24th Annual Report 2025-26

ACTIVE CLOTHING CO LIMITED

ADDRESS: PLOT NO: E-225, PHASE-VIII B,
INDUSTRIAL AREA, FOCAL POINT,
MOHALI-160055

Contents

CORPORATE INFORMATION

BOARD OF DIRECTORS

- Mr. Rajesh Kumar Mehra- Managing Director (DIN: 00026176)
- Mrs. Renu Mehra- Non- Executive Director DIN : 02033471)
- Mr. Kishore Kumar Bajaj- Independent Director (DIN: 06946343)
- Mr. Naval Kishore Gupta- Independent Director (DIN: 07362996)

CHIEF FINANCIAL OFFICER (CFO)

Mr. Mandeep Singh

DEMAT ISIN No: INE380Z01015

CIN: L51311PB2002PLC033422

INVESTOR GRIEVANCE EMAIL: csco@activesourcing.org

WEB SITE: www.activeclothing.in

BANKERS

- Indian Overseas Bank
- HDFC Bank

REGISTERED OFFICE:

Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055

Factory Works: BadaliAla Singh, Distt FatehgarhSaheb.

REGISTRAR & TRANSFER AGENT

M/S Bigshare Services Pvt Ltd
Office No: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai-400093.
Tel: 022-40430200
Fax: 022-28475207

ACTIVE CLOTHING CO LIMITED

Regd off: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali
Ph: 0 172-4313300 E-mail: rmehra@activesourcing.org
CIN: L51311PB2002PLC033422

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of Active Clothing Co Limited will be held at the Registered Office of the Company at: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, MOHALI on Friday, 25th day of September, 2026 at 3:00 PM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company on standalone basis, for financial year ended 31st March 2026 including audited Balance Sheet as at 31st March,2026 and Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the reports of the Directors and Auditors thereon.

"RESOLVED THAT Audited Financial Results of the Company on standalone basis, for financial year ended 31st March 2026 including audited Balance Sheet as at 31st March, 2026 and Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the reports of the Directors and Auditors thereon be and are hereby received, considered approved and adopted."

2. **TO APPOINT A DIRECTOR IN PLACE OF MRS. RENU MEHRA (DIN: 02033471), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT:**

"RESOLVED THAT Mrs. Renu Mehra (DIN: 02033471), Director of the Company, who retires by rotation at this Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

By Order of the Board

Sd/-

(Rajesh Kumar Mehra)
Managing Director

Place: Mohali
Date: 31.08.2026

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. In case of a Member holding more than ten per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
4. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.

7. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from Saturday, September 19, 2026 to Friday September 25, 2026 (both days inclusive)

8. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar Big Share Services Pvt. Ltd. quoting their Client ID and reference no. Members are also requested to send their email address to the company's Registrar.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

10. Shareholders who are still holding physical share certificate(s) are advised to dematerialize their shareholding to avail the benefits of dematerialization.

11. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2025-26 will also be available on the Company's website **https://activeclothing.in** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mohali for inspection during normal business hours on working days. Even after registering for e- communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: rmehra@activesourcing.org.

12. SEBI has vide its Circular dated 20th April 2018, amongst others, mandated the listed companies through their RTAs to collect copy of PAN card and bank details of all security holders holding shares in physical form. Accordingly, those Members holding shares in physical / Electronic form who have not yet submitted the aforementioned details are requested to submit the same to the RTA / Depository Participants.

13. Pursuant to SEBI Notification dated 8th June 2018, amending Listing Regulations, the Company will not process the requests for transfer of shares unless the shares are held in dematerialized form, except in case of transmission or transposition of shares. This Amendment will come into force on 180th day from the date of publication of Notification i.e. from 5th December 2018.

14. In compliance with Regulation 44 of Listing Regulations and pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (which means e-voting from a place other than venue of the General Meeting) to exercise their right to vote on the resolutions proposed to be considered at the AGM. For this purpose, the Company has engaged with Bigshare Services Pvt. Ltd for facilitating Remote e-Voting facility to enable the members to cast their votes

15. The facility for voting through ballot paper shall also be made available at the venue of the Annual General Meeting. The members attending the meeting, who have not casted their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again.

16. The Company has appointed Mrs. Poonam Sethi (CP No. 21751) of M/s. Sethi Poonam & Associates, Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

17. The scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-voting, shall make a consolidated report and submit the same to the Chairman of the meeting. The Results of the voting shall be placed along with the Scrutinizer's Report on the website of the Company i.e. https://activeclothing.in and on https://ivote.bigshareonline.com and simultaneously be communicated to the Stock Exchanges.

18. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. September 25, 2026.

19. Voting through Electronic means.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

(i) The voting period begins on 09:00 A.M September 22nd, 2026 and ends on 24th September, 2026 till 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 18th September, 2026 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi Tab and then use your existing my easi username & Password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed

	to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, 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 https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period
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 BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period 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 with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting 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)	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-

login through their **Depository Participants (DP)**	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.

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 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022- 48867000

(iv) **Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.**

- You are requested to launch the URL on internet browser: **https://ivote.bigshareonline.com**.
- Click on “LOGIN” button under the ‘INVESTOR LOGIN’ section to Login on E-Voting Platform
- Please enter you ‘USER ID’ (User id description is given below) and ‘PASSWORD’ which is share separately on you register email id.
  - ➢ Shareholders holding shares in CDSL demat account should enter 16 Digit Beneficiary ID as user id.
  - ➢ Shareholders holding shares in NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
  - ➢ Shareholders holding shares in physical form should enter Event No + Folio Number registered with the Company as user id.

  Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

  NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘LOGIN’ under ‘INVESTOR LOGIN’ tab and then Click on ‘Forgot your password?
- Enter “User ID” and “Registered email ID” Click on I AM NOT A ROBOT (CAPTCHA) option and click on ‘Reset’.
  (In case a shareholder is having valid email address, Password will be sent to his / her registered email address)

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- **Click on the EVENT NO of Active Clothing Co limited.**
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page. Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. **Custodian registration process for i-Vote E-Voting Website**:

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "REGISTER" under "CUSTODIAN LOGIN", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".

NOTE: If Custodian have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on 'LOGIN' under 'CUSTODIAN LOGIN' tab and further Click on 'Forgot your password?
- Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'RESET.
  (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, Bigshare E-voting system page will appear.

  Investor Mapping:

  - First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
  - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

Note: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)

  - Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338.

20. The route map showing directions to reach the venue of the Annual General Meeting is annexed. Members

Place: Mohali
Date: 31.08.2026

Order of the Board

Sd/-

(Rajesh Kumar Mehra)
Managing Director

DETAIL OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

REGULATION 36(3) OF LODR, 2015

Name	Renu Mehra
Father Name	Baldev Krishan
DIN	02033471
Designation	Non- Executive Director
Nature of expertise	31 years experience
Relationship with director	Wife of Mr.Rajesh Kumar Mehra, Managing Director
Directorship in other listed Entities	NIL
Shareholding	29.70%
Term of employment	Five years
Date of previous appointment	27/11/2017
Date of Re-appointment	26/11/2022
No of Board Meeting attended during the year	7
Directorships in other Listed Companies as on 31st March, 2026:	Nil

Place: Mohali
Date: 31.08.2026

By Order of the Board

Sd/-

Rajesh Kumar Mehra
Managing Director

Attendance Slip

(To be handed over at the entrance of the Meeting Hall)

Folio No./ DP ID & Client ID: ____
No. of Shares held: __________

I certify that I am a registered Share holder / Proxy for the registered Share holder of the Active Clothing Co Limited, I hereby record my presence at the 24th Annual General Meeting of the Company being held on Friday, 25th day of September, 2026 at 3:00 P.M. at Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055

________________________________	______________________
I Member's/Proxy's name in Block Letters	(Member's/Proxy's Signature)

Notes:

1. Please refer to the instructions printed under the Notes to the Notice of the 24th Annual General Meeting.
2. Shareholders/Proxy holders are requested to bring the attendance Slip with them when they come to the Meeting.
3. No attendance slip will be issued at the time of meeting.
4. Shareholders who come to attend the meeting are requested to bring their copies of the Annual Report with them, as spare copies will not be available at the meeting.

Form No. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L51311PB2002PLC033422
Name of the company: Active Clothing Co Limited.
Registered office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055

Name of Shareholder:____

Registered Address:____

Email ID : ____

Folio/No. /DPID & Client ID:____

I/We, being the member(s) of ………… shares of the above named company, hereby appoint

1) _______________________of _______________________ having e-mail id _______________________or failing him.

2) _______________________of _______________________ having e-mail id _______________________or failing him.

and whose and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on the Friday, 25th day of September, 2026 at 3:00 P.M at Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali 160055 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Description	For	Against
	ORDINARY BUSINESS:		
1.	TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY TOGETHER WITH THE REPORTS OF BOARD OF DIRECTORS AND THE AUDITORS THEREON.		
2.	TO APPOINT A DIRECTOR IN PLACE OF MRS. RENU MEHRA (DIN: 02033471), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT		

Affix
Revenue
Stamp

Signature

Notes:

1. This Form of the proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carry voting rights.
4. If a member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
5. In case of Joint holder, the vote of the senior who tender as vote, whether in person or by proxy, shall be accepted to the exclusion to the vote of other joint holders. Seniority shall be determined by the order in which the name stand in the register of members.
6. This is optional please put a tick mark ( ) in appropriate column against the resolution indicated above. In Case of members wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns “For”, “Against”. In case the members leave the column(s) blank, the proxy will be entitled to vote in the manner he/she thinks appropriate.

ROUTE MAP TO THE VENUE OF 24th ANNUAL GENERAL MEETING

VENUE: PLOT NO. E-225, PHASE-VIII B, INDUSTRIAL AREA, FOCAL POINT, MOHALI 160055

DATE: 25.09.2026

TIME: 3:00 P.M

DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the 24th Annual Report and the Audited Accounts of your Company for the year ended 31st March 2026.

FINANCIAL HIGHLIGHTS

(Amount In Lacs)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
(a)Revenue from operations	31643.63	29615.45
(b)other income	187.47	96.67
(c) Gross Profit/(Loss) (before depreciation and tax)	1911.01	1713.79
Less : Depreciation	705.47	712.81
(d) Net Profit/(Loss) before tax	1205.54	1000.98
Less : Provision for Tax (including for deferred tax)	200.90	156.20
(e) Net Profit/(Loss) After Tax	1004.64	844.78

DIVIDEND

In view of continuous expansion activities, directors do not recommend any dividend.

TRANSFER TO RESERVES:

The Company has transferred the profit to the reserves during the financial year.

CHANGES IN THE NATURE OF BUSINESS ACTIVITIES

During the year under review, there are no changes in the nature of business activities.

SHARE CAPITAL

There is no change in share capital of the company during 2025-26

ISSUE AND ALLOTMENT OF CONVERTIBLE WARRANTS

Pursuant to the applicable provisions of the Companies Act 2013, SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board of Directors at its meeting held on January 27, 2026 and the Shareholders at the Extra Ordinary General Meeting held on February 26, 2026 had approved the issuance of up to 20,00,000 convertible Share Warrants of INR 10.00 each at a premium of Rs. 105 to Promoter and non-promoter group of the Company on a preferential basis. The Company had received the in-principle approval from BSE in this regard.

The Company has received upfront consideration of 25% of the issue proceeds.

PUBLIC DEPOSITS

During the financial year 2025-26 your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint Ventures or Associate Company

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

During the year under review, the Company has not made any Loans, Guarantees or Investments within the meaning of the provisions of Section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED DURING THE YEAR

The Company Has Not Material Changes and Commitments Affecting the Financial Position of the Company which have Occurred during the Year.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A discussion on operations for the year ended 31st March 2026 is given in the Management Discussion and Analysis section, which forms part of this Annual Report.

COMMITTEES OF THE BOARD:

The Company has duly constituted Board level Committees as mandated by the applicable laws and as per the business requirements. The Company has constituted the following committees in compliance with the Companies Act, 2013 and the Listing Regulations.

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee
4. CSR Committee

All these Committees have been established as a part of the best corporate governance practices. There have been no instances where the Board has not accepted any recommendation of the aforesaid Committees. The details in respect to the Compositions, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report. Contents of the policy is also available on the Company’s website of www.activeclothing.in

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

As per Annexure- I attached.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 are applicable to the Company. In line with same, a Corporate Social Responsibility Committee has been constituted by the Board of directors. The Committee composition is as follows: Mr. Kishore Kumar Bajaj- Chairman of the CSR Committee, Mrs. Renu mehra & Mr. Rajesh Kumar Mehra indicates the activities to be undertaken by the Company in areas or subjects specified in schedule VII of the Companies Act, 2013. Accordingly, during the FY 2025-26 as approved by the CSR Committee, the amount for CSR expenditure amounting to Rs. 1264800 was spent in areas specified under schedule VII of the Companies Act, 2013. Please refer Annexure –II for further details and click on the link https://www.activeclothing.in

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The information required Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report for the year ended 31st March, 2026.

Disclosure relating to remuneration and other details 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 as provided in the Annual Report.

Having regard to the provision of the first proviso to section 136 (1) of the Act and as advised the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection by the Members at the Registered Office of the Company during business hours and any Member interested in obtaining such information may write to the Company Secretary and same will be furnished.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors presently consists of 4 (Four) Directors including a 1 (One) Chairman & Managing Director, 1 (One) Non-Executive Director, 2 (Two) Independent Directors

Directors Retiring by Rotation:

Mrs. Renu Mehra (DIN: 02033471) is liable to retire by rotation and being eligible, offers herself for re-appointment. Board of Directors have recommended his re-appointment for the approval of the shareholders of the Company in the forthcoming Annual General Meeting of the Company.

Changes during the year:

During the year under review there is no change in Directors and Key managerial Personnel

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of companies Act, 2013 and in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration, and Stakeholder Relationship Committee.

The directors expressed their satisfaction with the evaluation process.

CREDIT RATING

The Company Borrowings are Rated by CRISIL RATINGS (SEBI Registered /RBI Accredited Credit Rating Agency.. The Company's Long Term Rating is Crisil BBB/Stable (Assigned) and Short term Borrowings Rating is A3+(Assigned).

BOARD AND COMMITTEE MEETINGS

During the year, Seven (7) Board Meetings were convened and held. The required details are given in the Report on Corporate Governance, which forms part of this Annual Report.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report forming part of the Annual Report.

The Composition of Audit Committee is given in the Report of Corporate Governance forming part of the Annual Report.

PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES

During the year, there were no penalties/punishments/compounding offences under the Companies Act, 2013

NO DEFAULT TO BANKS / FINANCIAL INSTITUTIONS

The Company has not defaulted in payment of interest and / or repayment of loans to any of the financial institutions and / or banks during the year under review.

DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of ‘Independent Director’ as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The confirmations were placed before and noted by the Board.

A CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUIFIFIED FROM BEING APPOINTED OR CONTINUTING AS DIRECTOR OF THE COMPANY BY THE BOARD/MINISTRY OF CORPORATE AFFAIR OR ANY SUCH STATUTORY AUTHORITY.

The Certificate of the Company Secretary in practice is annexed herewith as a part of the report.

