31st October, 2025, 15th November, 2025, 29th November, 2025, 15th December, 2025, 31st December, 2025, 15th January, 2026, 31st January, 2026, 16th February, 2026, 16th March, 2026 and 31st March, 2026, the attendance record of the members at the meetings held during the year 2025-26 is as under:-

Name of member	No. of Meetings Held	No. of Meetings Attended
Sh. Dinesh Oswal	21	21
Sh. Dinesh Gogna	21	20
Sh. S.K. Sharma	21	21
Sh. Brij Sharma	21	21

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares (in respect of which dividend remain unpaid/unclaimed for a period of seven consecutive years) to the DEMAT account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: http://www.owmnahar.com/spinning/transfer-of-equity-shares-to-IEPF.php

The Shareholders can claim their subject shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. Concerned members/investors are advised to access the web link: for refund of shares and/or dividend from the IEPF Authority.

As per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002; the Company has appointed M/s. Alankit Assignments Ltd, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, investors, members of Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, Demat, Remat, Change of Address etc. to our Registrar, whose address and telephone no etc. has already been mentioned in Director's Report.

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a. Brief Description of Terms of Reference:

The Board has constituted the Corporate Social Responsibility Committee as per the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The Committee formulated and recommended Company's CSR policy to the Board which was approved and adopted by the Board of Directors. The Company's CSR policy is also available on Company's website i.e. www.owmnahar.com. As per policy, Company is undertaking CSR activities in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation which is a Registered Society formed in 2006. The Committee oversees and monitors the activities /programmes/ projects undertaken by Oswal Foundation.

b. Composition

The CSR Committee comprises of three Directors under the chairmanship of Sh. Dinesh Oswal (DIN: 00607290), Managing Director of the Company. Dr. Yash Paul Sachdeva (DIN: 02012337), Independent Director and Sh. Dinesh Gogna (DIN: 00498670), Non-Executive Director, are the other two members of the Committee. There is no change in the composition of the Committee during the year under review.

c. Meetings and Attendance

During the year under review, the Committee met twice i.e. on 31st July, 2025 and 20th February, 2026. The attendance record of the members at the meeting held during the year 2025-26 is as under:-

Name of Member	No. of Meetings Held	No. of Meetings Attended
Sh. Dinesh Oswal	2	2
Sh. Dinesh Gogna	2	2
Dr. Yash Paul Sachdeva	2	2

The CSR report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended for the financial year ended 31st March, 2026 is attached as Annexure I to the Directors' Report.

IV. GENERAL BODY MEETINGS

a. Location and time, where last three Annual General Meetings held:

Financial Year	Location	Date	Time
2022-2023	Through Video Conferencing/Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	25.09.2023	10.00 A.M.
2023-2024	Through Video Conferencing/Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	25.09.2024	10.00 A.M.
2024-2025	Through Video Conferencing/Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	25.09.2025	10.00 A.M.

a. Whether any Special Resolutions passed in the previous three Annual General Meetings:

2022-23

1. To approve increase in the fee payable to Sh. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the company.
2. To approve increase in Borrowing Limit of the Company.
3. To create charges/mortgages on the assets of the company for securing the loan availed/to be availed by the company

2023-24

1. To approve the payment of Advisory fee to Sh. Jawahar Lal Oswal, Non-Executive Director/Chairman of the company
2. To approve the payment of Minimum Remuneration to Sh. Dinesh Oswal, Managing Director in case of no profits or inadequacy of profits.

2024-25

1. To re-appoint Dr. Roshan Lal Behl (Din: 06443747) as an independent director of the company.
2. To approve the payment to Sh. Jawahar Lal Oswal (Din: 00463866), non - executive director/chairman of the company under regulation 17(6)(ca) of SEBI (listing obligations and disclosure requirements) regulations, 2015.

b. Whether any Special Resolution passed last year through postal ballot.

No Special Resolution was passed during the financial year ended 31.03.2026 through postal ballot.

c. Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended 31.03.2026 through postal ballot.

d. Whether any special resolution is proposed to be conducted through postal ballot.

Presently, no Special Resolution is proposed to be conducted through postal ballot.

e. Procedure for postal ballot.

Whenever any special resolution will be conducted through postal ballot, the procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.

V. MEANS OF COMMUNICATION

Date	:	25th September, 2026
Day	:	Friday
Time	:	10.00 A.M
Venue	:	The Company is conducting the Meeting through Video Conferencing/Other Audio Visual Means as permitted by Ministry of Corporate Affairs. Hence, the venue of the Meeting shall be deemed to be the registered office of the Company. For details please refer to the Notice of this AGM.

b. Financial Year

Financial year of the Company comprises of twelve months i.e. 1st April, 2025 to 31st March, 2026

c. Dividend Payment

On or before 5th October, 2026

d. Date of Book Closure:

5th September, 2026 to 9th September, 2026 (both days inclusive)

e. Name and address of Stock Exchanges at which the securities of the Company are listed:

The National Stock Exchange of India Ltd (NSE) Exchange Plaza", Plot No. C/1 G-Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051	The BSE Limited (BSE) 25th Floor, P. J. Towers, Dalal Street, Fort Mumbai – 400 001.

The listing fees payable to BSE and NSE for 2026-27 have been paid in full by the Company.

f. Demat ISIN number in NSDL and CDSL for Equity Shares: INE290A01027

The annual custodian fees for the financial year 2026-27 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

h. Registrar to an issue and Share Transfer Agents

As per SEBI Circular No. D&CC/FITTC/CIR15/2002 dated 27th December, 2002; the Company has appointed M/s Alankit Assignments Ltd. New Delhi, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the Shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer/Transmission, Demat/Remat, Change of Address etc. to our Registrar whose address and telephone nos. etc. have already been mentioned in the Directors' Report.

In case any query/complaint remains unresolved with our Registrar, please write to the Company Secretary at the Registered Office of the Company.

Members may kindly note that the Registrar & Transfer Agent and/or the Company will not entertain request for noting of change of address/bank details/ECS mandate in case of accounts with Demat holding. For this purpose, shareholders should approach their Depository Participant.

i. Share Transfer System

In terms of Regulation 40(1) of Listing Regulations, transfer, transmission and transposition of securities can be effected only in dematerialized form. All requests for transfer and/or dematerialized of securities held in physical form, should be lodged with Company's Registrar and Transfer Agent for dematerialization.

Further SEBI, vide its Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, has simplified the process for issuance and transfer of securities by dispensing with the requirement of issuing Letter of Confirmation. With effect from April 2, 2026, shares shall be credited directly into the demat account of the Shareholder(s) within a period of 30 days in lieu of issuance of letter of confirmation in respect of various investor service requests such as issuance of duplicate securities certificates, transmission, transposition, claim from unclaimed suspense account, etc.

To approve transfer, transmission, transposition, issue of duplicate share certificates, change of name etc., the Company has constituted a Share Transfer Committee consisting of four members, namely Sh. Dinesh Oswal (DIN: 00607290), Managing Director, Sh. Dinesh Gogna (DIN: 00498670) and Sh. S.K. Sharma (DIN: 00402712), Non-Executive Directors and Mr. Brij Sharma, Company Secretary of the Company. Share Transfer Committee meets once/twice in a month to approve the above transactions as per the procedure prescribed under the Companies Act, 2013 / Listing Regulations.

j. Special Window for re-lodgement of transfer requests:

SEBI vide its Circular No. SEBI/HO/38/13/11(2)2026 -MIRSD-POD/I/3750/2026 dated January 30, 2026 has re-introduced a special window from February 5, 2026 to February 4, 2027 to facilitate shareholders for lodging/re-lodging requests for transfer and dematerialisation ("demat") of physical securities which were sold/purchased prior to April 01, 2019 and original share certificate is available. This special window is also available for such transfer requests which were submitted earlier and were rejected/returned/not attended to due to deficiency in the documents/process/or otherwise. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock-in, during which they cannot be transferred, lienmarked, or pledged. In accordance with the Circular, the Company has created awareness through newspaper advertisement, website and stock exchanges filings to encourage Members to avail benefit from this facility. Eligible shareholders are requested to submit their transfer requests alongwith the requisite documents to the Company's Registrar and Share Transfer Agent (RTA) at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Ltd. 4E/2, Alankit House, Jhandewalan Extension, New Delhi – 110055 (Tel. 011-42541234), within the stipulated period.

k. Distribution of Shareholding

As on 31st March, 2026, your Company had 27,071 shareholders having a total of 3,60,65,303 Equity Shares. The following is the distribution of Shareholding:

No. of Shares held	No. of holders	Percentage of Shareholders	Aggregate shares held	Percentage of Shareholding
1-500	24520	90.58	2759804	7.65
501-1000	1360	5.02	1034245	2.87
1001-2000	635	2.35	934274	2.59
2001-3000	202	0.75	509534	1.41
3001-4000	100	0.37	355574	0.99
4001-5000	60	0.22	278860	0.77
5001-10000	106	0.39	789101	2.19
10001 and above	88	0.33	29403911	81.53
Total	**27071**	**100.00**	**36065303**	**100.00**

l. Shareholding Pattern as on March 31, 2026

Shares held by	No. of Shares	Percentage of Shareholding
Banks and Mutual Funds	5348	0.01
Foreign holdings (FIIs, NRIs, OCBs)	245832	0.68
Trust	90	0.00
Bodies Corporate	309549	0.86
Directors/Relatives of Directors	37757	0.10
General Public	9756788	27.06
HUF	480828	1.33
*Promoter	24511383	67.96
Shares Transferred to IEPF	717569	2.00
Unclaimed or Suspense or Escrow Account	159	0.00
Total	**3,60,65,303**	**100.00**

**The Actual no. of shareholding of Promoter/ Promoter group as on 31-03-2026 is 24524848, whereas there is holding of 24511383 as per demat account as on 31-03-2026. The difference in holding is on account of 13465 shares purchased by Nahar Capital And Financial Services Limited on 30-03-2026 and delivery has been received in demat account on 02-04-2026*

m. Dematerialisation of Shares and Liquidity

As on 31st March, 2026, 3,56,67,873 comprising 98.90% of the total Equity Capital of the Company has been dematerialized. Equity Shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited. To facilitate holding and trading of securities in electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories.

Further, as per the SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, listed companies to issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6. Consolidation of securities certificates/folios; 7. Transmission; 8. Transposition.

n. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any Convertible Instruments, which is likely to have any impact on the equity of the Company.

o. Commodity price risk or foreign exchange risk and hedging activities

The Company is engaged in the Manufacturing of Yarn and Garments under the main head 'Textiles'. The Company has not dealt in any commodity market and thus there is no commodity price risk. Since the Company is in the export of Yarns/Garments Business, to cover itself from exchange rate fluctuations it goes in for partial hedging by normal booking in the normal course of the business. The Company is not involved in any speculative activities.

p. Plant Locations:

375, Industrial Area-A, Ludhiana
427, Industrial Area-A, Ludhiana
Dhandari Kalan, G.T.Road, Ludhiana
Village Simrai, Mandideep, Distt. Raisen (M.P.)
Village Lalru and Lehli, Distt. S.A.S. Nagar (P.B)
Village Jalalpur, Distt. S.A.S. Nagar (P.B)
Village Jodhan, Distt. Ludhiana
Village Jitwal Kalan, Tehsil Malerkotla, Distt. Sangrur

q. Address for correspondence:

"NAHAR TOWER"
373, Industrial Area-A,
Ludhiana-141003 (Pb.)
Phone No : 0161-2600701
Fax No. : 0161-2222942
E-mail address : secnsm@owmnahar.com
Website : www.owmnahar.com

r. Credit Ratings:

We would like to inform you that Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/376311/CP/0825/127657 dated August 28, 2025 has intimated company's rating outlook on the long term bank facilities 'CRISIL A/Negative' (Reaffirmed). The rating on short-term bank facility has been reaffirmed at 'CRISIL A1'

s. KYC Updation:

Pursuant to SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, the Company has dispatched reminder letters to the physical shareholders of the Company in May, 2026 for mandatory furnishing/ updating of PAN, KYC details and Nomination by holders of physical securities in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14. SEBI has also mandated that the dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. All the shareholders are requested to kindly update their KYC detail and forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 373, Industrial Area-A, Ludhiana – 141003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055 at the earliest in order to avoid any delay in receipt of dividend. The aforesaid forms can be downloaded from the website of the Company at: http://www.owmnahar.com /spinning/kyc_updation.php

VII. OTHER DISCLOSURES

1. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

During the year, there are no material Related Party Transactions (RPT) made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement / transactions with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI (LODR) Regulations, 2015. However, the normal sale and purchase transactions which take place in the ordinary course of business on Arm's length basis with the Group Companies are disclosed in the Notes to the Financial Statements as per applicable provisions.

