

**NILKAMAL CRATES
& BINS FZE**

Financial Statements

31 March 2026

Registered office:

Warehouses C-15 to 17,
Ajman Free Zone,
P. O. Box 21008,
Ajman, U.A.E.

NILKAMAL CRATES & BINS FZE

Financial Statements

31 March 2026

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NILKAMAL CRATES & BINS FZE Manager's Report

The manager submits his report and accounts for the year ended 31 March 2026.

Results and dividend

The profit for the year after tax amounted to AED 1,434,274/-. The directors have approved payment of interim dividend amounting to AED 1,000,000/- for the year ended 31 March 2026.

Review of the business

The establishment is registered to carry out activity of general trading / import and export. During the year, the establishment has mainly traded in various plastic crates, pallets, material handling equipment, racking systems, bins, hospitality products and related products.

Events during the year

The Management remains attentive to the broader regional environment and developments that may affect trade flows and supply chain dynamics. While the UAE continues to offer a stable and supportive business environment, evolving external conditions may influence logistics routes, transportation costs, commodity pricing and market sentiment. The Company continues to maintain appropriate contingency planning and diversified sourcing and logistics arrangements to support continuity of supply and operational resilience.

Events since the end of the year

There were no significant events, which have occurred since the year-end that materially affect the establishment.

Shareholder and its interest

The sole shareholder, at 31 March 2026 and its interest, as of that date, in the share capital of the establishment, was as follows:

<u>Name of the shareholder</u>	<u>Country of incorporation</u>	<u>No. of share</u>	<u>AED</u>
Nilkamal Limited (Represented by Mr. Saumil Mukund Mehta)	India	1	185,000

Auditors

A resolution to re-appoint **KSI Shah & Associates** as auditors and fix their remuneration will be put to the board of directors at the annual general meeting.

S. M. Mehta

Mr. Saumil Mukund Mehta
Manager



Independent Auditors' Report to the Shareholder of NILKAMAL CRATES & BINS FZE

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **NILKAMAL CRATES & BINS FZE** (the "establishment"), which comprises of the statement of financial position as at 31 March 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our opinion, the financial statements present fairly, in all material respects the financial position of the establishment as of 31 March 2026 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Establishment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the manager's report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report to the Shareholder of NILKAMAL CRATES & BINS FZE

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and Those Charged With Governance for the Financial Statements (continued)

In preparing the financial statements, management is responsible for assessing the establishment'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 establishment or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the establishment's financial reporting process.


Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the establishment's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the establishment to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KSI Shah & Associates 

For KSI Shah & Associates
Dubai, U.A.E.

Signed by:

Sonal P. Shah (Registration No. 123)

5 May 2026

NILKAMAL CRATES & BINS FZE

Statement of Financial Position

At 31 March 2026

	<i>Notes</i>	<i>2026</i> <i>AED</i>	<i>2025</i> <i>AED</i>
ASSETS			
Non-current assets			
Fixed assets	6	<u>170,061</u>	<u>172,916</u>
Current assets			
Inventories	7	2,567,601	3,385,417
Trade and other receivables	8	3,491,192	2,945,114
Prepayments		104,695	118,668
Cash and bank balances	9	<u>5,331,877</u>	<u>5,259,835</u>
		<u>11,495,365</u>	<u>11,709,034</u>
TOTAL ASSETS		<u>11,665,426</u>	<u>11,881,950</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	10	185,000	185,000
Statutory reserve	11	92,500	92,500
Accumulated profits		<u>9,793,312</u>	<u>9,359,038</u>
Total equity		<u>10,070,812</u>	<u>9,636,538</u>
Non-current liability			
Staff end of service gratuity		<u>270,668</u>	<u>227,511</u>
Current liabilities			
Trade and other payables	12	1,219,183	1,943,752
Provision for income tax	21	<u>104,763</u>	<u>74,149</u>
		<u>1,323,946</u>	<u>2,017,901</u>
TOTAL EQUITY AND LIABILITIES		<u>11,665,426</u>	<u>11,881,950</u>

The accompanying notes 1 to 22 form an integral part of these financial statements.

The Independent Auditors' Report is set forth on pages 2 to 3.

Approved by the board of directors on 5th May 2026 and signed on its behalf by:

For NILKAMAL CRATES & BINS FZE

S. M. Mehta

Mr. Saumil Mukund Mehta
Manager



NILKAMAL CRATES & BINS FZE**Statement of Comprehensive Income**
for the year ended 31 March 2026

	<i>Notes</i>	<i>2026</i> <u>AED</u>	<i>2025</i> <u>AED</u>
Sales	17	15,977,559	14,762,219
Cost of sales	13	<u>(11,547,168)</u>	<u>(10,577,334)</u>
Gross profit		4,430,391	4,184,885
Expenses	14	<u>(3,092,686)</u>	<u>(3,130,269)</u>
Profit from operating activities for the year		1,337,705	1,054,616
Other income	15	<u>201,332</u>	<u>144,262</u>
Profit for the year before tax		1,539,037	1,198,878
Income tax expense	21	<u>(104,763)</u>	<u>(74,149)</u>
Profit for the year after tax		1,434,274	1,124,729
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u>1,434,274</u>	<u>1,124,729</u>

The accompanying notes 1 to 22 form an integral part of these financial statements.