BUSINESS RISK MANAGEMENT

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adhered to the principles of sound risk management and has a Risk Management Policy in Place.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Company has a whistle blower policy in place for its Directors and Employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board. During the year, under review, the Company did not receive any compliant under the said Mechanism. The Whistle Blower Policy is posted on the website of the Company www.activeclothing.in”.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.

ENVIRONMENT & SAFETY:

The Company is very conscious of the need to protect environment. The company is taking all possible steps for safeguarding the environment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section on 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors confirm:

a) that in the preparation of the annual financial statements for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the Profits of the Company for the year ended on that date;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual financial statements have been prepared on a going concern basis;

e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f) There were no transfer of unpaid and unclaimed amount to Investor Education and Protection Fund (IEPF) during the year under review

g) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

All Related Party Transactions were placed before the Audit Committee & Board for their approval.

SECRETARIAL AUDITOR

The company had appointed Sethi Poonam & Associates to conduct its secretarial Audit for the financial year March 31st, 2026. The Secretarial Auditor has submitted their report, confirming Compliance by the Company of all the provisions of applicable corporate laws. The report doesn't contain any qualification, reservation, disclaim or adverse remark. The Secretarial Audit Report (in Form No. MR. 3) is attached as "Annexure- A" to this Report.

COST AUDITOR

In terms of the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is not covered under the purview of Cost Audit.

AUDITORS

At the Annual General Meeting held on 20th September, 2025, M/s. Kapoor Rajesh & Associates, Chartered Accountants (Firm Registration No. 015350N), were appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive financial years, from the conclusion of the said Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2030.

AUDITORS' REPORT

The Statutory Auditors of the Company had submitted Auditors' Report on the accounts of the Company for the Financial Year ended 31st March, 2026. There is no audit qualification reservations or adverse remarks or disclaimer in the said financial statements. The comments in the Auditors' Report read with Notes to Accounts are self- explanatory and do not call for any further explanation.

REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS

The Company is committed to follow the best Corporate Governance practices, including the requirements under the SEBI Listing Regulations and the Board is responsible to ensure the same, from time to time. The Company has duly complied with the Corporate Governance requirements. Further a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations alongwith a Certificate from a Practicing Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms part of the Annual Report.

LISTING OF EQUITY SHARES

The fully paid up Equity Shares 15512215 (face value of Rs. 10/- each of the Company are listed on Main Board BSE Limited (BSE), Mumbai and the listing fees for the Financial Year have been duly paid to the Stock Exchange.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all Senior Manager Personnel in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and all Senior Manager Personnel in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

DISCLOSURE FOR FRAUD AGAINST THE COMPANY

In term of provision of section 134(3) (a) of the Companies Act, 2013, there were no instances of fraud which are reported by auditors of the company under section 143(12) of the companies act, 2013, to the Audit Committee.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

ENERGY CONSERVATION

The prescribed particulars of conservation of energy, technology absorption as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The Company plays a proactive role in the area of energy conservation and significant improvement by continuously improving operating practices and energy conservation.

The Company has Installed the roof top solar panel having annual capacity to generate 500 KW Which is 50% Of the required demand during the year.

TECHNOLOGICAL ABSORPTION

Having installed the latest, state-of-art machinery imported from different parts of the world, the research and development department is continuously on a lookout for adapting to latest technology innovation and absorption

FOREIGN EXCHANGE OUTGO AND EARNINGS

FOREIGN EXPENDITURE: RS. 34.44 Lakhs

FOREIGN EARNINGS: Rs. 8008.67 Lakhs

ANNUAL RETURN

The Draft of annual Return of the Company has been placed at the website: www.activeclothing.in of the company pursuant to the provision of section 92 read with rule 12 of the Companies (Management and administration) Rules, 2014

INSURANCE

All the properties of the Company are adequately insured. The Company is also adequately insured for its activities as stock & currency brokers and depository participant.

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

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Your Directors further state that as on date there is no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

MATERNITY BENEFIT:

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

NEW LABOUR CODES

The Government of India merged 29 Labour Laws and notified the four Labour Codes effective from 21.11.2025. The Company has made adequate arrangements for the implementation of the same along with continuous monitoring of government notifications, circulars, guidelines etc. to incorporate further changes, if required in future.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and gratitude to the Company's Bankers, Customers and other Authorities for their support, co-operation, guidance and assistance. The Board is also grateful to the shareholders for their continued confidence. The Board of Directors takes this opportunity to express their appreciation of the sincere efforts put in by the staff and executives at all the levels and hopes that they would continue their dedicated efforts in the future too.

For and on behalf of the Board

Place: Mohali
Date: 31.08.2026

Sd/-	Sd/-
Rajesh Kumar Mehra	**Renu Mehra**
Managing Director	**Director**

ANNEXURE – I TO THE BOARD REPORT

I) Disclosure u/s 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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1	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26	Name of Director/ KMP and Designation	increase in Remuneration in the Financial Year 2025-26
		Mr. Rajesh Kumar Mehra (Managing Director)	NIL
		Mrs. Renu mehra (Non Executive Director & Non executive Chairman)	NIL
		Mr. Naval Kishore Gupta (Independent Director)	NIL
		Mr. Kishore Kumar Bajaj (Independent Director)	NIL
		Mr. Mandeep Singh (CFO)	4.5%
		Mrs. Avneet Kaur Bedi Company Secretary	NIL
2	The median remuneration of employees of the Company during the financial year The % increase in the median remuneration of employees in the financial year-	142500 Nil	
3	The number of employees on the rolls of Company.	1762	
4.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration.	No Change in managerial remuneration NA	
5.	Affirmation that the remuneration is as per the remuneration policy of the Company.	YES	

A. DETAILS OF THE PERSONS EMPLOYED THROUGHOUT THEYEAR, WHO WERE IN RECEIPT OF REMUNERATION WHICH IN AGGREGATE WAS NOT LESS THAT ` 102 LAKHS PER ANNUM AND 8.50 LAKHS PERMONTHISASFOLLOWS:- Not Applicable

Name of Employees	Age	Designation	Qualification	Nature of Employment	Experience	Date of Joining	Remuneration

B: STATEMENT SHOWING NAMES OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR IS AS FOLLOWS

Name of Employees	Age	Designation	Qualification	Nature of Employment	Experience	Date of Joining	Remuneration Per annum
Ram Kumar Aggarwal	51	Manager	Graduate	Distribution Business	16 years	01.03.2017	960000
Ajay Gupta	46	Head Jacket Business	PG-NIFT	Jacket Business	21 year	05.12.2005	1200000
Mandeep Singh	61	CFO	B. COM	Account and Finance	32 Years	01.06.2010	1380000
Shivam khurana	52	General ManaGER	BE	Sweater Business	23 years	18.10.2019	1440000
Rajiv Khanna	49	HR Head	MBA	HR, Admin & Compliance	25 years	09.03.2026	1500000
Vishal Sekhri	47	VP Circular Knit & Flat Woven	Graduate	Woven and Circular Knit Business	28 Years	30.08.2023	1920000
Sandeep Adhiwal	50	Manager	Graduate	Distribution business	21 years	01.08.2009	1983756
Vendra Singh Chauch	52	Manager	Graduate	Distribution business	26 years	01.10.2002	1983756
Yogesh Choudhary	52	Director Production	Post Gratuate (NIFT)	Sweater Business	27 years	04.10.2024	3300000
Hitesh Manuja	46	CEO Sweater unit	B.Tech	Sweater Business	22 Years	05.01.2017	3600000

NOTES:

1. The remuneration as shown above includes, inter-alia, House Rent Allowance, Company's contribution to Provident Fund, incentives and other perquisites as per the Company's policy.
2. There is no change in professional fee paid to managing Director, Non-Executive Director and Sitting Fees to Independent Directors.

By Order of the Board

Sd/-
Rajesh Kumar Mehra
Managing director

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Note:

1. Professional fee paid to Mrs. Renu Mehra, Non-executive Director (Wife of Mr Rajesh Kumar Mehra Managing Director) is in Ordinary Course of business of the company and is at arm length basis. According to Regulation 23(1) of LODR it is not a material transaction and is as per remuneration policy of the company.

2. Fee paid to Mrs Kalika Mehra (Daughter of Mr. Rajesh Kumar Mehra and Mrs. Renu Mehra Directors) for availing professional services. The Service rendered is of professional nature and In the opinion of nomination and Remuneration Committee and is approved by special resolution approved by requisite shareholders of the companies in 20th AGM.

For and on behalf of the Board

Sd/-	Sd/-
(Rajesh Kumar Mehra	**(Renu Mehra)**
Managing Director	**Director**

DECLARATION BY INDEPENDENT DIRECTORS

Dated: 25.05.2026

To

The Board of Directors,

Active Clothing Co Private Limited

Regt Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,

Mohali

Sub: Declaration of independence and sub-section (6) of section 149 of the companies Act, 2013

I, Naval Kishore Gupta, S/o Sh. Gujjar Mal House No. 56, Sector 10, Panchkula Director Identification Number 07362996 hereby certify that:

1. I possess relevant expertise and experience to be an independent director of the company.
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters or directors in the company, its holding, subsidiary or associate company
4. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors.
5. neither myself nor any of my relatives—
   - (a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company.
   - (b) or has been an employee or proprietor or a partner.
   - (c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company.
   - (d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
   - (e) holds together with his relatives two per cent. or more of the total voting power of the company; or
   - (f) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;
6. I am not the material supplier, service provider or customer or lessor or lessee of the company.
7. I am not less than 21 years of age.

DECLARATION

I undertake that I shall seek prior approval of the Board if and when I have any such relationship/transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship/transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine, if any, imposed on the Company, its directors, if the same found wrong or incorrect in the future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking You,
Yours faithfully,

Sd/-

Naval Kishore Gupta

Dated: 25.05.2026

To

The Board of Directors,
Active Clothing Co Private Limited
Regt Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,
Mohali

Sub: Declaration of independence and sub-section (6) of section 149 of the companies Act, 2013

I, Kishore Kumar Bajaj, S/o Mr. Ved Parkash Bajaj, D-3/3385, Vasant Kunj, South West Delhi having Director Identification Number 06946343 hereby certify that:

1. I possess relevant expertise and experience to be an independent director of the company.
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters or directors in the company, its holding, subsidiary or associate company
4. None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors.
5. neither myself nor any of my relatives:

    (a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company.

    (b) or has been an employee or proprietor or a partner.

    (c) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company.

    (d) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

    (e) holds together with his relatives two per cent. or more of the total voting power of the company; or

    (f) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;

7. I am not the material supplier, service provider or customer or lessor or lessee of the company.
8. I am not less than 21 years of age.

DECLARATION

I undertake that I shall seek prior approval of the Board if and when I have any such relationship/transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship/transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine, if any, imposed on the Company, its directors, if the same found wrong or incorrect in the future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking You,
Yours faithfully,

Sd/-

Kishore Kumar Bajaj

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Board of Directors
Active Clothing Co Limited
Regd Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,
Mohali-160055

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Active Clothing Co Limited** ('the Company'). The 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 **Active Clothing Co Limited** 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 ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Active Clothing Co Limited** ("the Company") for the financial year ended on 31st March, 2026 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings**; (**External Commercial Borrowings are not applicable to the Company during the Audit Period;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board o

India Act, 1992 ('SEBI Act'):-

- **a.** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Company has made the general compliances under the said Act.**
- **b.** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Company has made the general compliances under the said Act.**
- **c.** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Company has done all applicable compliances during the audit period)**
- **d.** The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable during the period under review**
- **e.** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Company has not issued any debt security. Hence, Not applicable during the period under review**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Company has made the all compliances under the said Act.**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable during the period under review** and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not applicable during the period under review**

I have relied on the representation made by the Company and its officers for systems and mechanism Formed by the company for compliance under other applicable acts, Laws and Regulations of the Company and records in pursuit there to, on test check basis, we report that the company has generally complied with the following laws applicable to the company.

1. The Factories Act, 1948;
2. The Payment of Wages Act, 1936 and The Payment of Wages (Amendment) Act, 2017;
3. The Payment of Bonus Act,1965 and The Payment of Bonus (Amendment) Act, 2015;
4. The Payment of Gratuity Act, 1972;
5. The Industrial Employment (Standing Orders) Act, 1946;
6. The Industrial Disputes Act, 1947;
7. The Employees' State Insurance Act, 1948;
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
9. The Environment (Protection) Act, 1986;
10. The Hazardous Wastes (Management, Handling and Trans-boundary Movement) Rules, 2008;
11. The Water (Prevention And Control of Pollution) Act, 1974;
12. The Air (Prevention And Control of Pollution) Act, 1981;
13. The Indian Boilers Act, 1923 and The Indian Boilers (Amendment) Act, 2007

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

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

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s), During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 and Listing Regulation.

We further report that based on the information received, records maintained and representation received, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines

The Company has passed a special resolution for issuance of 2000000 share warrants on preferential basis under Sections 42and 62(1)(c) of the Act and Securities and Exchange Board of India(Issue of Capital and Disclosure Requirements) Regulations, 2018and other applicable provisions, at the Extra ordinary General Meeting held on February 26, 2026

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the Company was listed on Bombay Stock exchange

For Sethi Poonam & Associates
Practicing Company Secretary

Sd/-

Poonam Sethi (Prop.
Certificate of Practice No. 21751
UDIN: A033856H001305161
PR: 2340/2022

Date: 31.08.2026

Place: Ludhiana

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

'ANNEXURE A'

To
The Board of Directors
Active Clothing Co Limited
Regd Offc: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point,
Mohali-160055

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures 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 Sethi Poonam & Associates
Practicing Company Secretary

Sd/-
Poonam Sethi (Prop.)
Certificate of Practice No: 21751
UDIN: A033856H001305161
PR: 2340/2022

Date: 31.08.2026
Place: Ludhiana

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

Based on our verification of the books, Paper, minute books, forms and returns filed and other records maintained by ACTIVE Clothing CO LIMITED, having its Registered office at Plot no.E-225, Phase-VIII B, industrial Area, Focal Point, Mohali-160055 and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the financial Year ended on March 31, 2026, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/Ministry of Corporate Affair or any such Statutory Authority.

Place: Ludhiana
Date: 31.08.2026

POONAM SETHI
SETHI POONAM & ASSOCIATES
Company Secretaries

Sd/-
C.P. No: 21751
UDIN: A033856H001305126

ANNEXURE: II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. Brief Outline on CSR Policy of the Company:

The Company believes in corporate excellence and social welfare. This corporate philosophy is the force for integrating CSR in values, culture, operation and business decisions at all levels of the Company. Being a responsible corporate citizen, Active Clothing Co has a value system of giving back to society and improving life of the people and the surrounding environment. The Company is committed to make substantial improvements in the social framework of the nearby community. However, we believe that every such contribution shall bring a big change in our society.

2. Composition of CSR Committee:

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.	Kishore kumar Bajaj	Chairman Independent Director	2	2
2.	Renu Mehra	Member (Non-Executive Director)	2	2
3.	Rajesh Kumar Mehra	Member (Managing Director)	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: www.activeclothing.in

   a. Composition of the CSR committee: https://activeclothing.in
   b. CSR policy: https://activeclothing.in
   c. CSR projects: https://activeclothing.in

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, if applicable: Not Applicable

5.