2. Details of Non-compliance by the Company, penalties, strictures imposed by Stock Exchanges or the Board or any Statutory Authority on any matter related to capital markets during the last three years:

The Company continues to comply with the regulations of Stock Exchanges, SEBI or any statutory authority on all matters related to capital market during last three years. No penalty or strictures have been imposed on the Company by the said authorities relating to the above.

3. Details of establishment of Vigil Mechanism / Whistle Blower Policy:

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, has established a Whistle Blower Policy/Vigil Mechanism for its directors and employees to report genuine concerns or grievances about the unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy. The Policy also enables the adequate safeguards against victimization of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at https://www.owmnahar.com /spinning/pdf/vigil_mechanism_25.pdf.

4. Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as prescribed in SEBI (LODR) Regulations, 2015. Besides, the Company has also complied with the non-mandatory requirements in respect of Corporate Governance as specified Part E of Schedule II of SEBI (LODR) Regulations, 2015 as detailed below:

i. **Un-modified opinion(s) in audit report**: The Company is already in a regime of financial statements with un-modified audit opinion.

ii. **Separate post of Chairperson and the Managing Director:** Sh. Jawahar Lal Oswal (DIN:00463866) is the Chairman of the Company and Sh. Dinesh Oswal (DIN: 00607290) is Managing Director of the Company. Thus, the post of Chairman and Managing Director are held by different persons.

iii. **Reporting of internal auditor**: The internal auditor may report directly to the Audit Committee.

iv. **Independent Woman Director:** The Company has already appointed Dr. Manisha Gupta (DIN: 06910242), as an Independent Woman Director on its Board.

v. **Risk Management:** The Company has already constituted the Risk Management Committee with the composition, roles and responsibilities as specified in Regulation 21 of Listing Regulations.

The Company is yet to comply with other non-mandatory requirements of the Corporate Governance as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

5. Web link where policy for determining 'material' subsidiaries is disclosed:

The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any subsidiary Company.

6. Web link where policy on dealing with related party transactions is disclosed:

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at https://www.owmnahar.com/spinning/pdf/RPT-NAHAR-SPINNING-2025.pdf

7. Disclosure of commodity price risks and commodity hedging activities:

The Company is engaged in the textiles Business and the Primary raw material for the manufacturing of the Yarns is raw cotton with the share of around 60% of total cost. The cotton being a seasonal agriculture produce, its supply, quality and prices are subject to forces of nature i.e. Monsoon. The Company purchases the raw cotton as per the Company procurement policy so that it is able to run its plant for the whole year. During the year, the Company has not dealt in any commodity market, thus there is no commodity price risk. Further, the Company is not involved in hedging/speculative activities.

8. Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

9. Certification from Company Secretary in Practice:

Mr. P.S. Bathla (C.P No. 2585), Proprietor of M/s. P.S. Bathla & Associates, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such other authority. The certificate is attached with this Report.

10. Recommendation of Committees:

In the financial year 2025-26 the Board has accepted all recommendations of its Committees.

11. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

12. Fees paid to Statutory Auditors:

During the year company paid an Audit fees of Rs. 17,85,000.00 /- and out of Pocket Expenses of Rs. 9060.00/- to Statutory Auditors.

13. Dividend Distribution Policy:

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has adopted the Dividend Distribution Policy setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy is available on the company's website and can be accessed at http://www.owmnahar.com/spinning/pdf/dividend_distribution.pdf

14. Business Responsibility and Sustainability Report:

Business Responsibility and Sustainability Report for the year ended 31st March, 2026 mentioning therein the initiatives taken by the company from an Environmental, Social and Governance (ESG) perspective in the format as specified by the SEBI under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been uploaded on Company's website at: https://www.owmnahar.com/spinning/pdf/BRSR-2025-26.pdf.

15. Insurance Policy For Directors and Officers

As per Regulation 25 (10) of Listing Regulations, top 1000 listed entities are required to undertake Director and Officer Insurance Policy. We would like to inform you that for ensuring good Corporate governance and also to comply with SEBI (LODR) Regulations, 2015, Company has already taken Directors and Officers insurance ('D and O insurance') Policy.

16. Prevention of Insider Trading:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) as amended, the Company has framed and adopted the "Code of practices and procedures for fair disclosure of unpublished price sensitive information" and "Code of Conduct to regulate, monitor and report trading by insiders. The Codes help to regulate trading in securities by the designated persons. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary being the Compliance Officer is responsible for implementation of the Code. Pursuant to provisions of Regulation 3(5) and 3(6) of PIT Regulations, the Company has a Structured Digital Database (SDD) in place and is maintained as per the requirements stipulated under PIT Regulations.

17. Reconciliation of Share Capital Audit

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, every issuer company shall submit audit report on a quarterly basis for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and the in-principle approval obtained by the issuer from all the stock exchanges where it is listed in respect of such further issued capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

18. CEO and CFO Certification

As required under Regulation 17(8) of SEBI (LODR) Regulations, 2015, a Certificate duly signed by the Managing Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 28.05.2026.

19. Disclosure of Loans And Advances:

The disclosure in relation to Loans and Advances (in the nature of loan) provided by the Company to firms/companies in which its Directors are interested are given in the 'Notes to Financial Statements'.

VIII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF:

The Company has complied with all the requirements of Corporate Governance Report from sub-paras (2) to (10) of Para C of Schedule V of SEBI (LODR) Regulations, 2015.

IX. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS AS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has complied with all the Corporate Governance requirements as specified in Regulation 17 to 27 (except Regulation 24, which is not applicable to the Company) and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

X. CODE OF CONDUCT

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. The code of conduct is also available on Company's website i.e. www.owmnahar.com. The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Managing Director/CEO in terms of SEBI (LODR) Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed compliance with this Code of Conduct is attached with this Report.

XI. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/unclaimed suspense account. However, in compliance of SEBI Circular No. SEBI/HO/MIRSD/ PoD-1/OW/P/2022/64923 dated December 30, 2022, the Company has opened a 'Suspense Escrow Demat Account' for crediting the shares where the shareholder fails to submit the demat request to the Depository Participant within a period of 120 days from the date of issuance of letter of confirmation. Shareholders can claim these shares transferred to 'Suspense Escrow Demat Account' on submission of necessary documentation. The detail of the shares in 'Suspense Escrow Demat Account' as on March 31, 2026 is given here under:

Particulars	No. of Shareholders	No. of Shares
a. Aggregate number of shareholders and the outstanding shares in the Suspense Escrow Demat Account lying as on April 1, 2024	2	129
b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL
c. Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
d. Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2025	3	159
e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Nil	Nil

XII. DISCLOSURE OF AGREEMENTS UNDER REGULATION 30A OF SEBI (LODR) REGULATIONS, 2015

During the year under review, the Company has not entered into any agreement as specified in clause 5A of para A of part A of schedule III of SEBI (LODR) Regulations, 2015.

For and on behalf of the Board of Directors

Place: Ludhiana
Dated: 5th August, 2026

Jawahar Lal Oswal
(Chairman)
Din: 00463866

MANAGING DIRECTOR'S DECLARATION

Pursuant to the requirement of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management Personnel of the Company (as defined in the above said Regulations) have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel' for the year ended 31st March, 2026.

Dinesh Oswal
(Managing Director)
(DIN: 00607290)

Place: Ludhiana
Dated:5th August, 2026

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(Pursuant to Regulation 34(3) and Clause 10 of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Nahar Spinning Mills Limited
Ludhiana

I have examined the relevant records of **M/s NAHAR SPINNING MILLS LTD** having CIN **L17115PB1980PLC004341** for the purpose of certifying compliance of requirements in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2026.

On the basis of disclosures / declarations received from the Directors and taken on record by the Board of Directors and according to the verifications (including DIN Status of Directors at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company, I hereby certify that none of the ten Directors on the Board of the Company as stated below for the Financial Year ended as on 31st March, 2026, has been debarred or disqualified from being appointed or continuing as Director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sl. No	Name of Director	DIN	Date of appointment in Company
1.	Mr. Jawahar Lal Oswal	00463866	30/09/1992
2.	Mr. Dinesh Oswal	00607290	21/05/1985
3.	Mr. Kamal Oswal	00493213	30/09/1991
4.	Mr. Dinesh Gogna	00498670	21/05/1985
5.	Mr. Satish Kumar Sharma	00402712	15/01/2007
6.	Mr. Vijay Asdhir	06671174	26/09/2017
7.	Ms. Manisha Gupta	06910242	26/09/2017
8.	Mr. Roshan Lal Behl	06443747	29/09/2020
9.	Mr. Yash Paul Sachdeva	02012337	24/08/2022
10.	Mr. Anchal Kumar Jain	09546925	24/08/2022

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Bathla & Associates
Company Secretaries

P.S. Bathla
(Proprietor)
FCS: 4391/CP No. 2585
Peer Review No. 7866/2026

Place: Ludhiana
Dated: 5th August, 2026
UDIN: F004391H001022804

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Nahar Spinning Mills Limited,
Ludhiana

I have examined the compliance of the conditions of Corporate Governance by **M/s NAHAR SPINNING MILLS LIMITED** (CIN: L17115PB1980PLC004341) for the year ended 31st March, 2026 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representation made by the Directors and Management, I hereby certify that the Company has duly complied with the conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

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

For P.S. Bathla & Associates
Company Secretaries

P.S. Bathla
(Proprietor)
FCS: 4391/CP No. 2585
Peer Review No. 7866/2026

Place: Ludhiana
Dated: 5th August, 2026
UDIN: F004391H001022881

Annexure-VI

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC SCENARIO

The prevailing geopolitical situation, ongoing West Asia and Russia-Ukraine conflict and U.S-Tariff on imports from several countries has affected the economies of the world . The advanced economies growth, remained subdued whereas emerging economies continues to drive global growth supported by steady domestic demand and increased expenditure on infrastructure. Overall, the Global outlook, remain uncertain as evolving trade policies, inflationary pressures and slower economic activity in several major economies are affecting investment decisions and overall business sentiment. Rising protectionist measures and tariff-related developments has created additional challenges for export-oriented industries, including textiles.

Inspite of Global challenges and risks, Indian economy continued to demonstrate resilience and remained one of the fastest-growing major economy in the world. India has strengthened its position as one of the largest economies globally and continues to progress towards becoming the third-largest economy by 2030. According to the Reserve Bank of India (RBI), the Indian economy is projected to grow at around 6.5% during FY 2025–26, supported by strong domestic demand, infrastructure development, favourable demographics and policy reforms.

The Government of India continues to focus on strengthening economic growth through initiatives aimed at improving infrastructure, manufacturing capabilities and make ATAM NIRBHAR BHARAT. Initiatives such as PM Gati Shakti, which promotes integrated infrastructure development and improved logistics connectivity, and National Manufacturing Mission, aimed at enhancing manufacturing competitiveness, technology adoption and investment, are expected to provide further momentum to industrial growth. These measures are likely to improve supply chain efficiency, reduce logistics costs and support India's manufacturing and export sectors. The Government also continues to promote exports through various policy measures, including trade facilitation, export promotion schemes and initiatives to enhance global competitiveness. India remains well positioned to navigate global uncertainties and achieve sustainable economic growth in the coming period.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian textile and apparel industry continued to demonstrate resilience and strengthen its position in the global textile value chain during FY 2025–26. India remains one of the world's largest textile producers and among the leading exporters of textiles and apparel, supported by its integrated manufacturing ecosystem, strong raw material availability, skilled workforce and established presence across the entire textile value chain.

The Indian textile and apparel industry is estimated to have reached a market size of around US$190 billion during FY 2025–26 and is expected to grow to approximately US$350 billion by 2030, representing a growth trajectory of around 10% CAGR. The Government's vision is to enhance India's textile and apparel exports, supported by increasing global sourcing opportunities, technological advancement, sustainable manufacturing practices and policy support.

To achieve these objectives and enhance the competitiveness of the textile sector, the Government of India continued to undertake various initiatives including the Production Linked Incentive (PLI) Scheme for Textiles, which aims to promote investments. PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks Scheme, which focuses on developing integrated textile manufacturing ecosystems with modern infrastructure and efficient logistics and the National Technical Textiles Mission, which promotes research, innovation and development of high-performance textile products. These initiatives are expected to encourage investments, improve productivity, enhance value addition and strengthen India's position in global textile markets.