NILKAMAL CRATES & BINS FZE

Statement of Changes in Equity for the year ended 31 March 2026

	<i>Share capital AED</i>	<i>Statutory reserve AED</i>	<i>Accumulated profits AED</i>	<i>Total AED</i>
As at 31 March 2024	185,000	92,500	9,234,309	9,511,809
Interim dividend paid during the year	-	-	(1,000,000)	(1,000,000)
Profit for the year after tax	<u>-</u>	<u>-</u>	<u>1,124,729</u>	<u>1,124,729</u>
As at 31 March 2025	185,000	92,500	9,359,038	9,636,538
Interim dividend paid during the year	-	-	(1,000,000)	(1,000,000)
Profit for the year after tax	<u>-</u>	<u>-</u>	<u>1,434,274</u>	<u>1,434,274</u>
As at 31 March 2026	<u>185,000</u>	<u>92,500</u>	<u>9,793,312</u>	<u>10,070,812</u>

The accompanying notes 1 to 22 form an integral part of these financial statements.

NILKAMAL CRATES & BINS FZE

Statement of Cash Flows for the year ended 31 March 2026

	<i>Notes</i>	<u>2026</u> <u>AED</u>	<u>2025</u> <u>AED</u>
<u>Cash flows from operating activities</u>			
Profit for the year before tax		1,539,037	1,198,878
Adjustment for:			
Provision for staff end of service gratuity		43,157	53,433
Provision for slow moving inventories		125,000	60,000
Depreciation		<u>34,920</u>	<u>36,664</u>
Operating profit before working capital changes		1,742,114	1,348,975
Changes in inventories		692,816	(452,623)
Changes in trade and other receivables		(546,078)	690,297
Changes in prepayments		13,973	(26,572)
Changes in trade and other payables		<u>(724,569)</u>	<u>(92,511)</u>
Cash from operating activities		1,178,256	1,467,566
Taxes paid during the year		<u>(74,149)</u>	<u>-</u>
Net cash from operating activities		<u>1,104,107</u>	<u>1,467,566</u>
<u>Cash flow from investing activities</u>			
Purchase of fixed assets		(32,065)	(6,383)
Changes in fixed deposit		<u>862,000</u>	<u>(4,000,000)</u>
Net cash from /(used in) investing activities		<u>829,935</u>	<u>(4,006,383)</u>
<u>Cash flow from financing activities</u>			
Interim dividend paid during the year		(1,000,000)	(1,000,000)
Net cash (used in) financing activities		<u>(1,000,000)</u>	<u>(1,000,000)</u>
Net changes in cash and cash equivalents		934,042	(3,538,817)
Cash and cash equivalents at beginning of the year		<u>1,259,835</u>	<u>4,798,652</u>
Cash and cash equivalents at end of the year	16	<u>2,193,877</u>	<u>1,259,835</u>

The accompanying notes 1 to 22 form an integral part of these financial statements.

NILKAMAL CRATES & BINS FZE

(Incorporated in the Ajman Free Zone, Emirate of Ajman, U.A.E.)

(Registration No. 26166)

Notes to the Financial Statements

for the year ended 31 March 2026

1. Legal status and business activity

- a) **NILKAMAL CRATES & BINS FZE** (“The Establishment”) is a Free Zone Establishment registered with the Ajman Free Zone, Ajman, U.A.E. on 09 August 2003 under the business license No. 1252.
- b) The establishment is registered to carry out activity of general trading / import and export. During the year, the establishment has mainly traded in various plastic crates, pallets, material handling equipment, racking systems, bins and related products.
- c) The Management remains attentive to the broader regional environment and developments that may affect trade flows and supply chain dynamics. While the UAE continues to offer a stable and supportive business environment, evolving external conditions may influence logistics routes, transportation costs, commodity pricing and market sentiment. The Company continues to maintain appropriate contingency planning and diversified sourcing and logistics arrangements to support continuity of supply and operational resilience.

2. Basis of preparation**a) Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 January 2025 and the implementing rules and regulations of Ajman Free Zone.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the establishment takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

c) Functional and presentation currency

These financial statements are presented in U.A.E. Dirhams, which is the establishment’s functional and presentation currency.

3. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

Use of estimates and judgements (contd.)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments made in applying accounting policies

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Revenue from contracts with customers

Sale of goods- local and export

■ Timing for transfer of control of goods:

In case of performance obligation satisfied at point in time, the control of goods is transferred, when physical delivery of the goods to the agreed location has occurred, as a result, the establishment has a present right to payment and retains none of the significant risks and rewards of the goods.

■ Financing components

The establishment does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the establishment does not adjust any of the transaction prices for the time value of money.

■ Determining the transaction price:

The establishment's revenue from sale of goods is derived from fixed price contracts with customers and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. Based on the historical performance of the establishment, it is highly probable that there will not be reversal of previously recognized revenue on account of the return of goods or volume rebates.

■ Allocating the transaction prices:

There is a fixed unit price for each item sold to the customer. Therefore, there is no judgment involved in allocating the contract price to each unit ordered in contracts with customers. Where a customer orders more than one item, the establishment is able to determine the split of the total contract price between each item by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

■ Provision of rights to return goods, volume rebates and other similar obligations:

The establishment reviews its estimate of expected returns at each reporting date on basis of the historical data for the returns, rebates and other similar obligations and updates the amounts of the asset and liability accordingly.

Impairment of non-financial assets

At each reporting date, management conducts an assessment of fixed assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

Deferred tax assets

Deferred tax assets relating to income tax losses have not been recognised on the basis that, based on latest forecasts and projections, it is not probable that future taxable amounts will be sufficient to realize the assets in the short term.

Key sources of estimation uncertainty and assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty and assumptions at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Residual values of fixed assets

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Estimated useful life of fixed assets

Management determines the estimated useful lives and depreciation charge for its fixed assets at the time of addition of the assets and is reviewed on annual basis.