Average net profit of the Company as per Section 135(5):	Rs.631.50Lacs
Two percent of average net profit of the Company as per Section 135(5)	Rs.12.63 Lacs
Surplus arising out of the CSR projects or programs or activities of the previous financial years	NIL
Amount required to be set off for the financial year, if any	Nil
Total CSR obligation for the financial year	Rs.12.63 Lacs

6. i) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs.12.64 Lacs
   ii) Details of CSR amount spent against on ongoing projects for the financial year: Nil
   iii) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (In Rs.)	Mode of implementation- Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
1.	Eradication of Hunger , poverty and malnutrition In Village Badali Ala Singh	(i) Eradicating Hunger , poverty and malnutrition	Yes	Punjab	Fatehgarh Sahib	1264800	YES	--	--

(b) Amount spent in Administrative Overheads.	Nil
(c) Amount spent on Impact Assessment, if applicable	NA
Total amount spent for the Financial Year [(a)+(b)+(c)]	1264800

CSR amount spent or unspent for the Financial Year (Amount in Rs. Lakhs

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
1264800	Nil	NA	NA	Nil	NA

F. Excess amount for set-off, if any: Nil

7. Details of Unspent CSR amount for the preceding three financial years (Amount in Rs. Lakhs): 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 any fund specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. 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	Name	Address
					Registration Number, if applicable		
NIL							

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

For and on behalf of the Board

Sd/-	Sd/-
(Rajesh Kumar Mehra	**(Renu Mehra)**
Managing Director	**Director**

REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2026, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 ("Listing Regulations").

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company. The Company's philosophy on Corporate Governance is bounded upon a rich legacy of fair ethical governance practices which has been in practice since the beginning. In fact the company has long been a staunch supporter of this code even before it became mandatory. Integrity, transparency, accountability and compliance with laws which are columns of good governance have always been the hallmark of company. The Company is in full compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, submits a report on the matters mentioned in the said clause and also the practices followed by the Company as stated below:

1. CODE OF BUSINESS CONDUCT & ETHICS.

The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended 31st March, 2026. A certificate from the Managing Director to this effect is attached to this Report. The Code has been displayed on the Company's website.

2. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amended as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company Secretary acts as the Compliance Officer. The Code of Conduct is applicable to Promoter(s), Director(s), Key Managerial Personnel, specified employees and other Connected Person of the Company who are expected to have access to Unpublished Price Sensitive Information (UPSI) relating to the Company. All of them have duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. These Codes are displayed on the website of the Company. The Directors and senior employees have given affirmation for the compliance under this code.

The Company is in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for Corporate governance.

3. BOARD OF DIRECTORS

I. Composition, Category and their attendance at the Board meetings during the year and at the last Annual General Meeting as also the number of other company Directorships /memberships of Committees are as follows:

As on 31st March, 2026 the Board of Directors comprised the Managing Director, one non- executive Director who is also Non-Executive chairman who is a Lady and Two Independent Directors, who bring in a wide range of skill and experience to the Board. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Category of directorship	**Names of the director**	**Attendance details**		**Other Directorships**	**Other board committee**	
		Board meetings	**Last Agm** 20.09.2025		**Member-ships**	**Chairman - ships**
Managing Director	Mr. Rajesh Kumar Mehra	7	Yes	1	2	-
Non-Executive Director and Non Executive Chairman	Mrs Renu Mehra	7	Yes	NIL	5	1
Independent Directors	Mr. Naval Kishore Gupta	7	Yes	NIL	4	1
	Mr. Kishore Kumar Bajaj	7	Yes	NIL	5	3

Senior Management The Board of Directors, Manager, Company Secretary / Compliance Officer and Chief Financial Officer comprises of Senior Management. There were no changes in the same during the year under review except as above.

II. NO. OF BOARD MEETINGS HELD DURING THE YEAR ALONG WITH THE DATES OF THE MEETING: DURING THE YEAR FIVE BOARD MEETINGS WERE HELD ON FOLLOWING DATES:

S.No	**Date**
1	02.04.2025
2	30.05.2025
3	14.08.2025
4	26.08.2025
5	14.11.2025
6.	27.01.2026
7.	14.02.2026

III. SHAREHOLDING DETAIL OF DIRECTORS AS ON MARCH 31, 2026:

a) Independent Directors do not hold any shares in the Company.
b) Non-Executive Director: Mrs. Renu Mehra serves as a non-executive director (who typically belongs to or is closely aligned with the promoter/promoter group).
   - Equity Shares Held: 4,617,700 equity shares, representing her current paid-up equity stake in the company.
   - Share Warrants Held: 400,000 share warrants, which were approved by shareholders at an Extraordinary General Meeting (EGM) held on February 26, 2026. under Section 62 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
   - 400,000 warrants represent a future right to subscribe to 400,000 equity shares (usually upon paying the remaining 75% balance within 18 months of allotment).

c) Mr. Rajesh Kumar Mehra , who is Managing Director holds 5722715 equity shares in the Company

- Share Warrants Held: 400,000 share warrants, which were approved by shareholders at an Extraordinary General Meeting (EGM) held on February 26, 2026. under Section 62 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- 400,000 warrants represent a future right to subscribe to 400,000 equity shares (usually upon paying the remaining 75% balance within 18 months of allotment).

d) None of other Directors are related to each other except Mr. Rajesh Kumar Mehra and Mrs. Renu Mehra. Mrs. Renu Mehra is the wife of Mr. Rajesh Kumar Mehra

IV. THE FOLLOWING TABLE GIVES THE NAMES OF THE LISTED ENTITIES WHERE THE DIRECTORS OF THE COMPANY ARE DIRECTORS AND THE CATEGORY OF THEIR RESPECTIVE DIRECTORSHIP AS ON MARCH 31, 2026:-

Name of the Director	Name of the companies in which The Director of the Company is a Director	Category of Directorship in the listed companies
Mr. Rajesh Kumar Mehra	**Guram Neutra Pharma P Limited**	**Director**

V. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company on appointment of an Independent Director, issues a formal Letter of Appointment setting out the terms of appointment, duties and responsibilities. The Company in terms of Regulation 25(7) of Listing Regulations, has also put in place a system to familiarize the Independent Directors of their roles, rights, responsibilities, nature of industry in which the Company operates, business model of the Company and the ongoing events relating to the Company. It aims to provide the Independent Directors an insight into the Company's functioning and to help them to understand its business in depth, so as to enable them to contribute

VI. CORE SKILLS / EXPERTISE/COMPETENCIES OF THE BOARD MEMBERS

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.
The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

• Business Dynamics, Research &Development and Innovation
• Strategy and planning
• Leadership / Operational experience
• Financial, Regulatory / Legal &Risk Management
• Corporate Governance

VII. INDEPENDENT DIRECTORS CONFIRMATION BY THE BOARD

All the Independent Directors (IDs) have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Board of Directors hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations and are independent of the management.

Resignation of Independent Director
During the year under review, none of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable

VIII. DIRECTORS'DIRECTORSHIPS/COMMITTEEMEMBERSHIPS

The number of Directorships and Committee positions held by the Directors are in conformity with the limits laid down in the Companies Act, 2013 and Listing Regulations, as on March 31, 2026. As per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 none of the directors were a member in more than ten committees, nor a chairman in more than five committees across all companies Further, As per Regulation 17Aof the Listing Regulations, IDs of the Company do not serve as ID in more than seven listed companies. Further, the Managing Director of the Company does not serve as an ID in any listed entity.

IX. BOARD MEETING PROCEDURES

The Board is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The required information as enumerated in Part A of Schedule II of the Listing Regulations are regularly made available to the Board of Directors for discussion and consideration at Board Meetings.

X. INFORMATION SUPPLIED TO THE BOARD

Regular presentations are made to the Board of Directors covering Business Operations, Finance, Sales, Accounts, Marketing, Compliances and other important business issues. The Annual Operating and Capital Budget(s) are approved by the Board of Directors. The Board spends considerable time in reviewing the actual performance of the Company vis- à-vis the approved budget.

4. AUDIT COMMITTEE:

a)* Composition, Meetings and Attendance*:

The Audit Committee Comprises of two Independent Directors Mr. Kishore Kumar Bajaj (Chairman) Mr. Naval Kishore Gupta (Member) and One non executive Director Mrs. Renu Mehra (Member). All the members of Audit Committee are financially literate.

b) NO. OF MEETING HELD OF AUDIT COMMITTEE:

S. No.	Date
1.	30.05.2025
2.	14.08.2025
3.	26.08.2025
4.	14.11.2025
5.	27.01.2026
6.	14.02.2026

c) TERM OF REFERENCE OF AUDIT COMMITTEE ARE AS FOLLOWS:

Terms of Reference

The terms of reference of the Audit Committee are in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:

Power of the Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions; and
   g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related Scrutiny of inter-corporate loans and investments;

9. Valuation of undertakings or assets of the company, wherever it is necessary;

10. Evaluation of internal financial controls and risk management systems;

11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

13. Discussion with internal auditors of any significant findings and follow up there on;

14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

16. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

17. Reviewing the functioning of the Whistle Blower Policy /Vigil Mechanism;

18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

5. NOMINATION AND REMUNERATION COMMITTEE

a) COMPOSITION:

The Nomination and Remuneration comprise of two Independent Directors namely Mr. Kishore Kumar Bajaj (Chairman), Mr. Naval Kishore Gupta (Member), and one non –executive Director, Mrs. Renu Mehra (Member).

b) NO. OF MEETING HELD

S NO.	DATE
1.	30.05.2025

c) THE TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE ARE AS FOLLOWS:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- To identify persons who are qualified to become directors and persons who may be appointed in Senior Management Position including Key Managerial Personnel in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To recommend to the Board of Directors, qualifications, appointment, remuneration and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration policy.
- To devise a policy on diversity of Board of Directors.
- To carry out performance evaluation of every Director in accordance with the Nomination and Remuneration policy.
- To consider grant of stock options to eligible Directors, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS.

- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.

c) PERFORMANCE EVALUATION:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the listing regulations, the Company has devised a policy for performance evaluation of Independent Directors, Board Committees and other Directors which includes criteria for performance evaluation of the non- executive directors and executive directors. The evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The performance was reviewed on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Directors express their satisfaction over the entire evaluation process.

d) REMUNERATION TO DIRECTORS:

Directors with pecuniary relationship or business transaction with the company:
The Executive Directors receives Salary, Perquisites, Allowances and other benefits in accordance with their terms of appointment, while all the Non-Executive Directors Receives Professional Fee and Independent Directors receives Sitting Fees for attending the Board Meetings. It is also to be noted that the transactions with other entities where Chairman & Managing Director/ Executive Directors are interested are being carried out by the Company in its ordinary course of business and on arm's length basis, in compliance with the laws applicable thereto.

e) CRITERIA MAKING PAYMENT TO DIRECTORS AND KEY MANAGERIAL PERSONNEL
As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Executive Directors and Key Managerial Personnel. The Board and the Committee considers the provisions of the Companies Act, 2013, the limits approved by the shareholders and the individual and corporate performance in recommending and approving the remuneration of the Executive Directors and Key Managerial Personnel. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Executive Director) and Senior Management based on prevailing HR policies of the Company. The remuneration / sitting fees, as the case may be paid to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / Shareholders.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a. COMPOSITION:

The Stakeholder Relationship Committee comprises of one non-executive Director Mrs. Renu Mehra (Chairman) and two independent Directors Mr. Naval Kishore Gupta, and Mr. Kishore Kumar Bajaj, of the company.

b. NO OF MEETING HELD:

S NO.	DATE
1.	30.05.2025

c. TERMS OF REFERENCE:

- Redressal of shareholders'/investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Carrying out any other function as may be decided by the board or prescribed under the company act, Listing Regulations or by any other regulatory authority.
- Details of Complaints received and resolved during the year ended on 31.03.2026:

Number of complaints pending at the beginning of the year	Nil
Number of complaints received from shareholders	Nil
Number of complaints redressed	Nil
Number of complaints pending share transfers	Nil

d. COMPLIANCE OFFICER:

The Board has designated Mrs. Avneet Kaur Bedi as Company Secretary and Compliance Officer of the Company**.**

INDEPENDENT DIRECTORS'MEETING

The Company has complied with the definition of Independence as per Listing Regulations and according to the provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013 and regulation 25(8) of SEBI (LODR) Regulations 2015.

During the year under review, a separate meeting of Independent Directors was held on May 30, 2025, interalia:-

• To review the performance of Non-Independent directors and the Board as a whole;
• To review the performance of the Chairperson of the Company, and;
• To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors were present at the meeting.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

I. Constitution of the Committee

The Corporate Social Responsibility Committee ('CSR Committee') comprises of the following members as per details given below:

Name	Category
Kishore Kumar Bajaj (Independent Director)	Chairperson
Renu Mehra (Non Executive Director)	Director
Rajesh Kumar Mehra (Managing Director)	Director

The composition of this Committee is in compliance with the requirements of Section 135 of the Companies Act, 2013.

Terms of Reference

The terms of reference of the CSR Committee are aligned with Section 135 of the Companies Act, 2013 and include implementation and monitoring of CSR activities.

Meetings Held & Attendance The Committee met twice during the financial year 2025-26 on 30.05.2025 and 14.11.2025. The attendance of each member of the Committee is given below:

Meeting Date:	Meeting Attended		
	Kishore Kumar Bajaj	Renu Mehra	Rajesh Kumar Mehra
30.05.2025	Yes	Yes	Yes
14.11.2025	Yes	Yes	Yes

7. SUBSIDIARYCOMPANIES

There is no material subsidiary of the Company and hence requirements relating to composition of Board of Directors of unlisted material subsidiary do not apply to the Company.