In line with industry trend and to remain globally competitive, company continues to focus on modernization, technological upgradation and sustainable manufacturing practices. The Company has undertaken modernization of its spinning units at various locations by adding ultra-modern machines with a capital outlay of approximately **₹325 Crores**. The Company has already spent Rs. 170 crores on the modernization programme and the work is progressing as per schedule and it is expected to be completed by financial year 2027-2028. This will help the company in improving product quality, enhancing operational efficiencies, optimising resource utilisation and strengthening the Company's competitiveness in domestic as well as international markets. During the year, Company has also put up Roof Top Solar System with the capacity of 6.60 MW, thereby increasing its total capacity to 19.874 M.W . This will not only provide clean and green energy but will also help in reducing dependence on conventional energy sources, lower carbon footprint and contribute towards the Company's long-term sustainability objectives.

OPPORTUNITIES AND THREATS

The Indian textile industry witnessed a gradual recovery during FY 2025–26, supported by improving domestic and export demand. A key structural development during the year was the rationalisation of the domestic spinning sector, with nearly 10–12 million older, unorganised spindles (around 20% of the installed capacity) being phased out due to financial stress, cyclical challenges and rising electricity costs. This has improved the demand-supply balance, strengthened pricing discipline and created favourable opportunities for organised and integrated manufacturers.

Moreover, India has already signed Free Trade Agreement (FTAs) or Comprehensive Economic Partnership Agreements (CEPAs) with several countries like United Kingdom, Sri Lanka, Nepal, Bhutan, Maldives, Thailand, Singapore, Malaysia, Japan, South Korea, Mauritius, United Arab Emirates (UAE), Australia, ASEAN bloc (10 nations under goods / services /investment FTA), which will help the country to boost its exports to these countries. The negotiation with the European Union, Canada and others are still going on and we are hopeful that agreement will be finalized shortly and will benefit the Indian Economy to grow at much faster rate. The FTA agreement with United Kingdom has become operational with effect of 15 July, 2026, which has lifted quota for the textile products and this will lead to increase in exports to United Kingdom.

In spite of favourable climate for textile industry, there are some threats in view of US fresh tariffs ranging from 10-12% on imports from about 60 trading partners, including India, citing inadequate enforcement of bans on goods produced using forced labour. India has been placed in lower tariff category of 10%. The earlier temporary 10% surcharge imposed by U.S. on most Indian goods has already expired on 24 July, 2026 and thus India has not been handed a fresh tariff of 10% shock but it has not received any relief either. One levy of the 10% has been replaced another levy and thus the immediate rate is broadly where it was earlier .The real challenge lies in the fact that how long the tariff could last and how India is treated against competing countries which are exporting to U.S. India is in the process of negotiating trade agreement with the U.S. and it is expected to finalise the same shortly. We are hopeful that the concern of 10% tariff will be taken care of by the government while finalising trade agreement with the U.S.

Further, the threat of increasing import duties, trade tariffs or other trade restrictions are also posing threat to the Textile Industry. This will reduce the competitiveness of Indian textile products by increasing their landed cost in international markets, leading to lower export demand, diversion of orders to competing countries, pressure on pricing and margins. The industry also continues to face pressure from rising electricity tariffs, labour costs, logistics expenses and other conversion costs which in return impacting operating margins. Further, uncertainties relating to global economic conditions, geopolitical developments and changes in trade policies or procurement patterns by key importing countries may affect export demand and pricing. The Company continues to mitigate these risks through operational efficiencies, product diversification, prudent working capital management and an increased focus on value-added products.

FUTURE OUTLOOK

Inspite of prevailing Geopolitical situation, West Asia and Russia-Ukraine conflict, the future outlook of the Indian textile industry remains positive, supported by increasing domestic consumption, technological advancement, modernization of manufacturing facilities, and growing demand for sustainable and value-added textile products. Though the industry may face short-term challenges due to global economic uncertainties, fluctuations in cotton prices, evolving trade policies, and competitive pressures but the long-term growth prospects remain encouraging.

The Government initiatives aimed at strengthening textile manufacturing, promoting investments, and enhancing export competitiveness are expected to provide further support to the sector. The Company remains optimistic about the future prospects of the industry and continues to focus on modernization, operational efficiency, sustainability, and quality enhancement initiatives to strengthen its position in domestic as well as international markets. Notably, the industry's prospects are significantly bolstered by several strategic trade agreements signed during FY 2025–26, including the India-UK CETA (signed July 2025; operative July 15, 2026), India-Oman CEPA (signed December 2025; effective June 2026), India-EU FTA (signed January 2026), India-New Zealand FTA (signed April 2026), and the framework for an interim trade agreement with the United States (delivered February 2026). These trade agreements are expected to enable the industry to avail better global opportunities and contribute to the growth of the industry. Though the expected future Scenario for textile industry is positive nevertheless the adverse effect of West Asia War and Russia Ukraine War cannot be ruled out.

RISK AND CONCERNS

No industry is free from normal business risks and uncertainties. The Indian textile industry continues to face intense competition from major textile exporting countries such as Vietnam, Bangladesh, Pakistan and other emerging economies, which have competitive manufacturing costs and established export capabilities. This competitive environment puts pressure on Indian textile manufacturers to continuously improve productivity, enhance quality, adopt advanced technologies and focus on cost efficiency to maintain competitiveness in global markets.

The evolving global trade environment, including tariff-related developments and changing policies in major export markets, remains a key concern for the industry. Such factors may impact export competitiveness, pricing and order flows in the short term. The spinning industry also remains exposed to volatility in raw cotton prices, which are influenced by monsoon conditions, crop output and global demand-supply dynamics. Any significant increase in cotton prices may impact production costs and margins. Other challenges include high financing costs, rising electricity and labour expenses, increasing compliance requirements and global economic uncertainties.

To address these concerns, the industry needs to focus on continuous modernization, adoption of advanced technologies, improvement in productivity and diversification of export markets. The Companies should enhance operational efficiency, invest in sustainable manufacturing practices and develop value-added products to remain competitive in global markets. The Government's continued support through favourable policies, incentives, affordable financing, improved infrastructure and measures to reduce input costs will play an important role in strengthening the competitiveness and long-term growth of the textile industry.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective and robust Internal Financial Control System commensurate with the nature, size and complexity of its operations. The internal control framework is designed to ensure operational efficiency, protection and optimum utilization of resources, accuracy and reliability of financial reporting, and compliance with applicable laws, regulations and internal policies.

To strengthen and automate business processes, the Company continues to leverage technology through the SAP S/4 HANA application, enabling faster data processing, real-time reporting, improved monitoring and enhanced decision-making capabilities. The Company has established adequate systems and procedures to identify, assess and mitigate operational and financial risks.

The Company has appointed M/s. Raj Gupta & Co., Chartered Accountants, as Internal Auditors. The Internal Audit function regularly reviews the adequacy and effectiveness of internal controls, evaluates compliance and suggests improvements wherever required. The Internal Audit Reports are reviewed by the Management and significant observations are placed before the Audit Committee of the Board for review and necessary action. During the year under review, the Company's internal controls were tested and no material weakness was observed.

Apart from the above, an Audit Committee consisting of three Non-Executive Directors has been constituted. All the significant audit observations and follow up Actions thereon are taken care by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Controls in the company. The Audit Committee met four times during the financial year under review. The company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

SEGMENT WISE OR PRODUCT WISE FINANCIAL OPERATION AND PERFORMANCE

The Company is operating in a single segment only i.e. Textile. Despite prevailing global challenges and uncertainties, the Company continued to maintain its operational performance during the year under review. The Company achieved a total income of Rs. 3233.11 Crores against Rs.3318.91 Crores in the previous year. The exports stood at Rs.1699.37 Crores, showing an increase of 3.97% as compared with the previous year.

The punitive tariff of 50% by United States in August 2025, which continued till February 2026, not only affected the Company's exports but also its profitability too. The Company has to offer deep discounts to retain its overseas customers which affected company profitability. In spite of above, Company improved its Financial performance earned a profit before tax of Rs. 26.04 Crores as against Rs. 21.13 Crore in the previous year. After providing tax expense (including deferred tax charge) of Rs. 4.22 Crores, the net profit comes to Rs. 21.82 Crores.

The detailed performance of the Company has already been discussed in the Director's Report under the column **"Operational Review and State of Affairs"**.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

Beyond the Balance Sheet lies the Company's most valuable asset — its Human Resources. The Company firmly believes that its employees are the driving force behind its growth, progress and success. The Company continued its focus on attracting, developing and retaining skilled talent to effectively address evolving business challenges. The Company also provides competitive compensation packages and a conducive work environment to motivate employees and encourage them to contribute towards achieving organizational goals.

The total permanent employee strength of the Company was 9863 employees as on 31st March, 2026. The industrial relations continued to remain cordial during the year under review.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The SEBI (LODR) Regulations, 2015 has mandated that Company should provide detail of Significant Changes in Key Sector Financial ratios. We would like to inform you that in the following key financial ratios, there have been Significant Change as compared to the last year:

Particulars	Financial Year 2025-26	Financial Year 2024-25
INTEREST COVERAGE RATIO	1.86	1.22
NET PROFIT MARGIN RATIO	0.68	0.38
RETURN ON CAPITAL EMPLOYED	3.18	0.03
RETURN ON EQUITY RATIO	1.45	0.01
TRADE PAYABLE TURNOVER RATIO	70.21	81.55

The company has been able to put up reasonably good performance during the year under review. The Interest coverage ratio, Net Profit Margin Ratio, Return on Capital Employed and Return on Equity Ratio have improved due to better profitability as compared to the previous year. Likewise increase in Trade Payable Turnover Ratio is because of decrease in purchases.

Your management is quite optimistic that with the recovery in the Global Trade, company will be able to perform better in the coming periods.

CAUTIONARY STATEMENT

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

For and on behalf of the Board of Directors

Place: Ludhiana
Dated: 5th August, 2026

Jawahar Lal Oswal
(Chairman)
Din: 00463866

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
NAHAR SPINNING MILLS LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nahar Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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. There is no key matters to be communicated 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 Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance, if there is no material misstatement, we will not issue separate report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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:

- 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.
   e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the 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 A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) 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.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
      ii. 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
      iv. (a) The Management has represented that, 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 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;

      (b) The Management has represented, that, no funds 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;

      © 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 (a) and (b) above, contain any material misstatement.
      v. As stated in Note 34 the standalone financial statements

      (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Gupta Vigg & Co.
Chartered Accountants
Firm Regn.No.001393N

(CA Bharat Bhushan)
Partner
M.No.553874
UDIN: 26553874WSUGEB1618

Dated: 28.05.2026
Place: Ludhiana

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NAHAR SPINNING MILLS LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 Companies Act,2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section143(10) of the Companies Act,2013 , to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 and their operating effectiveness. Our audit of internal financial controls 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 the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 controls 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gupta Vigg & Co.
Chartered Accountants
Firm Regn.No.001393N

(CA Bharat Bhushan)
Partner
M.No.553874
UDIN: 26553874WSUGEB1618

Dated: 28.05.2026
Place: Ludhiana

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and based on the examination of records of the company, conveyance deed etc., we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for such class of inventory were noticed.

(b) The Company has been sanctioned working capital limits in excess of 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. The stock statements has been filed with banks by the company during the year are in agreement with books of accounts of the company.

iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. Hence reporting under clause 3(iii)(a) of the order is not applicable for the company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has not granted loans as per stipulation for repayment of principal and interest of loan. Hence reporting under clause 3(iii)(c) is not applicable for the company.

(d) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has not granted loans to any parties during the year. Hence reporting under clause 3(iii)(d) is not applicable for the company.

(e) According to the information and explanations given to us and based on the audit procedures conducted by us, no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loan or any advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) of the order is not applicable for the company

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2026 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.

vii. 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 Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

c. Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31,2026 on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Rs. (in Lacs)
The Income Tax Act, 1961	Income Tax	CIT (A) -NFAC	A.Y. 2015-2016	58.28
The Income Tax Act, 1961	Income Tax	CIT (A)-NFAC	A.Y. 2016-2017	56.18
The Income Tax Act, 1961	Income Tax	CIT (A)-NFAC	A.Y. 2016-2017	928.16
The Income Tax Act, 1961	Income Tax	CIT (A)-NFAC	A.Y. 2017-2018	21.95
The Income Tax Act, 1961	Income Tax	CIT (A)	A.Y. 2018-2019	14.19
The Income Tax Act, 1961	Income Tax	CIT (A)	A.Y. 2019-2020	5.43
The Income Tax Act, 1961	Income Tax	CIT (A)	A.Y. 2020-2021	10.27
GST Act, 2017	GST	Commissioner (Appeals) CGST Commissionerate, Chandigarh	F.Y 2017-18 & 2018-19	396.18
Central Excise Act, 1944	Excise Duty	High Court of Jabalpur	F.Y 2000-2003	17.47

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowings from any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanation given to us and based on examination of records of the company, the Company has applied the term loans for the purpose for which loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The company has not any subsidiary, joint ventures or associate company, hence reporting under clause (ix)(e) and (f) is not applicable to the company

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The same is also not required to file

(c) The management has represented us that no whistle-blower complaints has been received by the Company during the year (and upto the date of this report).