Inventory provision

Management regularly undertakes a review of the establishment's inventory, in order to assess the likely realization proceeds, taking in account purchase and replacement prices, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Staff end-of-service gratuity

The establishment computes the provision for the liability to staff end-of-service gratuity assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

Impairment of financial assets

The loss allowance for financial assets is based on assumptions about risk of default and expected loss rates. The establishment uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4. Adoption of new International Financial Reporting Standards

a) New and revised International Financial Reporting Standards

The following International Financial Reporting Standards (IFRSs), amendments and interpretations issued by IASB that became effective for the current reporting period:

- Amendments to IAS 21 - Lack of Exchangeability.

During the current year, the management has adopted the above standards and amendments to the extent applicable to them from their effective dates.

These amendments have no significant impact on the amounts reported in these financial statements. Their adoption has resulted in presentation and disclosure changes only.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

b) International Financial Reporting Standards issued but not effective

Amendments to IFRS 9 and IFRS 7- Amendments to the classification and measurements of financial instruments. The effective date of the amendments is set for annual periods beginning on or after 1 January 2026.

Amendments to IFRS 9 and IFRS 7- Contract Referencing Nature-Dependent Electricity The effective date of the amendments is set for annual periods beginning on or after 1 January 2026.

Annual Improvements to IFRS Accounting Standards Volume 11-The effective date of this is set for annual periods beginning on or after 1 January 2026.

IFRS 18 - Presentation and Disclosure in Financial Statements- The effective date of the standard is set for annual periods beginning on or after 1 January 2027.

IFRS 19 – Subsidiaries without public accountability: Disclosures- The effective date of the standard is set for annual periods beginning on or after 1 January 2027.

The establishment has not early adopted any other standard, amendment or interpretation that has been issued but is not yet effective.

5. Significant accounting policies:

a) Depreciation of fixed assets

The cost of fixed assets is depreciated by equal annual instalments over their estimated useful lives as under:

Furniture and office equipment	3 - 10 years
Vehicles	8 years

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Depreciation on addition is calculated on a pro-rata basis from the month of addition and on disposal to and including the month of disposal of the asset.

b) Financial instruments

i. Recognition and Initial measurement

The establishment recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition.

ii. Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified as follows:

Financial assets at amortized cost (debt instruments)

The establishment's financial assets at amortised cost include trade and other receivables and cash and bank balances. Due to the short term nature of these financial assets, their carrying amounts are considered to be the same as their fair value.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

iii. *Classification and subsequent measurement of financial liabilities*

The establishment's financial liabilities include trade and other payables. The carrying amounts of these financial liabilities are considered as to be the same as their fair values, due to their short term nature.

iv. *Derecognition of financial assets and financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

v. *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vi. *Impairment of financial assets*

The establishment recognizes an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the establishment expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses are recognized in two stages.

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months.
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

For trade receivables, the establishment applies a simplified approach in calculating expected credit losses. The establishment does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime expected credit losses at each reporting date.

c) **Inventories**

Inventories are valued at lower of cost using the weighted average method or net realizable value. Cost comprises invoice value plus applicable direct costs such as freight and custom duty. Net realizable value is based on estimated selling price less further cost expected to be incurred for disposal.

d) **Foreign currency transactions**

Transactions in foreign currencies are converted into U.A.E. Dirhams at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling at the balance sheet date. Resulting gain or loss is taken to the Statement of comprehensive income.

NILKAMAL CRATES & BINS FZE**Notes to the Financial Statements**
*for the year ended 31 March 2026***e) Impairment of non-financial assets**

The establishment assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the establishment estimates the asset's recoverable amount.

Where the carrying amount of an asset or cash generating units exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the Statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

f) Taxation**Current income tax**

Income tax have been provided for in these financial statements in accordance with legislation enacted or substantively enacted at the reporting date in the United Arab Emirates where the Company operates and generates taxable income. The income tax charge comprises current tax and is recognized in profit or loss for the period.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit reported as profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible.

Taxable profits or losses are based on estimates if these interim financial statements are authorized prior to filing relevant tax returns.

Deferred taxes

Deferred tax is provided using the balance sheet liability method, providing for all taxable temporary differences between the carrying amounts of all assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred income tax is provided on all taxable temporary differences arising on investment in subsidiary companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilized.

NILKAMAL CRATES & BINS FZE**Notes to the Financial Statements**
*for the year ended 31 March 2026***Value Added Tax (VAT)**

The revenue, expenses and assets are recognized net of value-added tax (VAT). In case Input VAT paid to the supplier of asset or expense is not recoverable from the Federal Tax Authority, it is disclosed as part of asset acquired or expense incurred.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from or VAT payable to FTA is disclosed as other payable or other receivable under current liabilities or current assets respectively in the statement of financial position.

g) Provision

Provisions are recognized when the establishment has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

h) Staff end of service benefits

Provision is made for end-of-service gratuity payable to the staff, subject to the completion of a minimum service period, at the reporting date in accordance with the local labour laws.

i) Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

j) Short term leases

The establishment applies the short-term lease recognition exemption to its short-term leases of office premises and staff accommodations (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases assets are recognized as expense on a straight-line basis over the lease term.

k) Revenue recognition**Sales of goods**

The establishment has mainly traded in plastic crates, pallets, material handling equipment, racking systems, bins, hospitality products and related products.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

Sales of goods (contd.)

Revenue from sale of goods is recognized at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customers and have been accepted by the customers at their premises and there is no unfulfilled obligation that could affect customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer or the establishment has objective evidence that all criteria for acceptance have been satisfied.