8. GENERAL BODY MEETINGS:

I. Date, Time and Location of the last three Annual General Meetings:

YEAR	LOCATION	DATE	TIME
2024-25	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	20.09.2025	03.00 PM
2023-24	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	18.09.2024	03.00 PM
2022-23	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	22.09.2023	4.30 PM

II Date Time and Location of the Extraordinary General Meeting:

YEAR	LOCATION	DATE
2025-26	Plot No E-225, Phase – VIII B, Industrial Area, Focal Point, Mohali – 160055	26.02.2026

II. Special Resolutions passed in previous three Annual General Meetings:

Date of Annual General Meeting	Particulars of Special Resolutions
20.09.2025	**Ordinary Business** • To receive, consider and adopt the audited financial statements of the company together with the reports of board of directors and the auditors thereon. • To appoint a director in place of mrs. Renu mehra (din: 02033471), who retires by rotation and being eligible, offers herself for re-appointment • To Appoint M/S Kapoor Rajesh & Associates, Chartered Accountant As The Statutory Auditor Of The Company **Special business** • To Appoint Secretarial Auditors Of The Company
18.09.2024	**Ordinary Business** • To receive, consider and adopt the audited financial statements of the company together with the reports of board of directors and the auditors thereon. • To appoint a director in place of mrs. Renu mehra (din: 02033471), who retires by rotation and being eligible, offers herself for re-appointment **Special business** • To increase in authorized capital of the company of the company • Approval for increase in borrowing powers of the company under section 180 (1) (c) of the companies act, 2013

22.09.2023	**Ordinary Business** • To receive, consider and adopt the audited financial statements of the company together with the reports of board of directors and the auditors thereon. • To appoint a director in place of mrs. Renu mehra (din: 02033471), who retires by rotation and being eligible, offers herself for re-appointment • To appoint m/s. Swarn k jain & co, chartered accountants as statutory auditors from the conclusion of this annual general meeting until the conclusion of the 26th annual general meeting and to fix their remuneration. **Special Business** • Re-appointment of Mr. Kishore Kumar Bajaj (DIN: 06946343) as an independent director of the company • Re-appointment of Mr. Naval Kishore Gupta (DIN: 07362996) as an independent director of the company

III. Special Resolutions passed in previous three Extra Ordinary General Meetings

Date	Particulars of Special Resolutions
26.02.2026	Issue of Share warrants on Preferential basis
11.11.2024	Appointment of M/s. Kapoor Rajesh & Associates, Chartered Accountants (firm registration no: 015350n) having office at 63, Rose Enclave, Civil ines, Ludhiana as the Statutory Auditors of the company to fill the Casual Vacancy Caused by resignation of M/s Swarn K. Jain & Co, Chartered Accountants

IV. Resolution passed by postal ballot during 2025-26: Not applicable

DATE	Particulars of Special Resolutions

V. Disclosures:

a. None of the transactions with any of the related parties were in conflict with the interest of the Company.

b. None of the Directors of the company are disqualified for being appointed as Directors as stipulated under section 164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013.

c. The Company promotes ethical behavior in its operations and has a Vigil mechanism which is overseen through the Audit Committee. Under the Vigil Mechanism, employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee.

d. The Company has complied with the mandatory requirements on Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Your Company having no material subsidiary company in terms of Regulation 16 (c) of the SEBI (listing Obligation & Disclosure Requirements) Regulations, 2015.

f. Cyber Security During the financial year 2025-26, the Company did not experience any cyber security incidents or breaches or loss of data or documents.

VI. Means of Communication:

a. These results are also displayed on the Company's Website viz.

b. These results are also submitted to BSE for display on their website www.bseindia.com .

c. The Management Discussion and Analysis report forms part of this Annual Report.
Designated Exclusive Email ID: The Company has designated the Email ID viz.complianceofficer.csco@activesourcing.org exclusively for investor servicing.

9. GENERAL SHAREHOLDERS INFORMATION:

Distribution of shareholding as on 31st March, 2026:

S no:	Shareholding of nominal	No. of shareholders	% age of Total	Share Amount	% age of total
1.	1-5000	2038	78.9311	2227380	1.4359
2.	5001-10000	232	8.9853	1850400	1.1929
3.	10001-20000	140	5.4222	2268630	1.4625
4.	20001-30000	48	1.8590	1259550	0.8120
5.	30001-40000	22	0.8521	795390	0.5128
6.	40001-50000	25	0.9682	1146040	0.7388
7.	50001-100000	35	1.3555	2405670	1.6579
8.	100001-15512215	42	1.6266	143169090	92.2944
	Total	2582	100.00	155122150	100

Shareholding pattern as on March 31, 2026:

Category	No. of Shares
Promoters & Promoters Group	11419415
Bodies Corporate, Mutual Fund, Public and Others	4092800

Reconciliation of Share Capital Audit:

As stipulated by SEBI under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 a Company Secretary in whole time practice carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's Shares are listed. The audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) .

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL

(i) ANNUAL GENERAL MEETING

Day, Date & Time	**Friday, 25th September, 2026 at 3:00 P.M.**
Venue	Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali PB 160055

(ii) BOOK CLOSURE: Saturday , 19th September, 2026 to Friday, 25th September, 2026 (Both days inclusive)

(iii) LISTING ON STOCK EXCHANGES
BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

Annual Listing Fees, as prescribed has been paid to the Stock Exchange for the year 2025-26

(iv) STOCK EXCHANGE SCRIP CODE: 541144 (BSE MAIN BOARD),

(v) CORPORATE IDENTIFICATION NUMBER: L51311PB2002PLC033422

(vi) DEMAT ISIN No: INE380Z01015

(vii) SHARE TRANSFERS AND OTHER COMMUNICATIONS SHOULD BE ADDRESSED TO:

BIGSHARE SERVICES PVT. LTD.
Office No: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai-400093
Tel.: 022-62638294, Fax: 022-62638299

(viii) INVESTORS'COMPLAINTS MAY BE ADDRESSED TO:
Compliance Officer Active Clothing Co Limited
Correspondence and Corporate Office: Plot No. E-225, Phase-VIII B, Industrial Area, Focal Point, Mohali Email: csco@activesourcing.org

10. DEMATERIALIZATION OF EQUITY SHARES AND LIQUIDITY:

About 100% of the total equity share capital of the Company (15512215 Equity Shares) were held in dematerialized form. The Company has entered into agreements with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares through Bigshare Services Private Limited, Registrar & Transfer Agent (RTA) of the Company. The Company's shares are liquid and actively traded on Stock Exchanges i.e. BSE.

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2026.

11. CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Business Conduct & Ethics for all employees and for members of the Board and Senior Management Personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti – competitive practices.
All members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board and Senior Management for the financial year 2025-26. The declaration to this effect signed by Chairman and Managing Director of the Company is annexed to this report as Annexure 'A.' The Code of Conduct for employees and the Board and Senior Management have clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any.

12. Details of non-compliance by the company, penalties, imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and SEBI guidelines. Consequently, there were no penalties imposed either by SEBI or Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Pursuant to the applicable provisions of the Companies Act 2013, SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board of Directors at its meeting held on January 27,2026 and the Shareholders at the Extra Ordinary General Meeting held on February 26, 2026 had approved the issuance of up to 20,00,000 convertible Share Warrants of INR 10.00 each at a premium of INR 105.00 on Preferential basis to promoters and Non Promoters group on preferential basis . The Company had received the in-principle approval from BSE for the issuance.

The Company has received upfront consideration of 25% of the issue proceeds from the Allotees

The Company has utilised 25% of the issue proceeds received towards allotment of warrants and the utilization has been reviewed by the Audit Committee and subsequently.

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

In terms of the requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2026.

For Active Clothing Co Limited

Sd/-

Rajesh Kumar Mehra

Place: Mohali
Date: 31.08.2026

CERTIFICATION UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors,
Active Clothing Co Limited

a) We have reviewed financial statements of **Active Clothing Co Limited** for the year ended 31st March, 2026 and to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we was aware and the steps we have taken or proposes to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that there is:
(i) No significant change in internal control over financial reporting during the year
(ii) No significant change in accounting policies during the year under review and
(iii) No instance of any fraud in the Company in which the management has any role.

Sd/-	Sd/-
Rajesh Kumar Mehra	**Mandeep Singh**
Managing Director	**Chief Financial Officer**

Place: Mohali
Date: 31.08.2026

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Active Clothing Co Limited.

We have examined all relevant records of for the purpose of certifying compliance Active Clothing Co limited of conditions of Corporate Governance as stipulated under para C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2026.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review 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 our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

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

For Sethi Poonam & Associates

Sd/-
Poonam Sethi (Prop.)
CP No: 21751
UDIN: A033856H00130159

Date: 31.08.2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

ECONOMIC OVERVIEW

GLOBAL ECONOMIC OVERVIEW

The world economy demonstrated notable resilience throughout 2025, navigating a challenging environment marked by shifting trade policies and uneven regional growth. Sustained investments in AI, automation, digital infrastructure, and supply-chain resilience enabled businesses to improve productivity, reconfigure trade networks, and absorb the effects of tariff changes and policy uncertainty, supporting continued global economic growth and moderating inflationary pressures. The geopolitical and trade environment remained a key source of uncertainty during the year. Ongoing US tariff actions, the continuing Russia-Ukraine conflict and broader geopolitical uncertainties continued to reshape global sourcing patterns, increase logistics and operating costs, and create volatility across global supply chains. Political instability and labour disruptions in Bangladesh, one of the world's largest apparel manufacturing hubs, further highlighted the importance of diversified sourcing networks and supply chain resilience. Towards the latter part of the year, escalating tensions in West Asia emerged as an additional risk, raising concerns around energy security, shipping routes through the Strait of Hormuz and global freight costs. Collectively, these developments reinforced the need for agile, geographically diversified and digitally-enabled sourcing platforms. Within this context, global GDP grew by 3.4% in 2025. Advanced economies expanded at a measured pace of 1.9%, with the United States recording growth of 2.1%, supported by technology investment and fiscal policy. Emerging markets continued to outperform, expanding collectively by 4.4%. The Euro area recorded real GDP growth of 1.4% in 2025, with performance remaining uneven across major economies. Spain led the region with growth of 2.8%, while France expanded by 0.9%, Italy by 0.5% and Germany by 0.2%. Fiscal policy became increasingly supportive, particularly in Germany, where higher infrastructure and defence spending laid the foundation for stronger economic activity, albeit at the cost of a wider fiscal deficit. Consequently, the Euro area's fiscal balance is projected to weaken, with Germany's deficit expected to widen to 3.8% of GDP. In addition, US tariffs redirected a portion of Chinese exports towards Europe and other Asian markets, providing a temporary boost to regional trade and economic activity. The United Kingdom recorded real GDP growth of 1.3% in 2025. As a net energy importer, it remained particularly vulnerable to elevated commodity prices, which continued to fuel inflationary pressures and weigh on consumer demand. The slower pace of monetary easing further constrained domestic demand and moderated the pace of economic expansion.

Source: World Economic Outlook, April 2026, IMF, E-Estimated

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OUTLOOK

The global economy is projected to grow by 3.1% in 2026 and 3.2% in 2027, supported by resilience of the service sector, artificial intelligence and technology-driven productivity gains, which are expected to partly offset the impact of persistent trade tensions, geopolitical uncertainty and evolving policy environments. Growth across advanced economies is expected to remain broadly stable at 1.8% in 2026 before easing slightly to 1.7% in 2027. The US economy is forecast to expand by 2.3% in 2026 and 2.1% in 2027, supported by fiscal stimulus and the lagged impact of monetary easing. Emerging market and developing economies are projected to grow by 3.9% in 2026, recovering to 4.2% in 2027 as the impact of higher energy costs and trade disruptions gradually recedes. In Europe, the UK economy is projected to slow from 1.3% in 2025 to 0.8% in 2026, before recovering to 1.3% in 2027, reflecting the effects of higher energy prices and a slower pace of monetary easing. Across the Euro area, renewed inflationary pressures are expected to delay monetary easing, while fiscal deficits are likely to widen as public debt continues to increase.

Global headline inflation is projected to ease from 3.8% in 2026 to 3.4% in 2027, although the pace of disinflation is expected to vary across regions. Despite a resilient baseline outlook, risks remain elevated, with US tariff measures, the West Asia conflict and the prolonged Russia-Ukraine war continuing to weigh on business confidence, disrupt supply chains and increase energy and transportation costs.

Source: World Economic Outlook, April 2026, IMF

INDIAN ECONOMY

Indian economy demonstrated strong momentum during FY 2025-26, with real GDP growth accelerating to 7.7% from 7.1% in FY 2024-25. Growth was driven primarily by the secondary sector (8.8%) and the tertiary sector (9.3%), while private consumption and investment remained robust, with Private Final Consumption Expenditure (PFCE) and Gross Fixed Capital Formation (GFCF) growing by 7.7% and 8.2%, respectively. Manufacturing, trade-related services, and financial and professional services recorded particularly strong performance, reflecting broad-based economic expansion. P = Projections Source: PIB (SAE), PIB (FAE), MoSPI The Reserve Bank of India has taken a proactive stance to support growth, implementing cumulative repo rate cuts of 100 basis points between April and December 2025, bringing the policy rate to 5.25%. A favourable monsoon bolstered agricultural output and rural demand, while manufacturing and construction continued to gain traction. Real GVA expanded 7.9%, up from 7.3% in FY 2024-25, underscoring the resilience of a domestic demand-led growth paradigm. India achieved a significant milestone by surpassing Japan to become the world's fourth-largest economy, with a current GDP reaching $4.18 trillion.

Sources: • MoSPI (SAE), MoSPI (QE), June 2026, • June 2026, The Hindu

OUTLOOK

India enters FY 2026-27 with strengthened macroeconomic fundamentals, backed by structural reforms in labour laws and the GST framework. Real GDP is projected to grow 6.8%- 7.2%, driven by domestic consumption, government capital expenditure, services-sector resilience, and manufacturing momentum. The country remains on course to become the world's third-largest economy by 2030, targeting a GDP of $7.3 trillion.

Private consumption continues to lead growth, supported by declining inflation, rising real incomes, strong agricultural output boosting rural spending, and employment-driven urban demand. On the investment side, government infrastructure spending across roads, railways, and defence provides a solid industrial foundation, while private sector investment is picking up in manufacturing, real estate, and digital infrastructure – including data centres.

The Union Budget 2026-27 reinforces the Government's commitment to strengthening India's textile and apparel sector through an integrated policy framework focussed on enhancing manufacturing competitiveness, expanding exports and creating employment. The Budget builds on existing initiatives such as PM MITRA and the production

Linked Incentive (PLI) Scheme for Textiles, while introducing a comprehensive textile programme encompassing the National Fibre Scheme, Textile Expansion and Employment (TEEM) Scheme, Tex-Eco Initiative and Samarth 2.0. Together, these initiatives seek to strengthen the textile value chain, promote sustainable manufacturing, support workforce development and position India as a globally competitive and resilient sourcing destination, particularly as brands diversify supply chains and capitalise on emerging trade opportunities.

Sources:

• December 2025, Reuters,

• June 2026, PIB

Trends in the Apparel Market

- Geographic Shift in Demand
- Digitalisation of the Apparel Value Chain
- Changing Consumer Behaviour and Market Dynamics
- Sustainability Becoming Mainstream
- Expansion of Omnichannel Retailing to Favour
- Market Growth

Source: June 2026, Uniform Mar Growth Enablers

Diversification of Global Supply Chains

- Supplier Consolidation and Strategic Sourcing Partnerships
- Accelerated Adoption of Artificial Intelligence and Digital Technologies
- Artificial intelligence
- Growth of Value Retail and Private Labels
- Regulatory Evolution

Opportunities

- AI-Driven Digitisation
- Balancing Speed and Sustainability
- Shift in Global Sourcing Preferences

Source: June 2026, Fortune Business Insights

Challenges

1. Trade Policy and Tariff Uncertainty

Frequent changes in global trade policies and tariff regimes continue to create uncertainty across apparel supply chains. Rising import duties, evolving customs requirements and increased scrutiny of country-of origin compliance are adding to sourcing costs and operational complexity. In response, manufacturers and retailers are restructuring sourcing networks, renegotiating supplier contracts and diversifying production footprints to mitigate trade-related risks.