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.

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

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) According to information and explanations given to us, there is one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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. Company has no unspent amount under CSR at the end of the financial year, hence reporting under clause 3(xx) (a) and (b) is not applicable to the company.

For Gupta Vigg & Co.
Chartered Accountants
Firm Regn.No.001393N

(CA Bharat Bhushan)
Partner
M.No.553874
UDIN: 26553874WSUGEB1618

Dated: 28.05.2026
Place: Ludhiana

BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs In Lacs)

PARTICULARS	NOTE NO	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	1.1	**80,990.68**	85,775.95
b) Capital work-in-progress	2	**3,200.14**	531.31
c) Other intangible assets	1.2	**13.54**	20.35
d) Investment properties	1.3	**590.96**	621.21
e) Financial assets			
i) Investments	3.1	**14,650.14**	13,883.54
ii) Other financial assets	3.2	**3,888.86**	3,608.14
f) Other non-current assets	4	**2,146.77**	418.19
		1,05,481.09	1,04,858.69
Current assets			
a) Inventories	5	**84,470.00**	86,019.94
b) Financial assets			
i) Trade receivables	6.1	**51,170.96**	61,843.47
ii) Cash and Cash equivalents	6.2	**120.65**	3,260.55
iii) Bank balances other than (ii) above	6.3	**57.09**	55.11
iv) Other financial assets	6.4	**69.25**	102.07
c) Current tax assets (net)	7	**334.51**	886.65
d) Other current assets	8	**27,618.20**	17,950.54
		1,63,840.66	1,70,118.33
TOTAL ASSETS		**2,69,321.75**	2,74,977.02
EQUITY AND LIABILITIES			
a) Equity Share capital	9	**1,805.31**	1,805.31
b) Other equity	10	**1,49,406.49**	1,47,131.14
LIABILITIES		**1,51,211.80**	1,48,936.45
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	**18,425.61**	18,508.47
b) Deferred tax liabilities (Net)	12	**3,460.61**	3,003.47
c) Other non-current liabilities	13	**497.66**	675.63
		22,383.88	22,187.57
Current liabilities			
a) Financial liabilities			
i) Borrowings	14.1	**79,871.07**	91,579.47
ii) Trade and other payables	14.2		
---total Outstanding dues of micro enterprises and small enterprises		**283.01**	234.01
---total Outstanding dues of creditors other than micro enterprises and small enterprises		**3,808.22**	2,322.55
iii) Other financial liabilities	14.3	**159.86**	84.20
b) Other current liabilities	15	**10,599.28**	8,652.69
c) Provisions	16	**1,004.63**	980.08
		95,726.07	1,03,853.00
TOTAL EQUITY AND LIABILITIES		**2,69,321.75**	2,74,977.02
Notes forming part of the Financial Statements	1-41		

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

For & On behalf of the Board

BHARAT BHUSHAN	**BRIJ SHARMA**	**ANIL GARG**	**S.K SHARMA**	**DINESH OSWAL**
Partner	Company Secretary	Chief Financial Officer	Director	Managing Director
(M. No. 553874)	Mem. No. FCS 2458		(DIN. 00402712)	(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2026
UDIN: 26553874WSUGEB1618

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs in Lacs)

PARTICULARS	NOTE NO.	Current Year	Previous Year
INCOME			
I. Revenue from operations	17	**3,21,792.38**	3,28,455.80
II. Other Income	18	**1,518.87**	3,434.86
Total income(I+II)		**3,23,311.25**	3,31,890.66
EXPENSES			
III. Cost of materials consumed	19	**2,10,253.36**	2,22,227.91
IV Purchases of stock-in-trade	20	**567.60**	479.17
V Change in inventories of finished goods, work -in-progress and stock in trade	21	**4,273.25**	32.47
VI. Employee Benefit expense	22	**32,041.78**	31,794.43
VII Finance cost	23	**5,438.75**	7,420.13
VIII Depreciation and amortisation expense	1	**9,134.86**	9,521.57
IX Other expenses	24	**58,906.76**	57,777.73
Total Expenses (III TO IX)		**3,20,616.36**	3,29,253.41
X. Profit/(loss) before exceptional items and tax		**2,694.89**	2,637.25
XI. Exceptional items			
CSR expenses u/s 135 of Companies Act,2013		**90.96**	524.00
XII. Profit/(loss) before tax		**2,603.93**	2,113.25
XIII.Tax expense:	25		
(1) Current tax		**-**	-
(2) Deferred tax assets / liabilities		**422.00**	878.00
XIV. Profit/(loss) for the period from continuing operations		**2,181.93**	1,235.25
Other comprehensive income		**140.69**	65.03
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		**83.80**	349.39
Remeasurement of post-employment benefit obligations		**92.03**	(124.73)
Income tax relating to these items		**(35.14)**	(159.63)
Other comprehensive income for the year, net of tax		**140.69**	65.03
XV. Total comprehensive income for the year		**2,322.62**	1,300.28
Earnings per equity share	37		
Basic earnings per share		**6.92**	3.09
Diluted earnings per share		**6.92**	3.09
Notes forming part of the Financial Statements	1-41		

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

BHARAT BHUSHAN	**BRIJ SHARMA**	**ANIL GARG**	**S.K SHARMA**	**DINESH OSWAL**
Partner	Company Secretary	Chief Financial Officer	Director	Managing Director
(M. No. 553874)	Mem. No. FCS 2458		(DIN. 00402712)	(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2026
UDIN: 26553874WSUGEB1618

CASH FLOW STATEMENT FOR THE YEAR 1ST APRIL, 2025 TO 31ST MARCH, 2026

(Rs In Lacs)

Particulars		Current Year		Previous Year
Cash Flow from Operating Activities				
Net Profit Before Tax and Extra ordinary activities		**2,603.93**		2,113.25
Adjustments for :				
Depreciation	**9,134.86**		9,521.57	
Finance Cost	**5,438.75**		7,420.13	
Interest received	**(512.22)**		(1,027.97)	
Dividend Income	**(59.41)**		(56.04)	
Net Gain on Sale/fair value of Investments	**(74.39)**		(76.40)	
Profit/ Loss on sale of Fixed Assets/ subsidies adjustments	**(199.07)**	**13,728.52**	(236.24)	15,545.05
Operating Profit before Working Capital Changes		**16,332.45**		17658.30
Adjustment for:				
--Trade Receivables	**10,672.51**		(19,005.63)	
--Inventories	**1,549.94**		25,955.79	
--Other financial assets	**32.82**		10.08	
--Other financial assets (Long Term)	**(280.72)**		(73.04)	
--Other current assets	**(9,667.66)**		676.91	
--Provisions	**116.58**		309.61	
--Other current liabilities	**1,946.59**		(10,968.56)	
--Other non current liabilities	**(177.97)**		91.43	
--Other financial Liabilities	**75.66**		(173.38)	
--Trade Payables	**1,534.67**	**5,802.42**	(158.69)	(3,335.48)
Cash Generated from Operations		**22,134.87**		14,322.82
Interest paid	**(4,024.75)**		(5,220.44)	
Direct Taxes Paid/adjusted	**865.52**	**(3,159.23)**	207.17	(5,013.27)
Net cash flow from operating Activities		**18,975.64**		9,309.55
Cash Flow from investing activities				
Purchase of Fixed Assets	**(4,448.54)**		(4,257.33)	
Capital Work in Progress	**(2,668.83)**		(264.25)	
Sale of Fixed Assets	**335.09**		329.11	
Increase/Decrease in Other non current assets	**(1,728.58)**		4,580.88	
Sale of Investments	**21.61**		243.71	
Interest Received	**512.22**		1,027.97	
Dividend Income	**59.41**		56.04	
Increase in Investment	**(630.02)**	**(8,547.64)**	(290.20)	1,425.93
Net cash used in investing activities		**10,428.00**		10,735.48
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	**4,223.38**		1,022.58	
Repayment of Long Term Borrowings	**(3,584.27)**		(7,444.41)	
Proceeds from Short Term Borrowings	**5,500.00**		6,100.00	
Repayment of Short Term Borrowings	**(5,500.00)**		(6,100.00)	
Increase/Decrease in Working Capital Limits	**(12,430.38)**		1,408.32	
Interest Paid	**(1,414.00)**		(2,199.69)	
Dividend Paid	**(360.65)**		(360.65)	
Net Cash Used in Financing Activities		**(13,565.92)**		(7,573.85)
Net Increase in Cash & Cash Equivalents		**(3,137.92)**		3,161.63
Opening Cash and Cash Equivalents and other bank balances		**3,315.66**		154.03
Closing Cash and Cash Equivalents and other bank balances		**177.74**		3,315.66

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

For & On behalf of the Board

BHARAT BHUSHAN	**BRIJ SHARMA**	**ANIL GARG**	**S.K SHARMA**	**DINESH OSWAL**
Partner	Company Secretary	Chief Financial Officer	Director	Managing Director
(M. No. 553874)	Mem. No. FCS 2458		(DIN. 00402712)	(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2026
UDIN: 26553874WSUGEB1618

Statement of Changes in Equity for the Year ended 31st March 2026

Note No.	Particulars	As at 31 March 2026	As at 31 March 2025
A.	**Equity Share Capital**		
	Balance at the begning of the Financial year	1805.31	1805.31
	Changes in Equity Share Capital during the year		
	Balance at the end of the Financial year	**1805.31**	**1805.31**
B	**Number of shares**	36065303	36065303

C Other Equity

Particulars	Reserve & Surplus				
	Securities Premium Reserve	Captial Reserve	General Reserve	Retained Earnings	Total Equity
Balance at 01 April 2025	20,959.85	1,363.86	93,057.90	31,749.53	1,47,131.14
Profit / (Loss) for the year	-	-	-	2,181.93	2,181.93
Other comprehensive income (Net)	-	-	-	140.69	140.69
Total comprehensive income for the year	**-**	**-**	**-**	**2,322.62**	**2,322.62**
Dividend				(360.65)	(360.65)
Adjustment for income tax of earlier years				313.38	313.38
Transfer to General reserve				-	-
Balance as at March 31, 2026	**20,959.85**	**1,363.86**	**93,057.90**	**34,024.88**	**1,49,406.49**

Particulars	Reserve & Surplus				
	Securities Premium Reserve	Captial Reserve	General Reserve	Retained Earnings	Total Equity
Balance at 01 April 2024	20,959.85	1,363.86	93,057.90	30,930.57	1,46,312.18
Profit / (Loss) for the year	-	-	-	1,235.25	1,235.25
Other comprehensive income (Net)	-	-	-	65.03	65.03
Total comprehensive income for the year	**-**	**-**	**-**	**1,300.28**	**1,300.28**
Dividend				(360.65)	(360.65)
Adjustment for income tax of earlier years				(120.67)	(120.67)
Transfer to General reserve				-	-
Balance as at March 31, 2025	**20,959.85**	**1,363.86**	**93,057.90**	**31,749.53**	**1,47,131.14**

D Shareholding of Promoters

Shares held by promoters at the end of the year						% Change during the year
Sr. No.	**Promoters Name**	**No. of Shares 31-03-2026**	**%of Shares**	**No. of Shares 31-03-2025**	**%of Shares**	
1	Nahar Capital and financial Services Ltd	16953133	47.01	16759440	46.47	0.54
2	Nahar Poly Films Ltd	6902244	19.14	6902244	19.14	-
3	Shankheshwar Holding Co. Ltd	373041	1.03	373041	1.03	-
4	Dinesh Oswal	123766	0.34	123766	0.34	-
5	Jawahar Lal Oswal	90374	0.25	90374	0.25	-
6	Kamal Oswal	24750	0.07	24750	0.07	
7	Abhilash Oswal	16000	0.04	16000	0.04	-
8	Ruchika Oswal	11555	0.03	11555	0.03	-
9	Monica Oswal	11520	0.03	11520	0.03	-
10	Sambhav Oswal	1000	0.00	1000	0.00	-
11	Ritu Oswal	1000	0.00	1000	0.00	-
12	Tanvi Oswal	1000	0.00	1000	0.00	-