The amount of revenue is shown as net of discounts, returns, other similar obligations and VAT as per the performance obligations determined as per the provisions of the contracts with customers.

l) **Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise of cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

m) **Dividend**

Dividend is paid out of accumulated profits, when declared. Dividend declared for the year but not paid is disclosed under current liabilities.

6. Fixed assets	<i>Furniture and office equipment</i> <u>AED</u>	<i>Vehicles</i> <u>AED</u>	<i>Total</i> <u>AED</u>
Cost			
As at 01.04.2025	347,424	229,085	576,509
Additions during the year	32,065	-	32,065
Disposal during the year	(17,458)	-	(17,458)
As at 31.03.2026	<u>362,031</u>	<u>229,085</u>	<u>591,116</u>
Depreciation			
As at 01.04.2025	267,085	136,508	403,593
Charge for the year	22,277	12,643	34,920
Related to disposal	(17,458)	-	(17,458)
As at 31.03.2026	<u>271,904</u>	<u>149,151</u>	<u>421,055</u>
Net book value			
As at 31.03.2026	<u>90,127</u>	<u>79,934</u>	<u>170,061</u>
As at 31.03.2025	<u>80,339</u>	<u>92,577</u>	<u>172,916</u>

In the opinion of the management, there was no impairment in respect of the above fixed assets. Hence the carrying values of the fixed assets as at 31 March 2026 approximates to their net book values.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

	<u>2026</u> <u>AED</u>	<u>2025</u> <u>AED</u>
7. Inventories		
Inventories	2,987,852	3,433,776
Provision for slow moving inventories	<u>(563,000)</u>	<u>(438,000)</u>
	2,424,852	2,995,776
Goods in transit	<u>142,749</u>	<u>389,641</u>
	<u>2,567,601</u>	<u>3,385,417</u>
8. Trade and other receivables		
Trade receivables	3,183,479	2,563,192
Advance to suppliers	163,859	203,139
Other receivables	58,829	94,258
Deposits	<u>85,025</u>	<u>84,525</u>
	<u>3,491,192</u>	<u>2,945,114</u>
9. Cash and bank balances		
Cash on hand	8,088	14,598
Bank balances in:		
Current accounts	2,185,789	1,245,237
Fixed deposit accounts	<u>3,138,000</u>	<u>4,000,000</u>
	<u>5,331,877</u>	<u>5,259,835</u>
10. Share capital		
Authorized, issued and paid up:		
1 share of AED 185,000/-	<u>185,000</u>	<u>185,000</u>
11. Statutory reserve		
As required by Article 103 of the U.A.E. Commercial Companies Law No. 2 of 2015, statutory reserve is created by allocating 10% of the net profit of the establishment. The establishment has discontinued such annual transfers as this reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law.		
	<u>2026</u> <u>AED</u>	<u>2025</u> <u>AED</u>
12. Trade and other payables		
Trade payables (refer note 17)	836,078	1,669,648
Advance from customers	299,755	190,600
Accruals	34,325	28,824
Other payables	<u>49,025</u>	<u>54,680</u>
	<u>1,219,183</u>	<u>1,943,752</u>
13. Cost of sales		
Inventories at beginning of the year	3,433,776	3,060,579
Purchases (refer note 17)	9,829,105	9,823,787
Other direct costs (refer note 17)	1,147,139	1,066,744
Provision for slow moving inventories	125,000	60,000
Inventories at the end of the year	<u>(2,987,852)</u>	<u>(3,433,776)</u>
	<u>11,547,168</u>	<u>10,577,334</u>

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements
for the year ended 31 March 2026

	<u>2026</u> <u>AED</u>	<u>2025</u> <u>AED</u>
14. Expenses		
Manager's remuneration (refer note 17)	441,060	424,092
Staff salaries and benefits	1,048,824	1,040,170
Rent	341,437	336,195
Other administration expenses	1,223,498	1,271,252
Bad debts written off	2,948	21,896
Depreciation (refer note 6)	<u>34,919</u>	<u>36,664</u>
	<u>3,092,686</u>	<u>3,130,269</u>
15. Other income		
Exchange gain	38,579	49,547
Miscellaneous income	<u>162,753</u>	<u>94,715</u>
	<u>201,332</u>	<u>144,262</u>
16. Cash and cash equivalents		
Cash on hand	8,088	14,598
Bank balances in:		
Current accounts	<u>2,185,789</u>	<u>1,245,237</u>
	<u>2,193,877</u>	<u>1,259,835</u>
17. Related party transactions		

For the purpose of this financial statement, parties are considered to be related to the establishment, if the establishment has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making that party's financial and operating decisions, or vice versa, or where the establishment and the party are subject to common control or common significant influence. Related party may be individuals or other entities.

The nature and amount of significant transactions during the year are as under:

	<i>Key</i> <i>Managerial</i> <i>Personnel</i> <i>2026</i> <i>AED</i>	<i>Parent</i> <i>company</i> <i>2026</i> <i>AED</i>	<i>Common</i> <i>management</i> <i>control</i> <i>2026</i> <i>AED</i>	<i>Total</i> <i>2026</i> <i>AED</i>	<i>Total</i> <i>2025</i> <i>AED</i>
Purchases (refer note 13)	-	1,570,177	1,278,551	2,848,728	3,338,866
Manager's remuneration (refer note 14)	441,060	-	-	441,060	424,092

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

Related party transactions (contd.)