2. **Moderating Demand and Evolving Consumer Behavior**

The global fashion industry is expected to deliver low single-digit growth in 2026 amid continued macroeconomic uncertainty. Consumers remain increasingly value conscious, prioritising affordability, quality and essential purchases while becoming more selective in discretionary spending. The continued growth of value retail, resale platforms and social commerce is reshaping purchasing behaviour, requiring brands to balance pricing, product innovation and customer engagement.

3. **Supply Chain and Inventory Volatility**

Persistent geopolitical disruptions, logistics challenges and tighter inventory management by retailers continue to reduce order visibility and increase supply chain complexity. Shorter procurement cycles, shipment deferrals and ongoing sourcing realignments are making production planning and inventory optimisation increasingly challenging across the apparel value chain.

4. Workforce Transformation in the AI Era

The rapid adoption of artificial intelligence and automation is reshaping workforce requirements across the apparel industry. Companies are increasingly investing in digital capabilities, reskilling initiatives and rganisational transformation to integrate AI while preserving the creativity, product innovation and design expertise that remain central to the fashion industry.

5. Regulatory Complexity and Sustainability Compliance

The regulatory landscape continues to evolve rapidly, with increasing requirements relating to product traceability, Extended Producer Responsibility (EPR), environmental disclosures and product compliance across multiple jurisdictions. The absence of harmonised global standards is increasing compliance costs and operational complexity, while requiring companies to strengthen governance, transparency and sustainability practices across the value chain.

Sources:

• April 2026, The Daily Star

COMPANY OVERVIEW

Active Clothing Co. Limited is an integrated apparel company with capabilities spanning design, product development, sourcing, manufacturing, distribution and retail. The Company has historically developed its business around serving established domestic and international apparel brands and has progressively expanded its product portfolio and business model.

The Company's manufacturing capabilities include flat-knit sweaters, jackets and circular-knit products, with additional capabilities in areas such as shoe uppers and other emerging product categories. The Company has also expanded its offerings into products including knitted beanies and gloves, soft-knitted toys and athleisure products.

The Company's business model is supported by its design and manufacturing capabilities, enabling it to work with brands from product conception and development through manufacturing, distribution and retail.

The Company has continued to focus on strengthening its relationships with established brands while simultaneously developing additional channels and business opportunities to diversify its revenue base.

FINANCIAL PERFORMANCE

The Company delivered steady growth in FY 2025–26 despite challenging conditions in the textile and apparel sector.

Financial Performance at a Glance

Particulars	FY 2024–25	FY 2025–26	Growth / Change
Net Sales	₹296.15 Cr	₹316.44 Cr	6.85%
Total Income	**₹297.12 Cr**	**₹318.31 Cr**	**7.13%**
EBITDA	₹28.49 Cr	₹29.39 Cr	3.15%
Profit Before Tax	₹10.01 Cr	₹12.06 Cr	20.08%
Profit After Tax	₹8.45 Cr	₹10.05 Cr	18.92%
PAT Margin	2.84%	3.16%	+31 bps
EPS	₹5.45	₹6.48	18.90%

The Company's net sales increased from ₹296.15 crore in FY 2024–25 to ₹316.44 crore in FY 2025–26, representing growth of approximately 6.85%. Total income increased by 7.13% to ₹318.31 crore.

EBITDA increased from ₹28.49 crore to ₹29.39 crore, reflecting growth of 3.15%. EBITDA margin stood at 9.23% in FY 2025–26 as compared with 9.59% in the previous year. The moderation in EBITDA margin reflects the continued cost and pricing pressures prevalent in the apparel industry.

At the same time, the Company achieved a stronger improvement in profitability below the EBITDA level. Interest cost declined from ₹11.36 crore in FY 2024–25 to ₹10.28 crore in FY 2025–26, while depreciation declined marginally from ₹7.13 crore to ₹7.05 crore.

Consequently, Profit Before Tax increased by 20.08% to ₹12.06 crore and Profit After Tax increased by 18.92% to ₹10.05 crore. PAT margin improved to 3.16% from 2.84% in the preceding year. Earnings per share increased from ₹5.45 to ₹6.48.

The Company's FY26 performance therefore reflects steady revenue expansion coupled with improved financial efficiency and stronger conversion of operating performance into net profitability.

REVENUE AND OPERATING PERFORMANCE

The Company recorded net sales of ₹316.44 crore during FY 2025–26 compared with ₹296.15 crore in the previous financial year.

The growth was achieved in an environment characterised by pricing pressure, competitive intensity and volatility in demand across the textile and apparel industry. The Company's focus remained on maintaining customer relationships, improving operational efficiency and broadening its product and business platform.

The Company's integrated design-to-manufacturing capabilities continue to provide an important competitive advantage. By combining product development, design capabilities and manufacturing expertise, the Company is able to support customers seeking greater flexibility, product differentiation and shorter development cycles.

The Company remains focused on improving productivity, reducing avoidable costs, optimising working capital and maintaining a balanced approach between revenue growth and profitability.

MANUFACTURING AND TECHNOLOGY

The Company's manufacturing platform remains an important pillar of its business model.

The Company operates an integrated manufacturing facility in Punjab and has developed capabilities across sweaters, jackets, T-shirts and other knitted products. Earlier Company disclosures have indicated significant installed capacities across these categories, supported by modern machinery and manufacturing infrastructure.

PRODUCT DIVERSIFICATION

Product diversification remains an important component of the Company's growth strategy.

In addition to its established sweater, jacket and circular-knit apparel categories, the Company has progressively expanded into newer categories including knitted accessories, toys and athleisure products.

Such diversification is intended to reduce dependence on individual product categories, provide opportunities for cross-selling to existing customers and enable the Company to participate in additional segments of the apparel and lifestyle market.

The Company believes that its design capabilities, manufacturing flexibility and established customer relationships provide a platform for continued product development.

STRATEGIC FUNDRAISING

During FY26, the Company initiated a preferential issue of up to 20 lakh convertible warrants at an issue price of ₹115 per warrant, aggregating up to ₹23 crore.

The proposed fundraising is intended to support the Company's future expansion plans, strengthen working capital and enhance operational capabilities.

The initiative is aligned with the Company's broader strategy of creating additional capacity for growth while maintaining financial flexibility. The successful implementation of the proposed business initiatives will remain dependent on market conditions, execution capabilities and the efficient deployment of capital.

SUSTAINABILITY AND RENEWABLE ENERGY

Sustainability continues to form an important part of the Company's operating philosophy.

The Company has installed a solar power system with a DC nameplate capacity of approximately 503.04 kWp and an AC capacity of 500 kW. The Company's solar installation has an expected first-year generation of approximately 655.48 MWh, according to the Company's solar-power disclosure.

The renewable-energy initiative is expected to contribute towards reducing dependence on conventional sources of electricity and supporting the Company's long-term sustainability objectives.

The Company remains committed to identifying opportunities for energy efficiency, resource conservation and environmentally responsible manufacturing practices.

HUMAN RESOURCES

People remain a critical component of the Company's manufacturing and design-led business model.

The Company's operations require skilled manpower across product development, knitting, garment manufacturing, quality control, merchandising, sourcing, distribution, retail and administrative functions.

During FY26, employee benefit expenses increased to ₹54.99 crore from ₹50.35 crore in FY25. The Company continues to focus on developing employee capabilities, maintaining workplace standards and creating an environment that supports productivity, innovation and operational excellence.

The Company believes that continuous skill development and employee engagement are essential for maintaining quality and meeting the evolving requirements of global and domestic customers.

RISK MANAGEMENT

The Company operates in an industry exposed to several external and operational risks. The key risks relevant to the Company's business include:

Raw-material price volatility

The Company's profitability can be affected by fluctuations in the prices of yarn, fabrics and other raw materials. The Company seeks to manage this risk through procurement planning, customer relationships, product pricing and operational efficiencies.

Demand and fashion risk

Apparel demand is influenced by changing consumer preferences, fashion cycles, weather conditions and broader economic trends. The Company seeks to mitigate this risk through product diversification, customer diversification and its ability to respond quickly to changing product requirements.

Competitive risk

The apparel industry is highly competitive, both domestically and internationally. The Company seeks to differentiate itself through quality, design capabilities, manufacturing flexibility, technology, customer service and integrated solutions.

Customer concentration risk

Dependence on large customers can create concentration risk. The Company continues to work towards expanding its customer base, product portfolio and business channels.

Working-capital risk

The Company's manufacturing and distribution activities require working capital for inventory, receivables and operating expenses. Efficient inventory management, receivable collection and prudent financial management remain important priorities.

Foreign exchange and global-market risk

The Company's exposure to international customers and global supply chains may subject it to foreign exchange movements and geopolitical or macroeconomic developments. The Company continues to monitor such developments and take appropriate measures within its operating framework.

Execution risk

The success of new initiatives, particularly the NUEMO retail platform, will depend upon effective execution, store economics, customer acceptance, supply-chain management and prudent capital deployment.

INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

The Company maintains an internal control framework designed to provide reasonable assurance regarding the effectiveness of operations, safeguarding of assets, reliability of financial reporting and compliance with applicable laws and regulations.

Internal controls are supported by appropriate processes, checks and reviews across financial, operational and administrative functions.

The Company continues to evaluate and strengthen its control environment in line with the changing scale and complexity of its operations.

OPPORTUNITIES

The Company believes that several structural opportunities can support its long-term growth.
These include:

- Increasing demand for organised and reliable apparel manufacturing.
- Growing preference among brands for integrated design-to-manufacturing partners.

- Increasing demand for differentiated and fashion-oriented products.
- Opportunities in high-fashion winter wear and knitted apparel.
- Expansion into new product categories.
- Growth of organised retail in Tier-2 and Tier-3 markets.
- Technology-led product development and digital sampling.
- Increasing focus on sustainable manufacturing.
- Opportunities to deepen relationships with existing domestic and international brands.
- Expansion of the Company's retail and distribution platform.

The Company intends to leverage its manufacturing capabilities, customer relationships, product-development expertise and technology platform to capture these opportunities.

CHALLENGES

While the long-term outlook remains constructive, the Company remains conscious of the challenges associated with operating in the apparel industry.

Pricing pressure, changing consumer preferences, raw-material volatility, competitive intensity and fluctuations in domestic and international demand can affect operating performance.

The Company also recognises that expansion into new businesses such as organised multi-brand retail involves execution, capital allocation and market-acceptance risks.

Management will continue to adopt a calibrated approach to growth, with emphasis on sustainable revenue generation, profitability, working-capital discipline and prudent capital deployment.

MANAGEMENT'S OVERALL ASSESSMENT

FY 2025–26 was a year of steady progress for Active Clothing Co. Limited. Despite continued challenges across the textile and apparel industry, the Company increased total income by 7.13% to ₹318.31 crore and Profit After Tax by 18.92% to ₹10.05 crore.

The improvement in profitability, together with lower interest costs and continued development of new business opportunities, reflects the Company's focus on operational efficiency and financial discipline.

The Company remains committed to strengthening its core operations while pursuing carefully selected growth opportunities that can enhance shareholder value over the long term.

Business Outlook and Strategic Initiatives

During the year under review, Active Clothing Co. Limited continued to strengthen its position as an integrated, design-to-shelf apparel platform serving leading domestic and international fashion brands. The Company's business model encompasses design, product development, manufacturing and supply-chain capabilities, enabling it to provide end-to-end solutions to customers across the fashion and apparel value chain.

The Company continued to focus on strengthening its customer portfolio, expanding its market presence, improving operational efficiencies and developing capabilities aligned with the evolving requirements of global fashion brands. Its established relationships with reputed international brands, integrated manufacturing capabilities and experience in high-fashion winter wear and knitted apparel provide a strong foundation for sustainable growth.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results may differ materially from those expressed or implied due to various factors, including changes in economic conditions, demand and supply conditions, raw-material prices, competition, government policies, regulatory developments, foreign exchange movements, technological changes, business risks and other factors beyond the Company's control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of future events or otherwise.

The information contained herein should be read in conjunction with the Company's audited financial statements, notes thereto and other disclosures contained in the Annual Report for FY 2025–26.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

As per SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulations,2018, the Company is required to provide details of significant changes (change of 25% or more as compared to immediately previous year) in key financial ratios. Accordingly, the Company has identified the following ratios as key financial ratios:-

Ratio	Unit	FY 2025-26	FY 2024-25	FY 2023-24	% Change
Debtors turnover	Times	2.74	2.84	2.84	(0.10)
Inventory turnover	Times	3.09	3.41	2.92	(0.32)
Debt Service Coverage Ratio	Times	2.00	1.51	1.48	0.49
Current Ratio	Times	1.41	1.31	1.35	0.10

There are no significant changes in the accounting ratios.

By Order of the Board

Sd/-

(Rajesh Kumar Mehra)
Managing Director

Place: Mohali
Date: 31.08.2026

IMPORTANT & URGENT FOR YOUR IMMEDIATE ACTION

Dear Shareholder(s),

Sub.: Mandatory update of PAN and Bank details against your share holding

SEBI vide circular dated April 20, 2018 directed to the Bank through their RTA to collect copy of PAN and Bank Account details of all shareholders holding securities in physical form. Further, the Company / RTA of the Company has to follow the procedure mentioned in the said circular. In compliance of the said circular of SEBI, shareholders, who have not furnished PAN and Bank Account particulars till date, are requested to furnish PAN and Bank Account particulars to the RTA/Company for registration, as per the format enclosed.
You are hence requested to submit the following documents within 21 days of receipt of this communication:

- Enclosed form duly filled in and signed by all the shareholders.
- Self-attested copy of Pan Card of all the holders.
- Cancelled personalised cheque leaf

  (In absence of personalised cheque, self-attested copy of first page of pass book)
- Address proof (self-attested copy of Aadhaar-card)

In case if you have any queries or need any assistance in this regard, please contact;

Bigshare Services Pvt. Ltd.
Office No: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai-400093
Tel.: 022-62638294, Fax: 022-62638299

Tel: + 91-22-6263 8200
Email id: investor@bigshareonline.com

FORM FOR FURNISHING PAN AND BANK DETAILS

To,
Bigshare Services Pvt. Ltd.
Office No: S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East)
Mumbai-400093

Folio No. ______________________________

Dear Sir/Madam,

Unit: Active Clothing Co Limited

I/we hereby furnish our PAN and Bank mandate details for update in your records. I/we are enclosing herewith:

- Self-attested copies of PAN cards of all the holders,
- Original personalized cancelled cheque leaf/First page of attested bank pass book and
- Address proof viz., Aadhaar card as required for updation of the details:

Folio No. ______________________________

Mobile No. ______________________________

E-Mail id ______________________________

Bank Account Details:
(for electronic credit of dividends)

Name of the Bank ______________________________

Name of the Branch ______________________________

Account Number
(as appearing in your cheque book) ______________________________

Account Type (Please tick as applicable)	**Saving**	**Current**	**Cash Credit**
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification			
11 Digit IFSC Code			

	Name	PAN	Signature
First Holder			
Joint Holder1			
Joint Holder2			

Date:

Place:

NB: The above details will not be updated if the supporting documents are not attached and not duly signed by all the shareholders

IMPORTANT & URGENT FOR YOUR IMMEDIATE ACTION

Dear Shareholder(s),

In terms of Regulation 40 of the SEBI (LODR) Regulations, 2015 as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Fourth Amendment) Regulations, 2018 (Gazette Notification dated June 8, 2018 of SEBI), it is notified that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed w.e.f. from December 05, 2018, unless the securities are held in dematerialised form with a depository.