13	Abhinav Oswal	500	0.00	500	0.00	-
14	Manisha Oswal	500	0.00	500	0.00	-
15	Rishabh Oswal	500	0.00	500	0.00	-
16	Sanjana Oswal	500	0.00	500	0.00	-
	Total	**24511383**	**67.96**	**24317690**	**67.43**	

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

BHARAT BHUSHAN
Partner
(M. No. 553874)

BRIJ SHARMA
Company Secretary
Mem. No. FCS 2458

ANIL GARG
Chief Financial Officer

S.K SHARMA
Director
(DIN. 00402712)

DINESH OSWAL
Managing Director
(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2026
UDIN: 26553874WSUGEB1618

NON-CURRENT ASSETS (Rs In Lacs)

PROPERTY, PLANT AND EQUIPMENT

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	NET BLOCK
	As at 01st April.2025	Additions	Disposals/ Adjustments	As at '31st March 2026	As at 01st April.2025	Additions	Disposals/ Adjustments	As at '31st March 2026	31 March 2026	31 March 2025
1.1 Property, Plant and equipment:										
Freehold Land	12332.07	282.22	-	12,614.29	-			-	12,614.29	12,332.07
Building	43119.74	15.00	-	43,134.74	12855.36	1502.69	-	14,358.05	28,776.69	30,264.38
Plant & Machinery	110336.31	4070.40	622.91	1,13,783.80	69214.66	7099.83	499.33	75,815.16	37,968.64	41,121.65
Vehicles	2487.28	31.16	46.55	2,471.89	1465.86	291.89	34.51	1,723.24	748.65	1,021.42
Office Equipment	1973.84	46.29	0.50	2,019.63	1197.05	140.64	0.11	1,337.58	682.05	776.79
Furniture & Fixtures	804.62	3.47	-	808.09	544.98	62.75	-	607.73	200.36	259.64
Total (A)	1,71,053.86	4,448.54	669.96	1,74,832.44	85,277.91	9,097.80	533.95	93,841.76	80,990.68	85,775.95
1.2. INTANGIBLE ASSETS										
Software	138.35	-	-	138.35	118.00	6.81	-	124.81	13.54	20.35
Total (B)	138.35	-	-	138.35	118.00	6.81	-	124.81	13.54	20.35
Total (A+B)	**1,71,192.21**	**4,448.54**	**669.96**	**1,74,970.79**	**85,395.91**	**9,104.61**	**533.95**	**93,966.57**	**81,004.22**	**85,796.30**

1.3. Investment Properties:

Buildings and related equipments	1028.43	-	-	1,028.43	407.22	30.25	-	437.47	590.96	621.21
Total (A)	**1,028.43**	**-**	**-**	**1,028.43**	**407.22**	**30.25**	**-**	**437.47**	**590.96**	**621.21**

	31-03-2026	31-03-2025
Fair Value of Investment Properties	**8,141.30**	**7,192.84**
Rental Income Received/Receivables from Investment properties	**168.16**	**118.89**
Direct expenses (including repair & maintenance) for generating rental income	**-**	**0.69**

NON-CURRENT ASSETS (Rs In Lacs)

PROPERTY, PLANT AND EQUIPMENT

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	NET BLOCK
	As at 01st April.2024	Additions	Disposals/ Adjustments	As at '31st March 2025	As at 01st April.2024	Additions	Disposals/ Adjustments	As at '31st March 2025	31 March 2025	31 March 2024
1.1 Property, Plant and equipment:										
Freehold Land	11680.87	651.20	-	12,332.07	-	-	-	-	12,332.07	11,680.87
Building	42966.96	152.78	-	43,119.74	11294.47	1560.89	-	12,855.36	30,264.38	31,672.49
Plant & Machinery	107171.39	3264.04	99.12	1,10,336.31	61952.42	7271.51	9.27	69,214.66	41,121.65	45,218.97
Vehicles	2490.71	27.54	30.97	2,487.28	1086.44	407.57	28.15	1,465.86	1,021.42	1,404.27
Office Equipment	1879.47	94.37	-	1,973.84	1034.26	162.79	-	1,197.05	776.79	845.21
Furniture & Fixtures	737.42	67.40	0.20	804.62	469.26	75.72	-	544.98	259.64	268.16
Total (A)	1,66,926.82	4,257.33	130.29	1,71,053.86	75,836.85	9,478.48	37.42	85,277.91	85,775.95	91,089.97
1.2. INTANGIBLE ASSETS										
Software	138.35	-	-	138.35	106.71	11.29	-	118.00	20.35	31.64
Total (B)	138.35	-	-	138.35	106.71	11.29	-	118.00	20.35	31.64
Total (A+B)	**1,67,065.17**	**4,257.33**	**130.29**	**1,71,192.21**	**75,943.56**	**9,489.77**	**37.42**	**85,395.91**	**85,796.30**	**91,121.61**

1.3. Investment Properties:

Buildings and related equipments	1028.43	-	-	1,028.43	375.42	31.80	-	407.22	621.21	653.01
Total (A)	**1,028.43**	**-**	**-**	**1,028.43**	**375.42**	**31.80**	-	**407.22**	**621.21**	**653.01**

	31-03-2025	31-03-2024
Fair Value of Investment Properties	**7,192.84**	**3,682.50**
Rental Income Received/Receivables from Investment properties	**118.89**	**12.84**
Direct expenses (including repair & maintenance) for generating rental income	**0.69**	**-**

2 : Capital work-in-progress (CWIP)	**31-03-2026**	**31-03-2025**
Opening Balance	531.31	267.06
Addition / Transfer	2668.83	264.25
Closing Balance	**3200.14**	**531.31**

CWIP ageing schedule for 2025-2026

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
Project in progress	2,668.83	531.31	-	-	3,200.14
Projects temporarily suspended	-	-	-	-	-

CWIP ageing schedule for 2024-2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
Project in progress	531.31	-	-	-	531.31
Projects temporarily suspended	-	-	-	-	-

Note No. Particulars	As at 31 March 2026		As at 31 March 2025	
Financial Assets				
3.1 : Investments				
a) Investment at fair value through profit or loss	**No. of Units**	**Amount**	**No. of Units**	**Amount**
Investment in Equity instruments				
i) Punjab & Sind Bank (Equity Shares of Rs.10/- each fully paid up)	4893	1.01	4893	2.13
ii) Reliance Capital ltd (Equity Shares of Rs 10/-each fully paid up) (Unquoted)	3700	0.39	3700	0.39
iii) Jaiprakash Associates Ltd (Equity Shares of Rs 2/- each fully paid up)	57000	1.38	57000	1.81
iv) Jaiprakash Power Venture Ltd (Equity Shares of Rs 10/- each fully paid up)	-	-	81000	11.54
Investment in Debt Funds				
i) SBI FMP S-61 Direct Growth.	2999850.007	387.47	2999850.007	363.23
ii) CUBE HIGHWAYS TRUST	525000	766.50	200000	250.00
b) Investment at fair value through other comprehensive income				
Investment in Equity instruments				
i) Nahar Capital & Financial Services Ltd. (Equity Shares of Rs. 5/- each fully paid up)	648399	1288.04	607856	1363.12
ii) Nahar Poly Films Ltd. (Equity Shares of Rs 5/-each fully paid up)	4653650	9479.48	4641632	9141.69
iii) Sankeshwar Holding Company Ltd (Equity Shares of Rs 10/-each fully paid up) (unquoted)	95750	224.10	95750	244.47
Investment in Government securities				
i) 7.39 % Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	7007	75.39	7007	76.03
ii) 7.39 % Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	15058	166.48	15058	166.84
iii) 7.35 % Indian Railway Finance Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	5878	65.26	5878	65.01
iv) 7.35 % National Bank for Agricultural and Rural Development. (Tax free Bonds of Rs.1000/- each fully paid up)	10020	108.62	10020	110.70
v) 7.35 % National Highways Authority of India. (Tax free Bonds of Rs.1000/- each fully paid up)	7709	86.01	7709	86.57
c) Investment at Amortised Cost				
i) Fully paid up 5% Non Cumulative Redeemable Preference Shares (OWM) (unquoted)	2000000	2000.00	2000000	2000.00
ii) Shree Panchvati Co-Operative Housing Society Ltd (Equity Shares of Rs.50/- each fully paid up) (unquoted)	10	0.005	10	0.005
TOTAL		**14650.14**		**13883.54**
(a) Aggregate amount of quoted investments and market value thereof;		12425.64		11639.06
(b) Aggregate amount of unquoted investments; and		2224.50		2244.48
(c) Aggregate amount of impairment in value of investments.		-		-

Note No. Particulars	As at 31 March 2026	As at 31 March 2025
3.2 : Other Financial assets		
Security deposits		
- Unsecured, considered good	3888.86	3608.14
Total	3,888.86	3,608.14
4 : Other Non Current Assets		
Capital advances	2141.52	411.19
Prepaid rent	5.25	7.00
Total	**2146.77**	**418.19**
CURRENT ASSETS		
5 : Inventories		
Raw Materials	47710.91	45258.52
Raw Materials (Goods in Transit)	39.78	7.10
Work in Process	7386.53	8544.53
Finished Goods	24465.55	27552.39
Finished Goods (Goods in Transit)	0.05	-
Stock-in-Trade	90.44	76.00
Stores & Spares	2294.56	2056.90
Stores & Spares (Goods in Transit)	0.53	-
Waste & Rejections	2481.65	2524.50
Total	**84470.00**	**86019.94**
Financial Assets		
6.1 : Trade Receivables		
Unsecured Considered good unless otherwise stated	51170.96	61843.47
Total	**51170.96**	**61843.47**

Trade Receivables ageing Schedule as on 31st March 2026

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT						
	Not Due	LESS THAN 6 MONTHS	6 MONTHS - 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	47941.94	3219.11	9.49	0.42	-	-	51170.96
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK							-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED							-
(Iv) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS							-
(v) DISPUTED TRADE RECEIVABLE							-
							-

Trade Receivables ageing Schedule as on 31st March 2025

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT						
	Not Due	LESS THAN 6 MONTHS	6 MONTHS - 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	58155.29	3686.86	0.33	0.99	-	-	61843.47
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK							-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED							-
(Iv) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS							-
(v) DISPUTED TRADE RECEIVABLE							-

6.2 : Cash and Cash Equivalents-		
Balance with banks	26.97	2.81
Cash in hand	27.68	32.74
Cheque in hand	38.00	-
Deposits with maturity less than three months	28.00	3225.00
Total	**120.65**	**3260.55**
6.3 : Other bank balances		
Unpaid Dividend account	57.09	55.11
Total	**57.09**	**55.11**
6.4 : Other financial assets		
Advances to employees	69.25	98.70
Interest accrued on FD	-	3.37
Total	**69.25**	**102.07**
7 : Current tax assets (Net)		
Advance income tax/TDS/TCS	277.96	228.46
Income Tax Refund Receivable	56.55	658.19
Total	334.51	886.65
8 : Other Current Assets		
Prepaid expenses	633.10	1054.94
Prepaid rent	1.75	1.75
Advance to suppliers & other (Recoverable in Cash or kind)	14526.48	4405.27
Balances with Government authorities	11587.59	11567.45
GST Deposited Under Protest (Ref Note 30(vii)	500.00	500.00
Others	369.28	421.13
Total	**27618.20**	**17950.54**