At the reporting date, balances with related parties were as follows:

	<i>Common management control 2026 <u>AED</u></i>	<i>Parent company 2026 <u>AED</u></i>	<i>Total 2026 <u>AED</u></i>	<i>Total 2025 <u>AED</u></i>
Included in current liabilities:				
Trade payables (<i>refer note 12</i>)	-	100,526	100,526	139,187

18. Financial instruments: Credit, interest rate, liquidity risk and exchange rate risk exposures

The establishment has exposure to the following risks from its use financial instruments:

- a) Credit risk
- b) Market risk
- c) Liquidity risk

a) Credit risk

Financial assets, which potentially expose the establishment to concentrations of credit risk, comprise principally of trade and other receivables and bank balances.

Trade receivables

As at 31 March 2026, the establishment's maximum exposure to credit risk from trade receivables situated within U.A.E. amounted to AED 323,248/- due from one customer (*previous year AED 602,834/- due from one customer*).

There are no significant concentrations of credit risk from trade receivables situated outside U.A.E. and outside the industry in which the establishment operates.

Bank balances

The establishment's bank balances in current and fixed deposit accounts are placed with high credit quality financial institutions.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk, interest rate risk and equity prices risk, which will affect the establishment's income or the value of its holding of financial instruments.

Interest rate risk

Interest on fixed deposits is at fixed rate.

Exchange rate risk

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in U.A.E. Dirhams or US Dollars to which the U.A.E. Dirham is fixed.

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2026

c) Liquidity risk

The following are the contractual maturities of the establishment's financial liabilities as of 31 March 2026.

	<i>Carrying amounts AED</i>	<i>Payable within next 12 months AED</i>	<i>Payable after 12 months AED</i>
<i>Non-derivative financial liabilities</i>			
Staff end of service gratuity	270,688	-	270,688
Trade and other payables:			
Trade payables	836,078	836,078	-
Advance from customers	299,755	299,755	-
Accruals	34,325	34,325	-
Other payables	<u>49,025</u>	<u>49,025</u>	<u>-</u>

19. Financial instruments: Fair values

The fair values of the establishment's financial assets, comprising of trade and other receivables and bank balances and financial liabilities comprising of trade and other payables approximate to their carrying values.

20. Contingent liability

There was no contingent liability of a significant amount outstanding as at the reporting date.

21. Taxation

	<i>2026 AED</i>	<i>2025 AED</i>
Current tax expense	<u>104,763</u>	<u>74,149</u>

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("Corporate Tax Law" or "the Law") to enact a Federal Corporate Tax ("CT") regime in the UAE. The Cabinet of Ministers Decision No. 116 of 2022 specifies the threshold of income over which the 9% CT rate would apply and accordingly, the Law is now considered to be substantively enacted from the perspective of IAS 12 – Income Taxes. A rate of 0% will apply to taxable income upto AED 375,000, a rate of 9% will apply to taxable income exceeding AED 375,000.

The Establishment is subject to the provisions of the UAE Corporate Tax Law with effect from 1 April 2024.

Further, profit before tax is equivalent to taxable profit and hence there is no deferred tax adjustment as per Corporate Tax of the Federal Decree law no. 47 of 2022. The tax expense for the year is reconciled to the profit before tax as per statement of comprehensive income as follows –

Profit before tax in AED	<u>1,539,037</u>	<u>1,198,878</u>
Tax charge of 0% on profit up to AED 375,000	-	-
Tax charge of 9% on profit beyond AED 375,000	<u>104,763</u>	<u>74,149</u>

22. Comparative figures

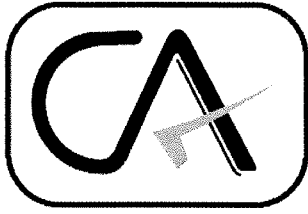
Previous years figures have been regrouped/ reclassified wherever necessary to conform to the presentation adopted in the current year.

NILKAMAL FOUNDATION

BALANCE SHEET

F. Y. 2025 - 2026

A. Y. 2026 - 2027



SHETH DOCTOR & ASSOCIATES

CHARTERED ACCOUNTANTS

B 401, Shree Ramdev Apartments
Dr. Dalvi Road, Near Bank Of India,

Kandivali (W) Mumbai 400067

Telephone : (022) 28058438

Mob: 9819748438

E-mail: doctor_paresh@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

The Members of
NILKAMAL FOUNDATION

Report on the Financial Statements

We have audited the accompanying financial statements of NILKAMAL FOUNDATION (a Company not for Profit and Limited by Shares registered under Section 8 of the Companies Act 2013), which comprises Balance Sheet as at 31st March, 2026 the Statement of Income and Expenditure Account and Cash Flow statement for the year ended 31st March 2026, and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2026
- In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
- In the case of Cash Flow Statement, of its Cash flow during the year ended on that date.

Basis for Opinion

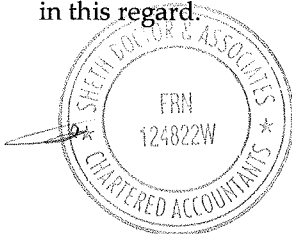
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' Section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and Auditors report thereon ('Other information')

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our Opinion on the financial statements does not cover the information and we do not express any form of assurance or conclusions thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or other wise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.