In view of the SEBI's circular dated June 08, 2018, all Members of the Company, who are holding shares of the Company in physical form, are requested to take note of the impact of the aforesaid amendment in Regulation 40 on transfer of shares held in physical form w.e.f. December 5, 2018 and get their shares dematerialized at the earliest.

Process for Dematerialization of shares in Physical form is as under:

A shareholder can get his shares dematerialized by submitting a Dematerialization Request Form (DRF) to its Depository Participant (DP). ADP is usually an intermediary between a shareholder and the Depository i.e. NSDL & CDSL.

After submission of DRF, a demat request is raised by DP with a unique DRN (Demat Request Number) and the physical share certificates are sent for verification to the concerned authorities (RTA).

Upon verification from RTA, the DP team will convert all the physical share certificates into electronic form. It takes approximately 21 days for the DP team to convert physical shares into demat Form or electronic form.

In case of death of a shareholder before converting shares into demat mode, legal heirs will have to transmit the shares in their name and then get the dematerialization done in their respective names.

In case of loss of physical shares, the shareholder will have to get the duplicate share certificates issued in his name from the Company. After receiving the duplicate share certificates, the shareholder can get his shares dematerialized by filling the DRF.
Request you to please dematerialize your physical shares.

Thanking you,

Yours faithfully,
For Active Clothing Co Limited

Sd/-
Avneet Kaur Bedi
Company Secretary & Compliance Officer

KAPOOR RAJESH & ASSOCIATES.
CHARTERED ACCOUNTANTS

63- Rose Enclave, Civil Lines, Ludhiana
B-XIX-770, Old DMC Road, Civil Lines, Ludhiana
PHONE No. 0161-2410386, 2403386

INDEPENDENT AUDITOR'S REPORT

To the Members of

Active Clothing Co Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Active Clothing Co Limited ("the Company"),** which comprise the Balance sheet as at 31st March, 2026, and the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the Year ended, and a summary of significant accounting policies and other explanatory information.

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

BASIS OF OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Accounting specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, 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 by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

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

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

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

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

Management's Responsibility 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance , but is not a guarantee that an audit conducted is accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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 indentify 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 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2020("the order"), issued by the Central Government of India in terms of Section 143(3) of the Companies Act 2013, we give in the "Annexure B" a statement on the matter specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the act, based on our audit 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaidstandalone financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 standalone financial statements .

ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii) a) the Management has represented that, to the best of it's knowledge and belief to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of it's knowledge and belief , no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed 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.

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 KAPOOR RAJESH & ASSOCIATES,
CHARTERED ACCOUNTANTS.

Sd/-

(DEEPAKBHATT)
Partner
Membership No. 532529
Firm Registration No. 015350N

DATE : 25.05.2026
PLACE: Mohali
UDIN:26532529GWJACW7429

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report in Other Legal and Regulatory Requirements' section of our report 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 Active Clothing Co Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility For Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's 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 Income and the Standards on Auditing prescribed under section 143(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 on internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls System over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal Financial Controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitation 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 financialreporting 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 criteria for Internal Financial Control over financial reporting 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 KAPOOR RAJESH & ASSOCIATES,
CHARTERED ACCOUNTANTS.

Sd/-

(DEEPAKBHATT)
Partner
Membership No. 532529
Firm Registration No. 015350N

DATE : 25.05.2026
PLACE: Mohali

ANNEXURE 'B'

TO THE INDEPENDENT AUDITOR'S REPORT- ACTIVE CLOTHING CO. LIMITED

(Referred to in paragraph 2) under 'Report in Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)

(a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments, capital work-in-progress and relevant details of right of use assets.

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

(b) The Company has a program of verification of property, plant & equipment, capital work-in-progress and right -of-use assets so to cover all the items once every 3 years 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 where 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) Based on the examination of the registered sale deed/transfer deed/ conveyance deed/ court order provided to us, we report that, the title deed of all the immoveable properties of land and building (other than properties where the Company is the Lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and non current assets held for sale, are held in the name of the Company as at the Balance Sheet Date, immovable properties of land whose title deeds have been pledged for obtaining credit facility extended to the Company as security are held in the name of the Company.

(d) The Company has not revalued any of its property, plant and equipment during the year.

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

(ii) (a)The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories /alternate procedures performed as applicable, when compared with the books of accounts.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising stock statements, book debt statements, statements of ageing analysis of the debtors/ other receivables, and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not provided guarantee or security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited liability Partnerships or any other parties during the year. The company has made investments in and granted loans to employees, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans to employees and details of which are given below:

	Amount in Rs. Lacs
A. Aggregate amount of loans granted during the year to Employees: B. Balance outstanding as at Balance Sheet date with Employees	NIL

The Company has not provided any guarantee or security to any other entity during the year.

(b) The investments made and the terms and conditions of the grant of all the above –mentioned loans to employees during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted to employees, the schedule of repayment of principal has been stipulated and the repayments of principal amount are regular as per stipulation. There are no interest bearing loans given by the company.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.

(e) No Loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or 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 (iii)(f) is not applicable.

(iv) According to information and explanation and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposited or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence reporting under clause (iv) of the Order is not applicable.

(vii) (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amount payable in respect of Goods and Service Tax, Provident Fund, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

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

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the 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 made any investment in or given any new loan or advances to any of its subsidiaries, associates or joint ventures during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(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 (x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, during the year, Company has made preferential allotment of share warrants. In respect of the same, in our opinion, the company has complied with section 42 and 62 of the Companies Act and the rules framed thereunder.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, 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, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

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

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

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

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March,2026.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(d) of the Order is not applicable.

(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 realization of financial assets and payment of financial liabilities, (Assets Liability Maturity (ALM) pattern) 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) (a) In respect of other than ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount which is required to be transfer to a Fund specified in Schedule VII to the Companies Act, 2013 before the date of this report and within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

FOR KAPOOR RAJESH & ASSOCIATES,
CHARTERED ACCOUNTANTS.

Sd/-

(DEEPAKBHATT)
Partner
Membership No. 532529
Firm Registration No. 015350N

DATE : 25.05.2026
PLACE: Mohali

ACTIVE CLOTHING CO LIMITED
BALANCE SHEET AS AT March 31,2026

(All amounts in Lakhs ,unless otherwise stated)

Particulars	Notes No.	As at March 31,2026	As at March 31,2025
ASSETS			
Non Current Assets			
(a) Property , Plant And Equipment	3	5401.09	5303.24
(b) Right of Use Asset			
(c) Capital Work-in-progress		1078.64	803.00
(d) Intangible assets			
(e) Financial assets			
i) Investments			
ii) Loans			
iii) Other financial assets	4	60.65	117.50
(f) Other non-current assets	5	380.43	155.98
Total Non Current Assets		6920.81	6379.72
Current Assets			
(a) Inventories	6	10241.46	8669.15
(b) Financial Assets			
i) Investments			
ii) Trade Receivables	7	11535.87	10426.47
iii) Cash and Cash Equivalents	8	681.54	23.42
iv) Bank balance other than above			
v) Loans			
vi) Other financial assets			
(c) Other current assets	9	1148.08	2411.98
(d) Assets held-for-sale			
Total Current Assets		23606.95	21531.02
TOTAL ASSETS		30527.76	27910.74
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	1551.22	1551.22
(b) Other Equity	10A	7734.12	6187.18
Total Equity		9285.34	7738.40
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	11	3322.65	2911.24
ii) Lease Liability			
iii) Other financial liabilities			
(b) Provisions			
(c) Deferred tax liabilities (net)	12	-0.45	-0.86
(d) Other non-current liabilities	13	1157.36	775.41
Total Non-current liabilities		4479.56	3685.79
Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	14	9286.90	8899.45
ii) Trade payables			
(a) total outstanding dues of micro enterprises and small			
(b) total outstanding dues of trade payable other than micro enterprises and small enterprises	15	6350.04	6344.52
iii) Other financial liabilities			
(b) Other current liabilities	16	1081.63	1242.58
(c) Provisions			
(d) Current tax liabilities (net)	17	44.29	
Total Current liabilities		16762.86	16486.55
TOTAL EQUITY AND LIABILITIES		30527.76	27910.74

See accompanying notes to the standalone financial statements

In terms of our Report Attached
For Kapoor Rajesh & Associates
Chartered Accountants
Firm Registration No:015350N

Sd/-
Deepak Bhatt
Partner
Membership No.532529

For and on Behalf of the Board of Directors

Sd/-
Rajesh Kumar Mehra
Managing Director
DIN: 00026176

Sd/-
Renu Mehra
Director
DIN: 02033471

Sd/-
Mandeep Singh
Chief Financial Officer

Sd/-
Avneet Bedi
Company secretary

PLACE: MOHALI
DATED : 25.05.2026

ACTIVE CLOTHING CO LIMITED

STATEMENT Of Profit and Loss for the year ended March 31,2026
(All amounts in Lakhs ,unless otherwise stated)

	Particulars	Note No.	For the year ended March 31,2026	For the year ended March 31,2025
	INCOME			
I.	Revenue from operations	18	31643.63	29615.45
II.	Other Income	19	187.47	96.67
III.	**Total Income (I +II)**		**31831.10**	**29712.12**
IV.	**Expenses:**			
	Cost of materials consumed	20	7990.41	8277.73
	Purchases of Stock-in-Trade	21	14287.32	15141.26
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	-142.49	-2885.91
	Employee Benefits Expense	23	5498.85	5034.90
	Finance costs	24	1028.25	1135.61
	Depreciation and amortization	25	705.47	712.81
	Other expenses	26	1257.75	1294.74
	Total Expenses		**30625.56**	**28711.14**
V.	**Profit before Tax (III-IV)**		**1205.54**	**1000.98**
VI.	**Tax Expenses**			
	Current Tax		200.90	156.20
	Deffered Tax			
VII.	**Profit for the year (V-VI)**		**1004.64**	**844.78**
VIII.	**Other Comprehensive Expenses**			
	A Items that will not be reclassified to profit or loss			
	(a) (i) Remeasurements of the defined benefits plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	(b) (i) Equity instruments through other comprehensive income			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
IX.	**Total other Comprehensive Income**		**0.00**	**0.00**
X.	**Total Comprehensive Income for the year (VII-IX)**		**1004.64**	**844.78**
	Earnings per equity share: (amount in Rs.)			
	(1) Basic		6.48	5.45
	(2) Diluted		6.48	5.45

See accompanying notes to the standalone financial statements

In terms of our Report Attached	For and on Behalf of the Board of Directors	
For Kapoor Rajesh & Associates		
Chartered Accountants	Sd/-	Sd/-
Firm Registration No:015350N	Rajesh Mehra	Renu Mehra
	Managing Director	Director
Sd/-	DIN: 00026176	DIN: 02033471
Deepak Bhatt	Sd/-	Sd/-
Partner	Mandeep Singh	Avneet Bedi
Membership No.532529	Chief Financial Officer	Company secretary
	PLACE: MOHALI	
	DATED : 25.05.2026	

ACTIVE CLOTHING CO LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026
(All amounts in Lakhs ,unless otherwise stated)

a Equity Share Capital

Particulars	Amount
Balance as at April, 01,2025	1551.22
Balance as at March, 31, 2026	1551.22

b Other Equity

		Reserve & Surplus							Item of other comprehencive income	
Particulars	Share application money pending allotment	Capital reserve	Capital redemption reserve	Security premium	Debenture redemption reserve	Share optionS outstanding account	General Reserve	Retained earnings	Equity instrument through other comprehencive income	Total
Balance as at April, 01,2025				2549.57				3637.61		6187.18
Retained Earning for the year 2025-2026								971.94		
Balance as at March, 31, 2025				2549.57				4609.55		7159.12
				2549.57				4609.55		7159.12

c Money received against share warrants 575.00

For and on behalf of the Board of Directors

Sd/-
Rajesh Kumar Mehra
Managing Director
DIN:00026176

Sd/-
Renu Mehra
Director
DIN:02033471

Sd/-
Mandeep Singh
Chief Financial Officer

Sd/-
Avneet Bedi
Company Secretary

PLACE: MOHALI
DATED: 25.05.2026

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No.3

PROPERTY PLANT AND EQUIPMENT

Particulars	Land-Freehold	Land-Leasehold	Building	Plant & Equipments	Furniture & Fixture	Vehicles	Office Equipments	Total
Carrying Amount	449.11	61.90	2731.62	7249.46	100.16	416.92	471.96	11481.13
Additions			106.97	953.00	14.25	303.64	49.44	1427.30
Deductions				621.50		2.48		623.98
Balance as at 31.03.2026	449.11	61.90	2838.59	7580.96	114.41	718.08	521.40	12284.45
Accumulated Depreciation								
Balance as at 01.04.2025	0.00	0.00	1211.48	4229.70	59.94	323.09	353.68	6177.89
Charge for the Year			147.67	452.05	12.31	42.15	51.29	705.47
Disposals/Changes for the Year								
Balance as at 31.03.2026	0.00	0.00	1359.15	4681.75	72.25	365.24	404.97	6883.36
Carrying Amounts (Net)								
Net Block as on 31.03.2025	**449.11**	**61.90**	**1520.14**	**3019.76**	**40.22**	**93.83**	**118.28**	**5303.24**
Net Block as on 31.03.2026	**449.11**	**61.90**	**1479.44**	**2899.21**	**42.16**	**352.84**	**116.43**	**5401.09**

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No.4
Loans- Non Current

Other Financial Assets (Non Current)

Particualars	**As at 31st March, 2026**	**As at 31st March, 2025**
Fixed Deposits with Banks more than twelve months maturity	60.65	117.50
	60.65	117.50

Note No.5
Other Non Current Assets

Particualars	**As at 31st March, 2026**	**As at 31st March, 2025**
Security Deposits	380.43	155.98
	380.43	155.98

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No.6

Inventories - Current Assets

Inventories

Particualars	**As at 31st March, 2026**	**As at 31st March, 2025**
(at cost or net realisable value, whichever is lower)		
Raw Materials	1025.46	1215.18
Work-in-Progress	2945.79	2787.82
Finished Goods	1717.44	1516.79
Stock-in-Trade (in respect of goods acquired for trading)	3993.26	2882.80
Stores & Spares/Consumables	559.51	266.56
	10241.46	8669.15

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI
(All amounts in Lakhs ,unless otherwise stated)

Note No.7
Trade Receivables - Current Assets

Trade Receivables

Particualars	**As at 31st March, 2026**	**As at 31st March, 2025**
Receivable from others		
- Secured, Considered good	11535.87	10426.47
	11535.87	10426.47

Ageing of provision of doubtful trade receivable

Particualars	**Expected Credit Loss**	
	As at 31st March, 2026	**As at 31st March, 2025**
- Less than 180 Days	10727.87	9929.64
- More than 180 days	808.00	496.83
	11535.87	10426.47

The concentration of credit risk is limited due to the fact that customer base is large and unrelated

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No.8
Cash and Cash Equivalents - Current Assets