Note No. Particulars	As at 31 March 2026		As at 31 March 2025	
EQUITY AND LIABILITIES				
9 : Equity Share Capital				
A) Authorised				
60,000,000 (Previous year 60,000,000) equity shares of Rs. 5 each	3000.00		3000.00	
B) Issued, subscribed and fully paid up				
36,065,303 (Previous year 36,065,303) equity shares of Rs. 5 each fully paid up	1803.27		1803.27	
Add : Share forfeited	2.04		2.04	
Total	**1805.31**		**1805.31**	
a) Terms/rights attached to equity shares				
The company has only one class of shares having par value at Rs. 5/-per share. Each holder of equity shares is entitled to one vote per share.				
b) Reconciliation of number of shares				
Number of shares at the begning of the Financial year	36065303		36065303	
Add: Shares Issued During the year	-		-	
Less: Share buy back during the year	-		-	
Number of shares at the end of the Financial year	36065303		36065303	
c) Detail of shareholders holding more than 5% shares	**No. of shares**	**%age**	**No. of shares**	**%age**
1. Nahar Capital and Financial services Limited	16953133	47.01	16759440	46.47
2. Nahar Poly Films Limited	6902244	19.14	6902244	19.14
d) Forfeited Shares (amount originally paid up)				
Amount Paid Up	**No. of shares**		**No. of shares**	
Rs.2.50 per Share	**80,298**		**80,298**	
Rs.5.00 per Share	**710**		**710**	
10 : Other Equity				
A) Security premium reserves				
Balance as per Last Balance Sheet	20959.85		20959.85	
Add: Additions during the year	-		-	
Balance as at the year end	20959.85		20959.85	
B)Capital reserves				
Balance as per Last Balance Sheet	1363.86		1363.86	
Add: Additions during the year	-		-	
Balance as at the year end	1363.86		1363.86	
C)General reserves				
Balance as per Last Balance Sheet	93057.90		93057.90	
Less : Value of the Assets Adjusted	-		-	
Balance as at the year end	**93057.90**		**93057.90**	
D) Retained Earning/Surplus				
Balance as per Last Balance Sheet	31749.53		30930.57	
Profit/(Loss) Transfer from Profit & Loss A/c	2,181.93		1,235.25	
Other Comprehensive Income for the Year (Net)	140.69		65.03	
Add/Less: Adjustment of Income Tax earlier Years	313.38		(120.67)	
Less: Dividend	360.65		360.65	
Balance as at the year end	34024.88		31749.53	
Total	**149406.49**		**147131.14**	

Note No.	Particulars	As at 31 March 2026	As at 31 March 2025
	NON CURRENT LIABILITIES		
	Financial Liabilities		
	11 : Borrowings		
	Term loans from banks- Secured		
	1. From Punjab National Bank (E-OBC)	-	865.81
	2. From State Bank of India	18425.61	17642.66
	Total	**18425.61**	**18508.47**

Nature Of security	Terms of Repayment
1. From Punjab National Bank (E-OBC)	
-Term Loan of Rs 6600 Lacs is secured by Plant & Machinery purchased out of the sanctioned term loan.	- Term Loan is repayable in quarterly installments by 31/03/2027.
Second charge on entire block of assets of the company inclusive of all units pertaining to the erstwhile NEL (Nahar Export Ltd) to be shared on pari-passu basis with the Consortium member Banks.(Except the assets financed by SBI at Lalru/Lehli) .	Rate of Interest 31.03.2026, 8.95% p.a and 31.03.2025, 8.80 % p.a
The Term Loan is personally guaranteed by three Directors of the Company.	
2. STATE BANK OF INDIA	
(A)Term Loan of Rs. 27500 Lacs	-Term Loan is repayable in quarterly installments by 30/09/2031. Rate of Interest 31.03.2026 7.85% p.a 31.03.2025, Rupee Loan 9.20% p.a
(B) Term Loans of Rs. 26500 Lacs (i) both term loans are Secured by first Pari-Passu Charge with other term lenders by way of Hypothecation of entire fixed assets of the Company including equitable mortgage of: (i) 1st pari passu basis to term lenders which includes 40.20 acres of land at Village Simrai, Mandideep, Raisen , Madhya Pradesh and 12.62 acres of land located at Village Itayakalan, Mandideep, Madhya Pradesh. (ii) Negative lien on all other immovable assets of the company both present and future. (iii) Second Pari-Passu Charge with other term lenders by way of Hypothecation of entire current assets including stock of raw material, stock in process, finished goods, store & spares /consumable and receivables/book debts , other current assets , both present and future. Both the Term Loan are personally guaranteed by two Directors of the Company.	-Term Loan is repayable in quarterly installments by 30/06/2033. Rate of Interest 31.03.2026 7.85% p.a and 31.03.2025 N.A

12 : Deferred tax Liabilities (Net)		
Timing Difference on account of Depreciation, IND AS adjustment etc.	3815.61	3872.47
Difference on account of Allowances under section 43B, Losses & etc.	(355.00)	(869.00)
Total	**3460.61**	**3003.47**

Note No. Particulars	As at 31 March 2026	As at 31 March 2025
13 : Other non current liabilities		
Deferred income	497.66	675.63
Total	497.66	**675.63**
CURRENT LIABILITIES		
Financial Liabilities		
14.1 : Borrowings		
Loans from banks- Secured	75568.62	87999.00
Secured by (I) Hypothecation of entire current assets of the company both presentand future . (II) 2nd Charge (on pari-passu basis) over entire plant and machinery, present or future, of all the units of the company and also personally Guaranteed by Chairman, Managing Director and one Director of the Company.		
Current maturities of long term debts	4302.45	3580.47
Total	**79871.07**	**91579.47**
14.2 : Trade and other payables		
---total Outstanding dues of micro enterprises and small enterprises	283.01	234.01
---total Outstanding dues of creditors other than micro enterprises and small enterprises	3808.22	2322.55
Total	**4091.23**	**2556.56**

Trade Payables ageing schedule as on 31st March 2026

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	283.01	-	-	-	-	283.01
(ii) Other	3,798.43	9.66	0.13	-	-	3,808.22
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade Payables ageing schedule as on 31st March 2025

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	234.01	-	-	-	-	234.01
(ii) Other	2,289.30	33.25	-	-	-	2,322.55
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Note No. Particulars	As at 31 March 2026	As at 31 March 2025
14.3 : Other financial liabilities		
Retention money	99.62	28.90
Unpaid dividends	57.09	55.11
Others	3.15	0.19
Total	**159.86**	**84.20**
15 : Other current liabilities		
Advances from customers	1195.98	342.39
Dues to director	103.05	45.55
Government dues	662.46	667.11
Deferred income	177.97	288.10
Others	8459.82	7309.54
Total	**10599.28**	**8652.69**
16 : Provisions		
Provision for Gratuity	1004.63	980.08
Total	**1004.63**	**980.08**

Note No. Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
17 : Revenue from operations		
Sales - Export	169937.13	163453.07
Sales - Domestic	141581.09	154193.48
Export incentives	8848.06	9404.56
Sale of services	928.04	961.10
Miscellaneous sales	481.12	424.17
Miscellaneous receipts	16.44	11.60
Claims received	0.50	7.82
Total	**321792.38**	**328455.80**
18 : Other Income		
Interest income	512.22	1027.97
Dividend income	59.41	56.04
Rental income	283.80	260.16
Balances written back	48.24	74.16
Gain on sale of Property, Plant & Equipment	206.17	236.36
Net gain on sale / fair value of investments	74.39	76.40
Net MTM gain on Forward Contracts	-	120.65
Miscellaneous income (Including Deferred Income)	334.64	1583.12
Total	**1518.87**	**3434.86**

Note No. Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
19 : Cost of materials consumed		
Opening stock	45258.52	71211.12
Add : Purchases (Net)	212705.75	196275.31
Less: Closing Stock	(47,710.91)	(45,258.52)
Total	**210253.36**	**222227.91**
20 : Purchases of stock-in-trade		
Hosiery Garments/others	567.60	479.17
Total	**567.60**	**479.17**
21 : Change in inventories of finished goods/ Work -in-progress/ stock in trade .		
Opening stock		
Work-in-Progress	8544.53	8455.81
Finished Goods / Stock in Trade etc.	30152.89	30274.08
Less: Closing Stock		
Work-in-Progress	(7,386.53)	(8,544.53)
Finished Goods / Stock in Trade etc.	(27,037.64)	(30,152.89)
Total	4,273.25	32.47
22 : Employee benefit expense		
Salary and wages	28942.25	28772.74
Contribution to PF, ESI and Gratuity Fund	2751.02	2689.65
Employees Welfare Expenses	348.51	332.04
Total	**32041.78**	**31794.43**
23 : Finance cost		
Interest on term loan	1414.00	2199.69
Interest on cash credit	3471.49	4817.87
Interest to others	154.42	149.15
Other borrowing costs	83.06	99.77
Exchange Differences regarded as an adjustment to borrowing costs	315.78	153.65
Total	**5438.75**	**7420.13**
24 : Other expenses		
Consumption of stores & spare parts	1510.19	1460.50
Power and Fuel	30486.17	30967.49
Dyes & Chemicals	2618.31	2805.88
Rent	42.10	42.71
Repair to Buildings	972.60	502.48
Repair to Machinery	3588.06	4016.93
Insurance	778.92	920.99
Rates and taxes	169.54	177.87
Payment to auditors (ref note 24.1)	24.10	24.18

Note No. Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Exchange Rate Difference (Net)	4.40	2.29
Brokerage/commission on sale	2028.25	1907.01
Freight and forwarding	6946.85	6613.28
Packing Store Consumed	4974.35	5033.03
Vehicle Maintenance and Conveyance	364.80	395.57
Bank Charges	522.75	458.61
Loss on MTM on Forward Contracts	1,486.51	-
Loss on Sale of Fixed Assets	7.10	0.13
Others	2381.76	2448.78
Total	**58906.76**	**57777.73**

24.1 Payment to auditors

Audit Fees	19.20	17.85
Tax Audit Fees	4.52	4.30
Certification Charges	0.34	1.94
Out of Pocket Expenses	0.04	0.09
Total	**24.10**	**24.18**

25 : Tax expense:

(1) Current tax		
Provision for Taxation	-	-
(2) Deferred tax assets / liabilities	422.00	878.00
Total	**422.00**	**878.00**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2026 and 31 March 2025:

Accounting profit before tax	2,603.93	2,113.25
All india's statutory income tax rate of 25.168% (31st March 2025: 25.168%)	655.36	531.86
Tax effect of Other Items as per Income Tax Act.	(233.36)	346.14
Income tax expense/ deferred tax reported in the statement of profit and loss	422.00	878.00

26. STATEMENT OF MATERIAL ACCOUNTING POLICIES:

I. Background

Nahar Spinning Mills Limited (the "Company") incorporated as a Private Limited company in 1980 and became a Public Limited company in 1983. Nahar Spinning Mills Limited is engaged in the business of manufacture of cotton yarn/blended yarn and hosiery knitwears. The company is a public Limited company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, Its shares are listed in recognized stock exchanges of India. The registered office of the company is located at 373, Industrial Area 'A', Ludhiana.

II. Material accounting policies

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

(i) Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies Indian Accounting Standard Rules, 2015 notified under section 133 of the Companies Act,2013 (the Act) and other relevant provisions of the Act. The Financial statements of the company for the year ended 31 March,2026 have been approved by the Board of Directors at their meetings held on 28th May,2026

The financial statements of the company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans- assets measured at fair value.

The Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(iii) Current/Non-current classification :

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

(b) Foreign currency translation

Items included in the financial statements of each of the company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company 's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of profit and loss.

(c) Revenue recognition

(i) Revenue arises mainly from the sale of manufactured and traded goods. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Rendering of services

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

(ii) Export Incentives- Export incentives are recognised on post export basis.

(iii) Interest income - Interest income is recognised on accrual basis.

(iv) Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established

(v) Rental Income- Rental income is accounted for on accrual basis.

(vi) Scrap (i.e empties, miscellaneous scrap etc.) is accounted for on sale basis

(vii) Income and other Claims -Revenue in respect of claims is recognised when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof .

(d) Government Grant

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are recognised in the statement of profit or loss over the period of useful life of asset.

(e) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction by the end of the reporting period adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. . Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income, In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(g) Cash and Cash Equivalents :

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other bank balances and bank overdrafts.

(h) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

1. a) For Raw Material on moving weighted average method plus direct expenses.
   b) For Stores and Spares on moving weighted average method plus direct expenses
   c) For Work - in - Process, cost of Raw Material plus appropriate share of manufacturing expenses/ relevant Overheads/conversion cost depending upon the stage of completion.
2. For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

(i) FINANCIAL ASSETS

(i) Classification

- The company classifies its financial assets in the following measurement categories -
- Those to be measured subsequently at fair value (either through other comprehensive income or through Statement of profit and loss), and
- Those measured at amortised cost

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at the fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. In the case of a financial asset at fair value through profit or loss, transaction costs of financial assets are expensed in the Statement of profit and loss.

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

(iii) Impairment of financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(j) Impairment of Non-Financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash generating units). Non- Financial assets suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

(k) Non- Current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt

Non-current assets are not depreciated or amortised while they are classified held for sale. Interest and other expenses attributable to the liabilities of disposal, company classified as held for sale, continue to be recognised.

(l) Derivatives that are not designated as hedges

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss

(m) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in the Schedule II to the Companies Act, 2013.

a) In Garment Division at Ludhiana, depreciation is charged on W.D.V. basis

b) In all other units, depreciation is charged on Straight Line basis The residual values are not more than 5% of the original cost of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

(n) Investment Properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and cost of the item can be measured reliably.