Managements ' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. 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 accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as 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 financial statements

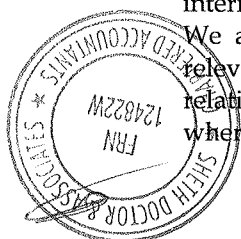
Our objective are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditors report that include our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement 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 decision of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during an audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

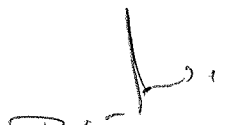


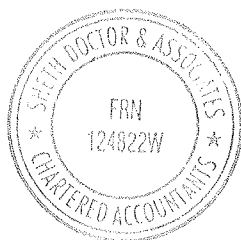
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public 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. The Companies (Auditor's Report) Order,2020 ("the CARO 2020 Order") issued by the Central Government in terms of the Section 143(11) of the Act, is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that :
 - a. We have obtained all the information and explanations which to the best our knowledge and belief were necessary for the purpose of audit .
 - b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books .
 - c. The Balance Sheet, Statement of Income and Expenditure Account, Cash Flow Statement and other notes thereon dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the aforesaid financial statements comply with the accounting standards referred to in the Section 133 of the Companies Act,2013 and read with Rule No 7 of the Companies Accounting Rules 2014.
 - e. On the basis of representations received from the directors as on Mar 31, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on Mar 31,2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i.As per the information and explanations given to us there are no pending litigations other than those disclosed in the financial statements.
 - ii In the opinion of the company no provision is required under any law or accounting standards, for material foreseeable losses, if any , on long term contracts including derivative contracts.
 - iii There are no amounts to be transferred to Investor Education & Protection Fund during the year.

For M/s Sheth Doctor and Associates
Chartered Accountants
(Firm Regn No. 124822W)
UDIN NO 26036056OTTLQT5284


Paresht S Doctor
Proprietor
Membership No. 036056



Mumbai.
Date : 4th May 2026

NILKAMAL FOUNDATION

BALANCE SHEET

As AT 31st MARCH, 2026

(Rupees in Lakhs)

	Note	As at	As at
		31st March, 2026	31st March, 2025
ASSETS			
Current Assets			
Cash & Cash Equivalents	1	0.91	0.46
Other Current Assets	2	0.10	0.10
TOTAL ASSETS		1.01	0.56
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	3	0.01	0.01
Other Equity	4	0.82	0.37
LIABILITIES			
CURRENT LIABILITIES			
Other Payables	5	0.18	0.18
TOTAL EQUITY AND LIABILITIES		1.01	0.56

Basis of Preparation, measurement and significant accounting policies

10

The accompanying notes are an integral part of these financial statements

As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES

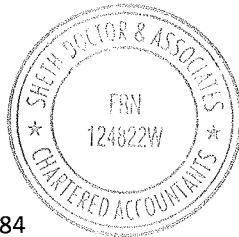
Firm Registration No. 0124822W

Chartered Accountants



Paresh S. Doctor
Proprietor
Membership No. 36056

Place : Mumbai
Date: 04-05-2026
UDIN : 26036056OTTLLQT5284



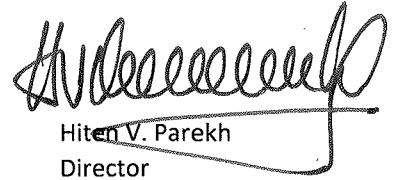
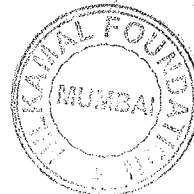
For and on behalf of Board of Directors of

Nilkamal Foundation

CIN : U74999MH2016NPL284394



Sharad V. Parekh
Director
DIN : 00035747



Hiten V. Parekh
Director
DIN : 00037550

NILKAMAL FOUNDATION

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2026

(Rupees in Lakhs)

	Note	Year Ended	Year Ended
		31st March, 2026	31st March, 2025
INCOME			
Donation Received	6	1.00	7.05
Other Income	7	0.01	0.13
TOTAL INCOME		1.01	7.18
EXPENDITURE			
Program Expense	8	-	17.05
Other Expense	9	0.56	0.63
TOTAL EXPENSES		0.56	17.68
Excess / (Shortfall) of income over expenditure [A]		0.45	-10.50
OTHER COMPREHENSIVE INCOME FOR THE YEAR [B]			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR [A-B]		0.45	-10.50
Earnings/ (Loss) per equity share			
Basic & Diluted(In Rupees)		0.0045216	-0.1049740
(Face Value of Rs. 10 each)			
Basis of preparation, measurement and significant accounting policies	10		


The accompanying notes are an integral part of these financial statements

As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES

Firm Registration No. 0124822W

Chartered Accountants



Paresh S. Doctor
Proprietor
Membership No. 36056

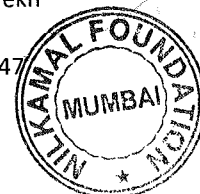


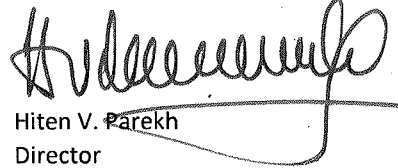
For and on behalf of Board of Directors of

Nilkamal Foundation

CIN : U74999MH2016NPL284394


Sharad V. Parekh
Director
DIN : 00035747




Hiten V. Parekh
Director
DIN : 00037550

Place : Mumbai

Date: 04-05-2026

UDIN : 26036056OTTLQT5284

NILKAMAL FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2025

(Rupees in Lakhs)

	Year Ended 31st March, 2025	Year Ended 31st March, 2024
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess/ (Shortfall) of income over expenditure	0.45	-10.50
Adjustments for:		
Interest Income	-0.01	-0.13
Changes in Working Capital		
Increase/ (Decrease) in current assets	-	-0.10
Increase/ (Decrease) in current liabilities	-	-
Increase/ (Decrease) in other bank balances	-	-
Direct Taxes Paid	-	0.18
Net cash generated from/ (used in) operating activities - [A]	0.44	-10.55
B. CASH FLOWS FROM INVESTING ACTIVITIES - [B]		-
Interest Received	0.01	0.13
	0.01	0.13
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid		
Net cash (used in)/ generated from financing activities - [C]	-	-
Net Increase/ (Decrease) in Cash And Cash equivalents - [A + B + C]	0.45	-10.42
ADD: Cash and Cash equivalents at the beginning of the year	0.46	10.88
Cash And Cash equivalents at the end of the year	0.91	0.46