Cash and cash equivalents
for the purpose of financial statements cash and cash equivalents include cash on hand and bank balances. Cash and cash equivalent at the end of reporting period can be reconciled to the related items in balance sheet as follows:

Particualars	**As at 31st March, 2026**	**As at 31st March, 2025**
a) Balance with Banks		
- in Current accounts	90.40	0.03
- in Others	575.05	2.71
- Cheque in Hand		12.39
c) Cash in hand	4.33	7.54
Imprest	0.61	0.75
Bank cards	11.15	
Deposit with less than 12 months maturity		
Balance as at end of the year	681.54	23.42

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 9
Other Current Assets

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Balance With Revenue Authorities	532.26	487.50
	Prepaid Expenses	26.52	16.91
	Advances	589.30	288.03
	Goods in Transit		1619.54
	Total	**1148.08**	**2411.98**

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 10
Equity Share Capital - Equity

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	**AUTHORIZED** Authorised share capital 25000000 Equity Shares of Rs. 10/- each with voting rights	2500.00	2500.00
b	**ISSUED , SUBSCRIBED & FULLY PAID UP** 15512215 Equity Shares of Rs. 10/- each, with voting rights	1551.22	1551.22
		1551.22	1551.22

a Reconciliation of the Number of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	15512215	15512215
Add : Shares issued		
Less : Shares Redeemed		
Less : Shares Cancelled		
Add / Less : Others		
Balance as at the end of the year	15512215	15512215

b Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholders	No. of Shares	%	Value/Share	Total Value as at March 31, 2026
Shri.Rajesh Mehra	5722715	36.89	10	572.27
Smt.Renu Mehra	4617700	29.77	10	461.77
Rajesh Mehra HUF	1067500	6.88	10	106.75

Name of Shareholders	No. of Shares	%	Value/Share	Total Value as at March 31, 2025
Shri.Rajesh Mehra	5722715	36.89	10	572.27
Smt.Renu Mehra	4617700	29.77	10	461.77
Rajesh Mehra HUF	1067500	6.88	10	106.75

c Rights, preferences and restrictions attached to shares

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

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

d **Shareholding of Promoters (Equity)**

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Shri.Rajesh Mehra	5722715	36.89	Nil
Smt.Renu Mehra	4617700	29.77	Nil
Rajesh Mehra HUF	1067500	6.88	Nil

e **For the period of five years immediately preceding the date as at which the Balance Sheet**

Particulars(Equity)	as at 31.03.2026	as at 31.03.2025
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	Nil	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

Note No.10A
Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Premium	2549.57	2549.57
Retained earnings	4609.55	3637.61
Share Warrant	575.00	0.00
	7734.12	6187.18

Share Warrant

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	0.00	0.00
Addition	575.00	0.00
Conversion into Equity Shares	0.00	0.00
Closing Balance	575.00	0.00

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 11
Non Current Liabilities
Borrowings - Financial Liabilities

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	**Term Loans**		
	Secured		
	Term Loans:-		
	- From Banks		
	HDFC Bank		
	Vehicles		55.49
	Bolero	2.10	3.75
	Range rover	190.52	
	MTL	373.98	
	Indian Overseas Bank		
	gecl		262.85
	gecl 2	111.65	370.70
	A/c No.40024	1726.51	2492.00
	Building	289.70	220.86
	Machinery	483.12	48.38
	Siemens Financial Services	88.12	106.41
		3265.70	3560.44
	Less: Current maturities of long term debts	341.26	649.20
	Secured Loans	2924.44	2911.24
b	**Unsecured**		
	Deferred payment liabilities	398.21	0.00
	Total	**3322.65**	**2911.24**

a	**Nature of Security**
	Vehicle Loans from HDFC Bank is secured against Vehicles) Term Loan is secured against Land and Building at Badali Term Loans from Indian Overseas Bank Prime security i) First Exclusive charge on the entire plant & machinery and other fixed assets excluding vehicles. ii) Equitable Mortgage of lease hold land and building situated at E-225, Industrial Area, Phase-VIII-B, Mohali. iii) Equitable Mortgage of land and building at Vill Badali,Ala Singh, Distt Fathegarh Sahib. Collateral Security i) Equitable Mortgage of plot at Punjab Apparel Park, Ludhiana. Siemens Financial Services Secured against Solar Plant

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

b	Terms of repayment	EMI(In Rs)	ROI
	Term Loans		
	HDFC Bank		
	Bolero	15695 p.m Balance 12 EMI	7.51%
	Range rover	287000 p.m Balance 66 EMI	7.51%
	Indian Overseas Bank		
	A/c No.40024	Already reapid for the year	7.60%
	GECL2	1195833 p.m. balance 10 EMI	9.25%
	Building	500000 p.m.	7.60%
	Machinery	833335 p.m	7.60%
	Siemens Financial Services	Rs. 3309492 payable in F.Y.2026-27	

Loans Guaranteed by Directors

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	**Term Loans**		
	Secured		
	Term Loans:-		
	- From Banks		
	HDFC Bank		
	Vehicles		55.49
	Bolero	2.10	3.75
	Range rover	190.52	
	MTL	373.98	
	Indian Overseas Bank		
	gecl		262.85
	gecl 2	111.65	370.70
	A/c No.40024	1726.51	2492.00
	Building	289.70	220.86
	Machinery	483.12	48.38
	Siemens Financial Services	88.12	106.41
		3265.70	3560.44

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 12
Non Current Liabilities
Deferred Tax Libilities (Net)

Deferred tax liabilities (net)

Particualars	As at 31st March, 2026	As at 31st March, 2025
Deferred tax libilities	(0.45)	(0.86)
	(0.45)	(0.86)

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 13
Other non-current Libilities

Other Financial Liabilities (Non Current)

Particualars	**As at 31st March, 2026**	**As at 31st March, 2025**
Security from customers	1157.36	775.41
	1157.36	775.41

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 14
Current Libilities
Borrowings - Financial Libilities

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Secured		
	Loans Repayable on demand		
	From Banks:-		
	Indian Overseas Bank	6595.05	7260.28
	Indian Overseas Bank		500.00
	HDFC Bank	1817.68	577.78
	HDFC BANK	874.17	482.89
	HDFC BANK		78.50
	TOTAL	**9286.90**	**8899.45**

Nature of Security and Terms of repayment

IOB
i) First Exclusive charge on the entire plant & machinery and other fixed assets excluding vehicles.
ii) Equitable Mortgage of lease hold land and building at E-225, Industrial Area, Phase-VIII-B, Mohali.
iii) Equitable Mortgage of land and building at Vill Badali Ala Singh , Distt. Fatehgarhsahib
iv) Equitable Mortgage of plot at Punjab Apparel Park, Ludhiana.
V)Hypothecation of stocks and book debts and first exclusive charge on entire current assets
HDFC
Parri Passu charge on stocks and book debts and personal guarantee of directors
Land and Building at Badali
Terms of Repayment
Repayable on Demand
Loans Guaranteed by Directors

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Secured		
	Loans Repayable on demand		
	From Banks:-		
	Indian Overseas Bank	6595.05	7260.28
	Indian Overseas Bank		500.00
	HDFC Bank	1817.68	577.78
	HDFC BANK	874.17	482.89
	HDFC BANK		78.50
	TOTAL	**9286.90**	**8899.45**

Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest,

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Rs.	**Rs.**
Nil		

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI
(All amounts in Lakhs ,unless otherwise stated)

Note No. 15 Trade Payables

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	(A) Total outstanding dues of micro enterprises and small enterprises		
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6350.04	6344.52
	Total	**6350.04**	**6344.52**

(a) Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

Sr. No	Particulars	Current Year	Previous Year
(A)(i)	Principal amount remaining unpaid		
(A)(ii)	Interest amount remaining unpaid		
B	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day		
C	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006		
D	Interest accrued and remaining unpaid		
E	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 enterprises		
	Total	**0.00**	**0.00**

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2025

S.no.	Particulars	Not Due	Less then 1 Year	1-2 Years	2-3 Years
(i)	Undisputed dues - MSME				
(ii)	Undisputed dues - Others	6344.52	6344.52		
(iii)	Disputed dues - MSME				
(iv)	Disputed dues - Others				
	Total	**6344.52**	**6344.52**		

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2026

S.no.	Particulars	Not Due	Less then 1 Year	1-2 Years	2-3 Years
(i)	Undisputed dues - MSME				
(ii)	Undisputed dues - Others	6350.04			
(iii)	Disputed dues - MSME				
(iv)	Disputed dues - Others				
	Total	**6350.04**			

S.no.	Particulars	Not Due	Less then 1 Year	1-2 Years	2-3 Years
	Unbilled Dues	Nil	Nil	Nil	Nil
	Total				

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI
(All amounts in Lakhs ,unless otherwise stated)

Note No. 16
Other Current Liabilities

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Current maturities of long term debt	341.26	649.21
	Advances Received from Customers	45.19	27.59
	Other Payables		
a	Statutory remittances	36.58	38.54
b	Expenses	118.87	54.92
c	Due to Employees	539.73	472.32
	Total	**1081.63**	**1242.58**

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 17
Current tax Liabilities(net)

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Income tax	44.29	
	Total	**44.29**	**0.00**

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 18
Revenue from operations - Income

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	Sale of Products	31462.65	29467.74
	Other Operating Revenues		
	- Duty Drawback	180.98	147.71
	Total	**31643.63**	**29615.45**

Note No. 19 Other Income

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	Interest Income	10.09	7.99
b	Exchange Fluctuation	176.36	88.68
c	Profit on sale of assets	1.02	
	Total	**187.47**	**96.67**

Note No. 20 Cost of Materials Consumed

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Raw Material Consumed		
a	Opening Stock	1215.17	1080.56
	Add		
	Purchases	6699.69	7135.56
	Less		
	Closing Stock	1025.46	1215.17
	Sub-total (a)	**6889.40**	**7000.95**
b	**Direct /Production Expenses**		
	Processing charges	520.18	762.81
	Compliance	28.44	16.49
	Power & Fuel	403.41	397.74
	Garment Performance Testing	148.98	99.74
	Sub-total (b)	**1101.01**	**1276.78**
	Total (a) + (b)	**7990.41**	**8277.73**

Note No. 21Purchases of stock in trade

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Purchases of Stock-in-Trade	14287.32	15141.26
	Total	**14287.32**	**15141.26**

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No.22
Changes in Inventories of finished goods, work in progress and stock in trade

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	Opening Stock		
i)	WIP (Work in Progress)	2787.82	2588.22
ii)	Stock in Trade	4502.35	2360.74
iii)	Stores & Spares/Consumables	266.56	259.66
iv)	Finished Goods	1516.79	978.99
b	Closing Stock		
i)	WIP (Work in Progress)	2945.79	2787.82
ii)	Stock in Trade	3993.26	4502.35
iii)	Stores & Spares/Consumables	559.51	266.56
iv)	Finished Goods	1717.46	1516.79
	Total	**(142.49)**	**(2885.91)**

Note No.23 Employee Benefit Expense

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	Contribution to Labour Funds	204.46	198.48
b	Salaries & Wages	5195.33	4780.65
c	Staff Welfare Expenses	75.06	55.77
d	Director salary	24.00	
	Total	**5498.85**	**5034.90**

Note No.24 Finance Costs

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	Interest Expense	1001.85	1088.59
b	Bank Charges	26.40	47.02
	Total	**1028.25**	**1135.61**

Note No.25 Depreciation and amortisation

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
	Depreciation	705.47	712.81
	Total	**705.47**	**712.81**

ACTIVE CLOTHING CO LIMITED
E-225, INDUSTRIAL AREA, PHASE-VIII-B, MOHALI

(All amounts in Lakhs ,unless otherwise stated)

Note No. 26 Other expenses

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
a	Advertisement	4.98	2.32
b	AMC	6.68	4.46
c	Booking Expenses	10.47	7.11
d	Commission	90.66	95.25
e	Custodian & Depostory charges	0.58	1.15
f	Fees & Taxes	37.09	16.71
g	Freight & Cartages	549.53	550.73
h	Festival expenses		2.21
i	Insurance Expenses	27.56	20.06
j	Listing fees	6.25	6.25
k	Director Sitting Fee	1.20	1.20
l	Payment to Auditors		
	- Audit Fee/Exp	1.00	1.00
m	Printing & Stationery	12.33	14.60
n	Professional Charges	61.67	145.98
o	Postage & Telegram	32.37	36.89
p	Rent	44.15	47.18
q	Royalty	6.00	6.00
r	Repair & Maintenance		
	- Building	12.40	43.06
	- Computer	6.16	4.94
	- Electricity	5.46	5.03
	- Generator	15.21	26.42
	- Machinery	162.36	85.58
	- General	8.65	1.65
	- Fire fighting	1.10	7.11
	- Vehicle	49.06	49.03
s	Telephone Expenses	5.11	4.79
t	Tour & Travelling Exp	94.73	97.58
u	Water Exp	2.00	8.57
v	Web Charges	2.99	1.88
	Total	**1257.75**	**1294.74**

ACTIVE CLOTHING CO LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2026
(All amounts in Lakhs ,unless otherwise stated)

	Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	1205.54	1000.98
	Adjustments for :		
	Finance Costs	1028.25	1135.61
	Fair Valuation gain on investment		
	Subsidy from Government		
	Interest Income	(10.09)	(7.98)
	Dividend on Investments		
	Net gain on Sale/ discarding of property, plant and equipment		
	(Profit)/ Loss on Sale of Investments (net)		
	Provision no longer required written back (net)		
	Others	(19.63)	(6.75)
	Bad debt written off		
	CSR expense	(12.65)	(19.36)
	Depreciation and amortisation	705.47	712.81
	Share Options outstanding account		
	Changes in working capital	2896.89	2815.31
	Adjustments for (increase)/decrease in operating assets:		
	Trade Receivable	(1109.40)	(2956.32)
	Inventories	(1572.31)	(1400.98)
	Capital Advances		
	Other Assets (Current)	1263.90	(1185.22)
	Other Financial Assets (Current)		
	Other Financial Assets (Non Current)	56.85	
	Other Assets (Non Current)	(224.45)	(10.23)
	Adjustments for (increase)/decrease in operating Liabilities		
	Trade Payable	5.52	1824.92
	Provisions (Non Current)		
	Provisions (Current)		
	Others Financial Liabilities (Current)		
	Others Financial Liabilities (Non Current)		
	Others Liabilities (Non Current)	381.95	326.13
	Others Liabilities (Current)	(160.95)	(293.37)
	Cash generated from operations	(1358.89)	(3695.07)
	Income taxes paid (net of refund received)	156.61	157.15
		(1515.50)	(3852.22)
	Net cash generated by operating activities		
		1381.39	(1036.91)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Investments		
	Proceeds from sale of Investments		
	Interest Received	10.09	7.98
	Payment for purchase of property, plant and equipment	(624.30)	(262.32)
	capital work in progress and other intangible assets	(1078.64)	(803.00)

	Bank Balances not considered as cash and cash equivalents		
	Proceeds from disposal of property , plant and equipment	2.48	
	Dividend/ subsidiaries, associates and other investments	621.49	
	Net cash used in investing activities	(1068.88)	(1057.34)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from equity share capital /share application/ Share Warrants	575.00	
	Proceeds from borrowings (non current)	411.41	101.49
	Repayment of borrowings (non current)		
	Proceeds/Repayment of borrowings (current) (net)	387.45	3120.85
	Dividends on equity share capital paid		
	Finance Costs paid	(1028.25)	(1135.61)
	Net Cash used in financing activities	345.61	2086.73
	Net Increase/ (decrease) in cash and cash equivalents	658.12	(7.52)
	Cash and Cash equivalents at the begnning of the year	23.42	30.94
	Cash and Cash equivalents at the end of the year	681.54	23.42

See accompanying notes to the standalone financial statements

In terms of our Report attached	For and on behalf of the Board of Directors	
	Sd/-	Sd/-
For Kapoor Rajesh & Associates	Rajesh Kumar Mehra	Renu Mehra
Chartered Accountants	Managing Director	Director
Firm Registration No:015350N	DIN:00026176	DIN:02033471
Sd/-	Sd/-	Sd/-
Deepak Bhatt	Mandeep Singh	Avneet Bedi
Partner	Chief Financial Officer	Company Secretary
Membership No.532529	PLACE: MOHALI	
	DATED: 25.05.2026	

ACTIVE CLOTHING CO LIMITED
E-225, PHASE-VIII-B, INDUSTRIAL AREA, MOHALI

NOTES TO STANDALONE FINANCIAL STATEMENT

For the year ending March, 31, 2026

(All amount in Lacs, unless otherwise stated)

1. GENERAL INFORMATION

Active Clothing Co. Limited (theCompany) is a Public Company, which was incorporated under the provisions of the Companies Act, 1956 on 27.02.2002 and has its registered office at E-225, PHASE-VIII-B, MOHALI. The Company is engaged in manufacturing and trade of apparels. The Company is listed on Bombay Stock Exchange.