Investment properties are depreciated using the written down value method over the useful life of 60 years.

(o) Intangible assets Computer software

Computer software are stated at cost less accumulated amortisation and impairment, if any. Amortisation methods and periods

The company amortises the computer software with a finite useful life over the period of 6 years.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid.

(q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(s) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(t) Employee benefits

(I) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

(iii) Post-employment obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iv) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

(u) Estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities as at the date of financial statements and reported amount of income and expenses during the period.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Designation of financial assets /liabilities through FVTPL
- Estimation of defined benefit obligation
- Recognition of deferred tax assets for carried forward tax losses

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on company and that are believed to be reasonable under the circumstances.

(v) Cash Flow Statement :

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 “Statement of Cash Flows” using indirect method for operating activities.

(w) Earning per share

(I) Basic earning per share

Basic earning per share is calculated by dividing :

- The profit attributable to equity share holders and
- By the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earning per share

Diluted earning per share adjusts the figures used in the determination of basic earning per share to take in to account :

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

27. Contingent liabilities not provided for

a) Excise/Service Tax/GST/Income Tax/ Other Government Authorities have raised demands of Rs. 2081.33 Lacs (31 March 2025: Rs.2069.42 Lacs) out of which a sum of Rs. 573.22 Lacs (31 March 2025: Rs. 550.65 Lacs) has been deposited against said demand. Further these demands have been contested in appeal and no provision has been made in the financial statement.

b) The Company has given a Bank Guarantee for Rs.1.79 Lacs (31 March 2025 : Rs. 6.69 Lacs) in favour of Ministry of Textiles.

28. Capital & Other commitments

Estimated amount of Contracts remaining to be executed , net of advances -

	31 March 2026	31 March 2025
On Capital Accounts	**17,589.26**	2,045.27
On Others	**31,215.91**	11,118.56

29. There are no Micro & Small enterprises covered under Micro, Small and Medium Scale Development Act,2006, to whom the company owes dues, which are outstanding for more than 45 days. This information has been determined on the basis of information received from the parties

	31-Mar-26	31-Mar-25
The principal amount and the interest due thereon (to be shown separately) remaining unpaid (NOT DUE)	283.01	234.01
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

30. Other notes

I. Salaries & wages incurred during the year on repairs and maintenance of Building and Plant & Machinery etc. have been charged to former accounts and not shown separately.

II. In the opinion of the board, the value of Current Assets, Loans and Advances have a value in the ordinary course of business at least equal to that stated in the balance sheet

III. Some balances of Trade Payables , Advances and Trade Receivables are subject to their Confirmation.

IV. Borrowing cost amounting Rs. 32.69 (31st March 2025 : Rs. Nil Lacs) has been capitalized during the year.

V. Material events occurring after the balance sheet date are taken into cognizance.

VI. To meet its CSR Obligation under section 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR projects through Oswal Foundation. Oswal Foundation is a Registered Society formed in the year 2006 having its charitable objects in various fields .It has already registered itself with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities. The foundation has undertaken "Health Care Project", as approved by the consortium at Moh*an Dai Oswal Cancer Hospital* and Research Foundation, Ludhiana

During the *financial year 2025-26, CSR committee recommended Rs.90.96 lakhs (Previous year Rs.524.00 lakhs), for CSR obligation being* two percent of the average net profits of the company for three immediately preceding financial years. Accordingly*, to fulfil its obligation under CSR, Board on the recommendation of CSR Committee decided to contribute an* amount of Rs.66.11 lakhs (Previous year Rs.501.51 Lakhs) paid to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group Companies formed to undertake CSR activities through Oswal Foundation, donation of Garments of Rs. 17.06 Lakhs to Indian Red Cross Society for victims of flood. Rs. 5.00 Lakhs have been paid to Child Mental Health Foundation of India for climate education and practical awareness and responsible environmental practices *and Rs. 2.79 lakhs for others miscellaneous CSR activities*

Particulars	31 March 2026	31 March 2025
The amount required to be spent	90.96	524.00
The amount spent	90.96	524.00

VII. The Additional Commissioner of CGST, Chandigarh, issued an order dated 03.02.2025 and raised a demand of Rs. 448.09 Lacs along with an equivalent amount of penalty. The company is contesting this demand by filing an appeal with the Commissioner (Appeals), Chandigarh. An amount of Rs. 500 Lacs has already been deposited under protest. No provision has been made in the financial statements for this disputed demand, as the obligation is contingent upon the outcome of the appeal, the amount deposited of Rs. 500 Lacs has been shown under advances recoverable in cash or kind. However, the disputed demand is disclosed as a contingent liability.

VIII. The company is operating in single segment i.e Textiles. Hence segment reporting as required under IND AS 108 (Operating Segments) is not applicable.

IX The figures of the previous period/year have been regrouped/recasted wherever considered necessary to correspond to current period/year disclosures.

Major Customer

Sales of the company is evenly distributed, disclosure of major customer is not being made. There is no single customer having sale more than 10% of the turnover of the company.

31. Material accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 35.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

32. Financial risk management objective and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: 'interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to 'the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding 'for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	31 March 2026	**31 March 2025**
Variable rate borrowings	62,586.99	49,725.77
Fixed rate borrowings	35,709.69	60,362.17

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held 'constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on Profit before tax	
	31 March 2026	31 March 2025
Increase by 50 basis points	(312.93)	(248.63)
Decrease by 50 basis points	312.93	248.63

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in International currencies as part of the business is transacted in foreign currencies and consequently the company is exposed to foreign exchange risk. The Company's exposure in foreign currency is in loans, trade receivables, advances and trade payables etc.

(I) Particulars of unhedged foreign currency exposure as at reporting date

As at 31st March 2026 (Foreign currency in lacs)

Particulars	USD	EURO	Others
Trade Receivables	-	-	-
Trade Payables	0.002	-	-
Others	55.93	28.50	-

As at 31st March 2025

Particulars	USD	EURO	Others
Trade Receivables	-	-	-
Trade Payables	-	-	-
Others	5.71	-	-

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	31st March 2026		31st March 2025	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	265.23	(265.23)	24.40	(24.40)
EURO	155.34	(155.34)	-	-
Others	-	-	-	-
Increase/(decrease) in Profit or Loss	**420.57**	**(420.57)**	**24.40**	**(24.40)**

ii) Foreign Currency Exposure

The foreign currency exposure of the Company as on reporting date is as under. The company does not use forward contracts for speculative purpose.

(in Lacs)

Category wise quantitative data	As at 31st March, 2026	As at 31st March, 2025
Type of contract	**USD**	**USD**
Forward contracts against exports	506.32	266.09
Foreign Currency Loans	-	234.30
Packing Credit in Foreign Currency	104.43	79.57

iii) Price risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables)

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(I) Low credit risk on reporting date

(ii) Moderate credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment.

Recoveries made are recognised in statement of profit and loss.

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables are mitigated by taking bank guarantees/letter of credit, from customers where credit risk is high. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(i) Trade Receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addtion, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6.1 Trade receivables are unsecured but considered good subject to provision made thereon.

Trade receivables	31st March 2026	31st March 2025
Not Due	47,941.94	58,155.29
Up to 6 Months past Due	3,219.11	3,686.86
6 Months to 1 Year past Due	9.49	0.33
1 to 2 Year	0.42	0.99
2 to 3 Year	-	-
More than 3 Year	-	-
	51,170.96	**61,843.47**
Provision for Doubtful Debts		
More than 1 year	-	-
Total	**51,170.96**	**61,843.47**

Reconciliation of Provision for Doubtful Debts	31st March 2026	31st March 2025
Balance at the Beginning of the Year	-	-
Add: Provision made during the year	-	-
Less: Provision Written Back during the Year		-
Balance at the end of the Year	-	-

(C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company has access to the following undrawn borrowing facilities at the end of the reporting periods -

	31st March 2026	31st March 2025
Floating rate		
(a) Expiring within one year (Bank overdraft and other facilities) Secured		
-Working Capital Limits	36,739.06	18,274.73
(b) Expiring in coming years (Term Loans) Secured		
-Term loan from banks	22,276.62	-

(ii) Maturity Patterns of borrowings

Year ended 31st March,2026	**Less than 1 Year**	**1 to 3 years**	**3 to 5 years**	**More than 5 years**
Contractual Maturities of long term borrowings	4,302.45	11,095.32	6,872.00	501.48
Contractual Maturities of trade payables	4,091.23	-	-	-
Contractual Maturities of other financial liabilities	99.62	-	-	-
Total	**8,493.30**	**11,095.32**	**6,872.00**	**501.48**
Year ended 31st March,2025	**Less than 1 Year**	**1 to 3 years**	**3 to 5 years**	**More than 5 years**
Contractual Maturities of long term borrowings	3,580.47	7,738.44	6,872.00	3,912.43
Contractual Maturities of trade payables	2,556.56	-	-	-
Contractual Maturities of other financial liabilities	28.90	-	-	-
Total	**6,165.93**	**7,738.44**	**6,872.00**	**3,912.43**

33. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company includes within net debt, interest bearing loans and 'borrowings, trade payables, less cash and cash equivalents.

	31st March 2026	31st March 2025
Borrowings	98,296.68	1,10,087.94
Trade payables	4,091.23	2,556.56
Less: Cash and cash equivalents	120.65	3,260.55
Net debt	1,02,267.26	1,09,383.95
Equity	1,51,211.80	1,48,936.45
Capital and net debt	2,53,479.06	2,58,320.40
Gearing ratio	0.40	0.42

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025.

Note 34. Distribution made and proposed

	31st March 2026	31st March 2025
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2025: ₹1.00 per share (31 March 2024: ₹1.00 per share)	360.65	360.65
	360.65	360.65
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on 31 March 2026: ₹1.00 per share (31 March 2025: ₹1.00 per share)	360.65	360.65
	360.65	360.65

35. Post-Employment Obligations - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India.

Changes in defined benefit obligation	**31-Mar-26**	**31-Mar-25**
Gratuity Plan	6,265.24	5,745.10

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Changes in defined benefit obligation	**31-Mar-26**	**31-Mar-25**
Present value obligation as at the start of the year	5,745.10	5,247.62
Interest cost	361.61	350.21
service cost	585.35	535.66
Benefits paid	(363.79)	(489.20)
Actuarial loss/(gain) on obligations	(63.03)	100.81
Present value obligation as at the end of the year	**6,265.24**	**5,745.10**

Change in fair value of plan assets	31-Mar-26	31-Mar-25
Fair value of plan assets as at the start of the year	4,765.02	4,701.89
Return on plan assets	314.66	320.95
Return on plan assets greater/(less) than discount rate	29.00	(23.92)
Contribution	515.72	255.30
Benefits paid	(363.79)	(489.20)
Fair value of plan assets as at the end of the year	**5,260.61**	**4,765.02**

Breakup of Actuarial gain/loss:

Description	31-Mar-26	31-Mar-25
Actuarial (gain)/loss on arising from change in financial assumption	(101.12)	153.23
Actuarial (gain)/loss on arising from experience adjustment	38.09	(52.42)
Return on plan assets (greater)/less than discount rate	(29.00)	23.92

Reconciliation of present value of defined benefit obligation and the fair value of plan assets	31-Mar-26	31-Mar-25
Present value obligation as at the end of the year	6,265.24	5,745.10
Fair value of plan assets as at the end of the year	5,260.61	4,765.02
Net asset/(obligation) recognized in balance sheet	**(1,004.63)**	**(980.08)**

Amount recognized in the statement of profit and loss	31-Mar-26	31-Mar-25
service cost	585.35	535.66
Interest cost	46.95	29.26
(Income)/Expense recognised in the statement of profit and loss	**632.30**	**564.92**

Amount recognised in the statement of Other Comprehensive Income		
Description	**31-Mar-26**	**31-Mar-25**
Actuarial (Gain)/Loss for the year on DBO	(63.03)	100.81
Return on plan assets (greater)/less than discount rate	(29.00)	23.92
Recognised actuarial (Gain)/Loss at the end of the year	**(92.03)**	**124.73**

Actuarial assumptions	31-Mar-26	31-Mar-25
Discount rate	6.80%	6.50%
Future salary increase	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis for gratuity liability

	31-Mar-26	31-Mar-25
Discount rate	**6.80%**	**6.50%**
Present value obligation as at the end of the year	6,265.24	5,745.10
a) Impact due to increase of 0.50%	(161.32)	(153.23)
b) Impact due to decrease of 0.50%	170.42	162.04
Salary escalation rate at the end of the year	**5.00%**	**5.00%**
Present value of obligation at the end of the year	6,265.24	5,745.10
a) Impact due to increase of 0.50%	168.94	160.30
b) Impact due to decrease of 0.50%	(162.02)	(153.68)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(INR In Lacs)