Note: The above Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7. 'Statement of Cash Flows'


The accompanying notes are an integral part of these financial statements

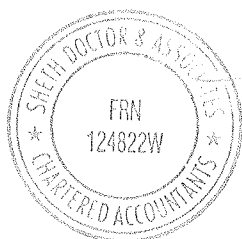
As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES

Firm Registration No. 0124822W

Chartered Accountants



Paresh S. Doctor
Proprietor
Membership No. 36056



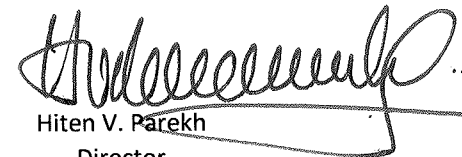
For and on behalf of Board of Directors of

Nilkamal Foundation

CIN : U74999MH2016NPL284394


Sharad V. Parekh
Director
DIN : 00035747




Hiten V. Parekh
Director
DIN : 00037550

Place : Mumbai

Date: 04-05-2026

UDIN : 26036056OTTLQT5284

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

1] CASH AND CASH EQUIVALENTS

	As at	As at
	31st March, 2026	31st March, 2025
Balances with banks	0.75	0.29
Cash On hand	0.16	0.16
	0.91	0.46

2] OTHER CURRENT ASSETS

	As at	As at
	31st March, 2026	31st March, 2025
Income Tax Paid	-	-
Security Deposit (NSDL)	0.10	0.10
	0.10	0.10

3] EQUITY SHARE CAPITAL

	As at	As at
	31st March, 2026	31st March, 2025
Authorised 100 equity shares of Rs. 10 each	0.01	0.01
Issued, subscribed and fully paid up 100 equity shares of Rs. 10 each	0.01	0.01
	0.01	0.01

a) Reconciliation of the number of shares

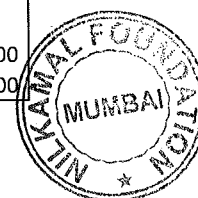
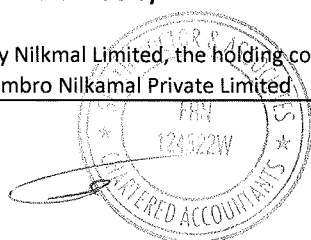
	As at		As at	
	31st March, 2026		31st March, 2025	
Equity shares	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	100	0.01	100	0.01
Add / (Less):				
Balance at the end of the year	100	0.01	100	0.01

b) Rights, preference and restrictions attached to the shares

The company has only one class of equity shares having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. As the Company is a private company limited by shares of formed under section 8 of the Companies Act, 2013, no dividend is to be proposed and paid to the shareholders. In the event of winding up or dissolution of the company, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of the Company, to be determined by the members of the company at or before the time of dissolution or in default thereof by the High Court.

c) Shares held by holding company and subsidiary of holding company in aggregate

	As at	As at
	31st March, 2026	31st March, 2025
Equity shares of Rs.10 each held by:		
99 shares are held by Nilkamal Limited, the holding company	990.00	990.00
1 share is held by Cambro Nilkamal Private Limited	10.00	10.00



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

	As at	As at
	31st March, 2026	31st March, 2025
Number of shares of Rs. 10 each held by:		
Nilkamal Limited, the holding company	990.00	990.00
% of holding	99%	99%

4] OTHER EQUITY

	Retained Earnings	Retained Earnings
As at 1st April, 2024	0.37	10.87
Excess of Income over expenditure for the year	0.45	-10.50
As at 31st March, 2024	0.82	0.37

5] OTHER PAYABLES

	As at	As at
	31st March, 2026	31st March, 2025
Trade Payables	0.18	0.18
	0.18	0.18

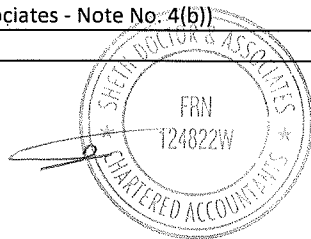
2025-26	Outstanding for following periods from due date of payment						Total
Particulars	Unbilled	Not due	< 1 Year	1-2 years	2-3 years	> 3 years	
Undisputed MSME							
Undisputed Others	0.18						0.18
Disputed dues - MSME							
Disputed dues - Others							

2024-25	Outstanding for following periods from due date of payment						Total
Particulars	Unbilled	Not due	< 1 Year	1-2 years	2-3 years	> 3 years	
Undisputed MSME							
Undisputed Others	0.18						0.18
Disputed dues - MSME							
Disputed dues - Others							

	As at	As at
	31st March, 2026	31st March, 2025
Principal outstanding of amount payable as on 31st March 2016 relating to suppliers registered as Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest due thereon	-	-
Amount of interest paid alongwith the amount of payments made beyond the amount day	-	-
Amount of interest due and payable (where the principal is already paid but interest has not been paid)	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
	-	-

6] DONATIONS RECEIVED

	For the period ended	For the period ended
	31st March, 2026	31st March, 2025
Voluntary Contributions (From holding Company & Associates - Note No. 4(b))	1.00	7.05
	1.00	7.05



7] OTHER INCOME

	For the period ended	For the period ended
	31st March, 2026	31st March, 2025
Interest Received - SB	0.01	0.12
Interest received on Income Tax refund	-	0.01
	0.01	0.13