The financial statements were approved for issue in accordance with a resolution of the directors on25.05.2026.

2. SIGNIFICANT ACCOUNTING POLICES, SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND APPLICABILITY OF NEW AND REVISED IND AS

2.1 Statement of Compliance

These financial statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles in India (Indian Accounting Standards referred to as "IndAS") as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant amendments rules issued thereafter.

2.2. Basis of preparation and presentation

The financial statements of the Company have beenprepared in accordance with Indian AccountingStandards (Ind AS) notified under Companies (IndianAccounting Standards) Rules, 2015 (as amendedfrom time to time) and presentation requirements of, unless otherwise stated.

A) Statement of compliance

These financial statements of the Company are prepared and presented in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provision of the Act as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS to the financial statements.

B) Functional and presentation currency

The financial statements are presented inIndian Rupees ('INR') and all values are rounded to nearest lakhs up to two decimal places(INR 00,000), except when otherwise indicated.

C) Basis of measurement

The financial statements have been preparedon a historical cost basis, except for the certain financial assets and liabilities thatare measured at fair valueHistorical cost is generally based on the fairvalue of the consideration given in exchangefor goods and services as at the date ofrespective transactions.

D) Use of estimates

The preparation of the financial statements inconformity with Ind AS requires management tomake estimates, judgments and assumptions.These estimates, judgments and assumptionsaffect the application of accounting policies andthe reported amounts of assets and liabilities, thedisclosures of contingent assets and liabilities atthe date of the financial statements and reportedamounts of revenues and expenses during theyear. Application of accounting policies that requirecritical accounting estimates involving complex andsubjective judgments and the use of assumptionsin these financial statements. Accounting estimates could changefrom period to period. Actual results could differfrom those estimates. Appropriate changes inestimates are made as management becomesaware of changes in circumstances surrounding theestimates. Changes in estimates are reflected in thefinancial statements in the period in which changesare made and, if material, their effects are disclosedin the notes to the financial statements.

E) Critical accounting estimates, assumptionsand judgements

The estimates and underlying assumptionsare reviewed on an ongoing basis. Revisions toaccounting estimates are recognised in the periodin which the estimate is re vised and future periodsaffected. The Company based its assumptionsand estimates on parameters available whenthe financial statements were prepared. Existingcircumstances and assumptions about future developments, however, may change due to marketchanges or circumstances arising that are beyondthe control of the Company. Such changes arereflected in the assumptions when they occur.

Significant judgements and estimates relating tothe carrying values of assets and liabilities include,determination of estimated projected cost andrevenue in long term contracts, determination ofterm of lease contracts, fair value measurement,impairment of goodwill, provision for employeebenefits and other provisions, recoverabilityof deferred tax assets and commitmentsand contingencies.

2.3 Property, Plant and equipments (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated.

The Cost of an item of Property, plant and equipment comprises:

a. Its purchase price including import duties and non-refundable purchase taxes after deducting trade discount and rebates.

b. Any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and

c. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purpose other than to produce inventories during that period.

The Company has elected to continue with the carrying value of all its PPE recognized as on April 1, 2015.

Depreciation is provided on Written down value Method on the basis of useful lives of such assets specified in Schedule-II to the Companies Act, 2013.

The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufactures warranties and maintenance support etc and are as under:

Building	30-60 Years
Plant & equipment	15 Years
Furniture and Fixtures & Office Equipment	10 Years
Vehicles	8Years
Computer and Others	3-5 Years

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 net profit 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 & loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Written down value method. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate for on a prospective basis. For items produced during testing/ trail phase, clarification added that revenue generated out of the same shall not be recognized in Statement of Profit and Loss and considered as part of cost of PPE in line with amended Ind AS16.

2.4. Intangible assets

There are no intangible assets.

Current and non-current Classification

Ind AS requires that an entity shall present current and non-current assets, and current and non-current liabilities, as separate classification in its balance sheet.

Any asset or liability is classified as current of it satisfies any of the following conditions:

a) it is expected to be realized or settled or is intended for sale or consumption in the Company's normal operating cycle which is ascertained by the Company as 12 month;

b) It is expected to be realized or settled within twelve months from the reporting date.

c) In the case of an asset.
   - it is held primarily for the purpose of providing services; or
   - it is cash equivalent unless it is restricted from being exchange or used; to settle a liability for at least twelve months after the reporting date;

d) in the case of a liability, the company does not have an unconditional right to defer settlement of liability for at least twelve month from the reporting date.

All other assets and liabilities are classified as non-current.

2.5 Financial Instruments

Financial assets include cash and cash equivalents, trade receivables, employees and other advances and eligible current and non current assets.

Subsequent to initial recognition, financial assets are measured as described below:

Trade Receivables

Trade receivables that do not contain a significant financing component are initially recognized at transaction price. They are subsequently measured at amortised cost less any Impairment losses. Due to their short term maturity, the carrying amount approximate fair value.

Other Financial Assets

Other financial assets, cash and cash equivalents and other assets. They are presented and current assets, expect for those maturing later that 12 months after the reporting date which are presented as non current assets.

Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

In case of raw material at cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of stores and spares at cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.
In case of finished goods at raw material cost plus conversion costs, packing cost, non recoverable indirect taxes (if applicable) and other overheads incurred to bring the goods to their present location and condition.

In case of by-products at estimated realizable value.

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

Financial Liabilities

Financial liabilities include long and short term borrowings, bank overdrafts, trade payables, eligible current and non current liabilities.

Trade Payable

Trade Payable, which consist of Trade Creditors, other current liabilities and borrowings are recognized initially at fair value.

Cash & Cash Equivalents

Cash & Cash equivalents comprise of cash on hand , cash at banks, short term deposits and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method,whereby profit for the period is adjusted for theeffects of transactions of a non-cash nature, anydeferrals or accruals of past or future operatingcash receipts or payments and item of income orexpenses associated with investing or financing cashflows. The cash flows from operating, investing andfinancing activities of the Company are segregated.

2.7. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessary take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

2.8 Provisions and contingent liabilities

Provision are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash follows (when the effect of the time value of money is material).

When some or all of economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as on asset if it is virtually certain the reimbursements will be received and amount of the receivable can be measured reliably.
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the like hood of outflow of resources is remote, no provision or disclosure is made. The Company complies with the amended Ind AS 37.

2.9. Revenue Recognition

The Company recognized revenue in accordance with Accounting Standard Ind AS 115, as per which revenue should be recognized when the performance obligation is satisfied.
Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, rebates, goods & service tax and value added taxes.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below. The Company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue recognized from major business activities.

2.10 Sale of goods:

Revenue from sale of goods is recognized as and when the Company satisfies performance obligations by transferring control of the promised goods to its customers.

2.11 Government Grants

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

As per amendment in Ind-AS20 "Government Grants' w.e.f. April 1,2018 the Company had opted to present the grant received/ receivable after April 01,2018 related to assets as deduction from the carrying value of such specific assets.

Foreign Currencies Transactions

Since functional currency of the company is Indian Rupees (INR) Which is also the presentation currency, all other currencies are accounted for as foreign Currency.

Transactions denominated in foreign currencies into by the Company are initially recorded at the Exchange rated prevailing on the date of the transaction..

Any income or expenditure, either or settlement or on translation, on account of difference in exchange rate as on the reporting date and the exchange rate as on the date of recognition of the them, is recognized in the statement of profit and loss.

Employee Benefits

A. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months or rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

B. **Post-employment Benefits**

Provident Fund Scheme and Employees State Insurance Scheme:

Eligible employees receive benefits of a state run provident fund and insurance scheme. These are defined contribution plans. Both the eligible employee and the Company make monthly contributions to provident fund plan and the insurance scheme equal to a specified percentage of the covered employees' salary. There are no other obligations other that the contribution payable to the relevant fund scheme.

2.12 *Expenditure*

Expenses are accounted on accrual basis.

2.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax

2.14 Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current Income Tax assets/liabilities for current year is recognized at the amount expected to be paid to and/or recoverable from the tax authorities.

2.15 Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized, Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other that in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

That carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is nolonger probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal Income Tax. Accordingly, MAT Credit is recognized as asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.16 Appendix C to Ind AS 12 Uncertainly over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainly that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically, addressed the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities.
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgments in indentifying uncertainties over income tax treatments.

2.17 Earnings per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity share outstanding during the period.
Diluted earnings per equity For the purpose of calculating diluted earnings per share, the net profit or loss for the periodattributable to equity shareholders andthe weighted average number of sharesoutstanding during the period are adjusted forthe effects of all dilutive potential equity shares.

2.18 Significant accounting judgments estimate and assumptions:

In the application of the Company's accounting policies, which are described as stated above , the Board of Directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

2.19 Key sources of uncertainty

In the application of the Company accounting policies, the management of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised it the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In Lacs

27. CONTINGENT LIABILITIES:	31.03.26	31.03.25
(i) Letter of Credits outstanding	NIL	NIL
(ii) Bank Guarantees and letters of Credit outstanding	NIL	NIL
(iii) Un-hedged Foreign Currency Exposure	1191.00	885.00
(iv) Other monies for which the company is Contingently liable.	NIL	NIL

28. SEGMENT REPORTING

Segment information as required by Accounting Standard 17 on "Segment Reporting" issued by Companies (Accounting Standard) Rules, 2006 is not applicable the company.

29. EARNING PER SHARE

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Accounting Standard (Ind AS)-33 on "Earning Per Share" issued by Companies (Accounting Standard) Rules, 2006.

A statement on calculation of basic EPS is as under: In Lacs

PARTICULARS	31.03.2025	31.03.2026
Net Profit after tax attributable to equity Shareholders (A)	844.78	1004.64
Weighted average number of equity shares (B)	15512215	15512215
Basic earning per Share (Rs.) (A)/(B)	5.45	6.48
Diluted earning per share (Rs.)	5.45	6.48

30. RELATED PARTY DISCLOSURE

(a) Disclosure of Related Parties and relationship between the parties.

1. Subsidiaries NIL
2. Associates NIL
3. Key Management Personnel InLacs

PARTICULARS	Professional fee 31.03.2025	salary 31.03.2026
Sh.RajeshMehra	12.00	12.00
Smt.RenuMehra	12.00	12.00

Relative of Key Management Personnel

PARTICULARS	Nature	Amount 31.03.2025	Amount 31.03.2026
Rajesh Mehra HUF	Royalty	6.00	6.00
KalikaMehra	Professional fee	18.00	18.00

31. The Information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per revised Schedule –III of the Companies Act, 2013.

(a) CIF VALUE OF IMPORTS

PARTICULARS	31.03.2025	31.03.2026
Purchases	218.98	323.64
Machinery	1.62	624.59
TOTAL	220.60	948.23

EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	31.03.2025	31.03.2026
Travel	28.93	34.44

(c) EARNING IN FOREIGN CURRENCY

PARTICULARS	31.03.2025	31.03.2026
FOB value of Export	6143.56	8008.67

(d) **VALUE OF RAW MATERIALS CONSUMED**

PARTICULARS	31.03.2025	31.03.2026
Material consumed	20533.08	22135.24

32. Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

33. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

34. Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

35. Title deeds of Immovable Property not held in name of the Company – NIL

36. KEY RATIOS **Rs. InLacs**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025	Variance	Reason for Variance
Current Ratio	1.41	1.31		
Current Assets	23606.95	21531.02		
Current Liabilities	16762.86	16486.55		
Debt Equity Ratio	1.35	1.61		
Total Debt	12552.60	12459.89		
Shareholders Funds	9285.34	7738.40		
Debt Service Coverage Ratio	2.00	1.51		
Earnings Available for debt service	2738.36	2693.20		
Debt Service	1369.51	1784.81		
Return on Equity Ratio	64.76%	54.45%		
Net Profit after Tax	1004.64	844.78		
Average Shareholder equity	1551.22	1551.22		
Inventory Turnover Ratio	3.09	3.41		
Sales	31643.63	29615.45		
Average inventory	10241.46	8669.15		
Trade Receivable Turnover Ratio	2.74	2.84		
Net Credit sales	31643.63	29615.45		
Average Trade Debtors	11535.87	10426.47		
Trade Payables Turnover Ratio	3.48	3.23		
Net Credit Purchases	22135.24	20513.72		
Average Trade Payables	6350.04	6344.52		
Net Capital Turnover Ratio	3.41	3.82		
Net Sales	31643.63	29615.45		
Shareholders Funds	9285.34	7738.40		
Net Profit Ratio	3.17%	2.85%		
Net Profit	1004.64	844.78		

Net Sales	31643.63	29615.45		
Return on Capital Employed	24.05%	27.61%		
Earnings before Interest and Tax	2233.79	2136.59		
Capital employed	9285.34	7738.40		
Return on Investment	64.73	54.46		
Earnings After Tax	1004.64	844.78		
Equity	1551.22	1551.22		

In terms of our Report Attached

For KAPOOR RAJESH & ASSOCIATES,
Chartered Accountants
Firm Registration No. 015350N
Sd/-

Deepak Bhatt
Partner
Membership No. 532529

For and of behalf of the Board of Directors

Sd/-
Rajesh Kumar Mehra
Managing Director
DIN: 00026176

Sd/-
Renu Mehra
Director
DIN:02033471

Sd/-
Mandeep Singh
Chief Financial Officer

Sd/-
Avneet Bedi
Company Secretary

PLACE: MOHALI
DATED: 25.05.2026