Description	**31-Mar-26**	**31-Mar-25**
March 31, 2026		968.73
March 31, 2027	1,175.36	790.50
March 31, 2028	809.45	753.69
March 31, 2029	795.15	754.10
March 31, 2030	909.11	882.20
March 31, 2031	958.43	-
March 31, 2026 (March 31, 2032 to March 31, 2036) and March 31,2025 (March 31, 2031 to March 31, 2035)	4,835.92	4,531.92
Total expected payments	**9,483.42**	**8,681.14**

Withdrawl Rate	**31-Mar-26**	**31-Mar-25**
Attrition rate at the year and	**10.00%**	**10.00%**
Effect on DBO due to 5 % increase in Withdrawl Rate	98.27	65.38
Effect on DBO due to 5 % decrease in Withdrawl Rate	(194.72)	(142.25)

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years. (31st March 2025: 6 years)

Post Employment Benefit of KMP's **(in Lakhs)**

Name of KMP	**Date of Joining**	**DBO as at 31.03.2026**	**DBO as at 31.03.2025**
Sh. Dinesh Oswal	01-01-1987	16.27	15.84
Sh.Anil Kumar Garg	01-02-1993	20.00	20.00
Sh. Brij Sharma	11-09-1989	20.00	20.00

36. Reconciliation of Changes in liablities arising from financing activities including both changes arising from cash flowsand non-cash changes as per the requirement of IND AS-7 'Statement of Cash Flows'

Particulars	**Borrowings (Non-current) (including current maturities)**	**Borrowings (Current)**
A. Borrowings from Banks		
Balance at the beginning of the period	22088.94	87999.00
Add:/Less Changes during the period		
(a) Changes from financing cash flows	639.12	-12430.38
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-
(c) the effect of changes in foreign exchange rates	-	-
(d) changes in fair values	-	-
(e) other Changes	-	-
Balance at the end of the period	22728.06	75568.62
B. Deposits from body corporates		
Balance at the beginning of the period	-	-
Add:/Less Changes during the period	-	-
(a) Changes from financing cash flows	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-
(c) the effect of changes in foreign exchange rates	-	-
(d) changes in fair values	-	-
(e) other Changes	-	-
Balance at the end of the period	-	-
* Inter Corporate Deposit Rs.5500 Lacs received & repaid during the year		

37. Earning Per Share

Basic/Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by weighted average number of Equity shares outstanding during the year. The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31st March 2026	31st March 2025
Profit/(Loss) after Taxation	2,181.93	1,235.25
Add/(Less): Adjustment of Income Tax earlier Years	313.38	(120.67)
Profit After adjustment of earlier year Income Tax	2,495.31	1,114.58
Weighted Average Number of Shares Issued	360.65	360.65
Earning Per Share in Rs. (Basic & Diluted)	6.92	3.09
(There are no potential equity shares)		
(Face Value of Rs. 5/- Share		

38.Related Party Disclosure
Associates- Nil
Other Related Parties/Group Companies*
Nahar Capital & Financial Services Ltd., Nahar Poly Films Ltd.,Nahar Industrial Enterprises Ltd.., Oswal Woollen Mills Limited., Abhilash Growth Fund(P)Ltd., Monica Growth Fund(P) Ltd.,Monte Carlo Fashions Ltd.,
Oswal Foundation. Closettrunk Pvt Ltd. Sankeshwar Holding Company Ltd., OWM Poly yarns Ltd..
Key Management personnel
- Sh. Dinesh Oswal (Managing Director), Sh. Anil Kumar Garg (CFO), Sh. Brij Sharma (Company Secretary)
Relatives of KMP
- Sh. Jawahar Lal Oswal, Sh. Kamal Oswal,Mrs.Abhilash Oswal, Mrs.Ritu Oswal, Mr. Sambhav Oswal , and Ms. Tanvi Oswal
Directors/Independent Directors
- Sh. Dinesh Gogna, Sh. Satish Kumar Sharma, Dr. Vijay Asdhir, Dr. Roshan Lal Behl, Dr. Manisha Gupta, Sh. Yash Paul Sachdeva, Sh. Anchal Kumar Jain

(Rs. in Lacs)

Particulars	Other Related Parties/ Group Companies		Key management Personnel & their relative and Directors/ Independent Directors		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Purchase of Goods/Services	1,050.59	896.80	-	-	1,050.59	896.80
Sale of Goods/Services	5,931.62	5,719.63	-	-	5,931.62	5,719.63
Purchase of Fixed Assets	3.54	38.60	-	-	3.54	38.60
Sale of Fixed Assets	10.29	-	-	-	10.29	-
Rent Paid	35.47	34.99	4.32	4.32	39.79	39.31
Interest Paid	96.43	119.37	-	-	96.43	119.37
Rent Received	80.62	118.14	14.28	13.55	94.90	131.69
On other account paid	814.78	68.76	-	-	814.78	68.76
On other account received	726.12	233.13	-	-	726.12	233.13
Contribution towards CSR Expenses	66.11	501.51	-	-	66.11	501.51
Sale of Export Licence	228.75	154.86	-	-	228.75	154.86
Inter-corporate Loans Taken	5,500.00	6,100.00	-	-	5,500.00	6,100.00
Inter-corporate Loans Repaid	5,500.00	6,100.00	-	-	5,500.00	6,100.00
Inter-corporate Loans Given	-	-			-	-
Inter-corporate Loans Received Back	-	-			-	-
Inter-corporate Loans Outstanding	-	-	-	-	-	-
Director Sitting Fee	-	-	3.40	3.60	3.40	3.60
Commission	-	-	988.85	955.52	988.85	955.52
Managerial Remuneration/Perquisites	-	-	1,767.85	1,586.44	1,767.85	1,586.44
Salary	-	-	419.45	402.78	419.45	402.78
Balance Receivable	1,242.67	1,776.49			1,242.67	1,776.49
Balance Payable	-	-	417.64	65.14	417.64	65.14

* All transactions are inclusive of taxes wherever applicable

39. Fair value measurement
(a) Financial instruments by category
For amortised cost instruments, carrying value represents the best estimate of fair value.

	31 March 2026			31 March 2025		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets						
Investments	1,156.75	11,493.38	2,000.01	629.10	11,254.43	2,000.01
Trade receivables	-	-	51,170.96	-	-	61,843.47
Security deposit	-	-	3,888.86	-	-	3,608.14
Other financial assets			69.25			102.07
Cash and equivalents	-	-	120.65	-	-	3,260.55
Other bank balances			57.09			55.11
Total	1,156.75	11,493.38	57,306.82	629.10	11,254.43	70,869.35
Financial liabilities						
Borrowings(excluding current maturities of long term debts)	-	-	93,994.23	-	-	1,06,507.47
Trade payable	-	-	4,091.23	-	-	2,556.56
Other financial liabilities	-	-	159.86	-	-	84.20
Total	-	-	98,245.32	-	-	1,09,148.23

(b) Fair value measurement hierarchy for assets and liabilities

The Company has classified its finanical instruments into the three levels prescribed under the accounting standards. An explanation of each level follows undereath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements		**31 March 2026**			**31 March 2025**	
Particulars	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets						
Investments	12,425.64	-	2,224.50	11,639.06	-	2,244.48
Total financial assets	12,425.64	-	2,224.50	11,639.06	-	2,244.48

Financial assets and liabilities measured at amortised cost for which fair values are disclosed		**31 March 2026**			**31 March 2025**	
Particulars	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets						
Trade receivables			51,170.96			61,843.47
Security deposit	-	-	3,888.86	-	-	3,608.14
Other financial assets	-	-	69.25	-	-	102.07
Cash and equivalents	-	-	120.65	-	-	3,260.55
Other bank balances	-	-	57.09	-	-	55.11
Total financial assets	-	-	**55,306.81**	-	-	**68,869.34**
Financial liabilities						
Borrowings (excluding current maturities of long term debts)			93,994.23			1,06,507.47
Trade payable			4,091.23			2,556.56
Other financial liabilities	-	-	159.86	-	-	84.20
Total	-	-	**98,245.32**	-	-	**1,09,148.23**

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is inlcuded in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(c) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2026		31 March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposit	3,888.86	3,888.86	3,608.14	3,608.14
Total financial assets	**3,888.86**	**3,888.86**	**3,608.14**	**3,608.14**
Financial liabilities				
Borrowings(excluding current maturities of long term debts)	93,994.23	93,994.23	1,06,507.47	1,06,507.47
Retention Money	99.62	99.62	28.90	28.90
Total financial liabilities	**94,093.85**	**94,093.85**	**1,06,536.37**	**1,06,536.37**

The carrying amounts of trade receivables, trade payables,advances to employees, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to short term nature. The fair values for security deposits were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

40. Other Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company do not have any transactions with companies struck off.

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

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

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding whether recorded in writing or otherwise) that the Company shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or

  (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company have not any such transaction which is not recorded in the books of accounts that has 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).

41. Key Ratios

Sr. No.	RATIO	Numerator	Denominator	31.03.2026	31.03.2025	% Variance	Reason for Variance
1	Current ratio (in times)	Total current assets	Total current liabilities	**1.71**	**1.64**	4%	Not required as variance below 25%
2	Debt-Equity ratio (in times)	Debt consists of total borrowings	Total equity	**0.65**	**0.74**	-12%	Not required as variance below 25%
3	Debt service coverage ration (in times)	Earning for Debt Service=Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service=Interest + Principal repayments	**1.86**	**1.22**	52%	Due to increase in profitability
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average Total equity	**1.45**	**0.83**	75%	Due to increase in profitability
5	Inventory Turnover Ratio (in times)	Revenue from operations	Average Inventory	**3.77**	**3.32**	14%	Not required as variance below 25%
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	**5.69**	**6.28**	-9%	Not required as variance below 25%
7	Trade payables turnover ratio (in times)	Net Credit Purchases	Average trade payables	**70.21**	**81.55**	-14%	Due to increase in profitability
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital	**4.72**	**4.96**	-5%	Not required as variance below 25%
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	**0.68**	**0.38**	79%	Due to increase in profitability
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed= Net worth + Total debts+ Deferred tax liabilities)	**3.18**	**3.64**	-13%	Due to increase in profitability
11	Return on investment (in %)	Income generated from invested funds	Average cost invested funds in investments	**2.75**	**3.00**	-8%	Not required as variance below 25%

As per our report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants,
FRN 001393N

BHARAT BHUSHAN
Partner
(M. No. 553874)

BRIJ SHARMA
Company Secretary
Mem. No. FCS 2458

ANIL GARG
Chief Financial Officer

S.K SHARMA
Director
(DIN. 00402712)

DINESH OSWAL
Managing Director
(DIN. 00607290)

Place: Ludhiana
Date : 28/05/2026
UDIN: 26553874WSUGEB1618

Notes

Performance At A Glance

Rupees in Lacs

SR. NO.	PARTICULARS	2021-22	2022-23	2023-24	2024-25	2025-26
1	OPERATING INCOME	359386	279691	305001	328456	321792
2	EXPORTS	217553	113516	162516	163453	169937
3	OTHER INCOME	1451	4431	1555	3435	1519
4	GROSS PROFIT(Before Interest & Dep)	81841	25278	9325	19055	17178
5	PROFIT AFTER TAX	50219	11079	-5108	1235	2182
6	CASH ACCRUALS (Before Tax & Dep.)	75018	22290	2709	11635	11739
7	GROSS BLOCK	136216	151270	168094	172221	175999
8	NET BLOCK	75208	83778	91775	86417	81595
9	SHARE CAPITAL (PAID UP)	1805	1805	1805	1805	1805
10	NET WORTH	160056	155389	148117	148936	151212
11	DEFERRED TAX LIABILITIES	5309	3219	1966	3003	3461
12	CURRENT RATIO	1.56	1.89	1.50	1.64	1.71
13	BOOK VALUE PER SHARE	443.80	430.86	410.69	412.97	419.28
14	EARNING PER SHARE (BASIC)	139.50	32.24	-13.84	3.09	6.92
15	FACE VALUE (PAID UP)	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5
16	DIVIDEND	*Interim 30%	30%	20%	20%	20%
	*(Paid in November 2021)	Final 40%				

Glimpse of CSR Project under taken by Oswal Foundation

Nahar SPINNING MILLS LIMITED

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