8] PROGRAM EXPENSES

	For the period ended	For the period ended
	31st March, 2026	31st March, 2025
Donations Paid	-	10.00
Program Expenses	-	7.05
	-	17.05

9] OTHER EXPENSES

	For the period ended	For the period ended
	31st March, 2026	31st March, 2025
Bank Charges	0.01	0.01
ROC Fees	0.27	0.15
Audit Fees	0.18	0.18
Other expense	0.06	0.21
Professional Fees	0.03	0.08
	0.56	0.63



NILKAMAL FOUNDATION

10. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

1. COMPANY OVERVIEW

Nilkamal Foundation ("The Company"), a not for profit company, within the meaning of section 8 of the Companies Act, 2013 was incorporated in India on August 3, 2016. Pursuant to the enactment of Companies Act, 2013 and section 135 of The Companies Act, 2013, the Company as an implementing agency, would carry out Corporate Social Responsibility ('CSR') activities as per CSR policy adopted by Nilkamal Limited and its group companies in line with schedule VII of The Companies Act, 2013. The Company would primarily focus on CSR activities in undertaking programs/projects majority in the field of education, health, and environmental sustainability, Relief and Rehabilitation. However, the company shall also undertake any the activities as suggested under section 135 of the Companies Act, 2013, and which are also mentioned in the main object clause of the Memorandum of Association of the company, as and when the Company feels it necessary to expand.

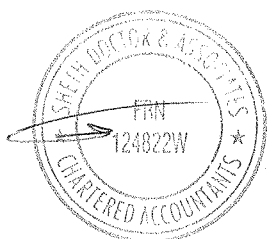
2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND MEASUREMENT

a) BASIS OF PREPARATION

These financial statements have been in accordance with the Indian Accounting Standard [hereinafter referred to as the 'Ind AS'] as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies [Indian Accounting Standards] Rules, 2015 that are notified and other relevant provisions of the Act.

The financial statements have been prepared on the accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the division II-Ind AS Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.



b) BASIS OF MEASUREMENT

These financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 SIGNIFICANT ACCOUNTING POLICIES

a. Revenue Recognition

I) Voluntary Contribution:

Contributions received other than for corpus donations are recognized as income in the year of receipt.

Contributions received as corpus donations with future commitment for CSR expenses, are credited to 'Fund held in corpus donation' in the Balance sheet under the head of other current liabilities. and will be disbursed as per the direction of the donar for carrying out the CSR activities of the Company.

II) Interest Income on Fixed Deposits are accounted on accrual basis.

b. Expenses

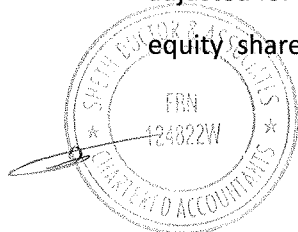
All expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

c. Program Expenses

The said expenses represents various expenditure incurred by the company on activities and projects covered by "Corporate Social Responsibility" (CSR) as specified under Section 135 of the Companies Act 2013. Expenditure on projects are written off in the respective year of it's spending irrespective of it's stage of completion. The same is accounted for as & when paid.

d. Earnings Per Share

Basic earnings per share is computed by dividing the net excess/ (shortfall) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding,



without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

e. Cash And Cash Equivalents

Cash and cash equivalents comprises cash on hand, cash in bank and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertibles into known amounts of cash and which are subject to insignificant risk of changes in value.

f. Income Tax

The company has been granted exemption from Income tax under section 12A read with section 12AA of the Income Tax Act, 1961.

3. CONTINGENT LIABILITY AT YEAR END : NIL

4. RELATED PARTY DISCLOSURES

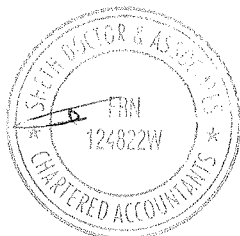
Enterprises exercising control

a. Holding Company: Nilkamal Limited

b. Other related parties with whom transactions have taken place : NIL

Disclosure of transactions between the company and related parties and the status of outstanding balance as in 31st March, 2026

Name of The Party	Year ended 31 st March, 2026	(In Lakhs)
		Year ended 31 st March, 2025
a. Holding Company Nilkamal Limited		
Donations received	Rs. 1.00	Rs. 7.05



5. EARNINGS PER SHARE HAS BEEN COMPUTED AS UNDER

	(In Lakhs)	
	Year Ended 31 st March, 2026 (Rs.)	Year Ended 31 st March, 2025 (Rs.)
Excess/ (Shortfall) of income over expenditure for the year	0.45	-10.50
Weighted average number of equity share outstanding	100	100
Earnings per share (Rs.) – basic and diluted (face value of Rs 10 per share)	0.0045216	-10497.40

As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES

Firm Registration No. 0124822W

Chartered Accountants


Parsh S. Doctor

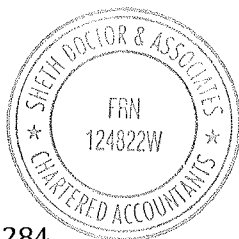
Proprietor

Membership No. 36056

Place : Mumbai

Date : 04-05-2026

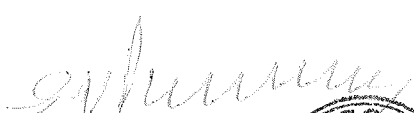
UDIN : 260360560TTLQT5284



For and on behalf of Board of Directors of

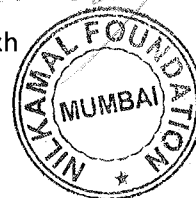
Nilkamal Foundation

CIN - U74999MH2016NPL284394


Sharad V. Parekh

Director

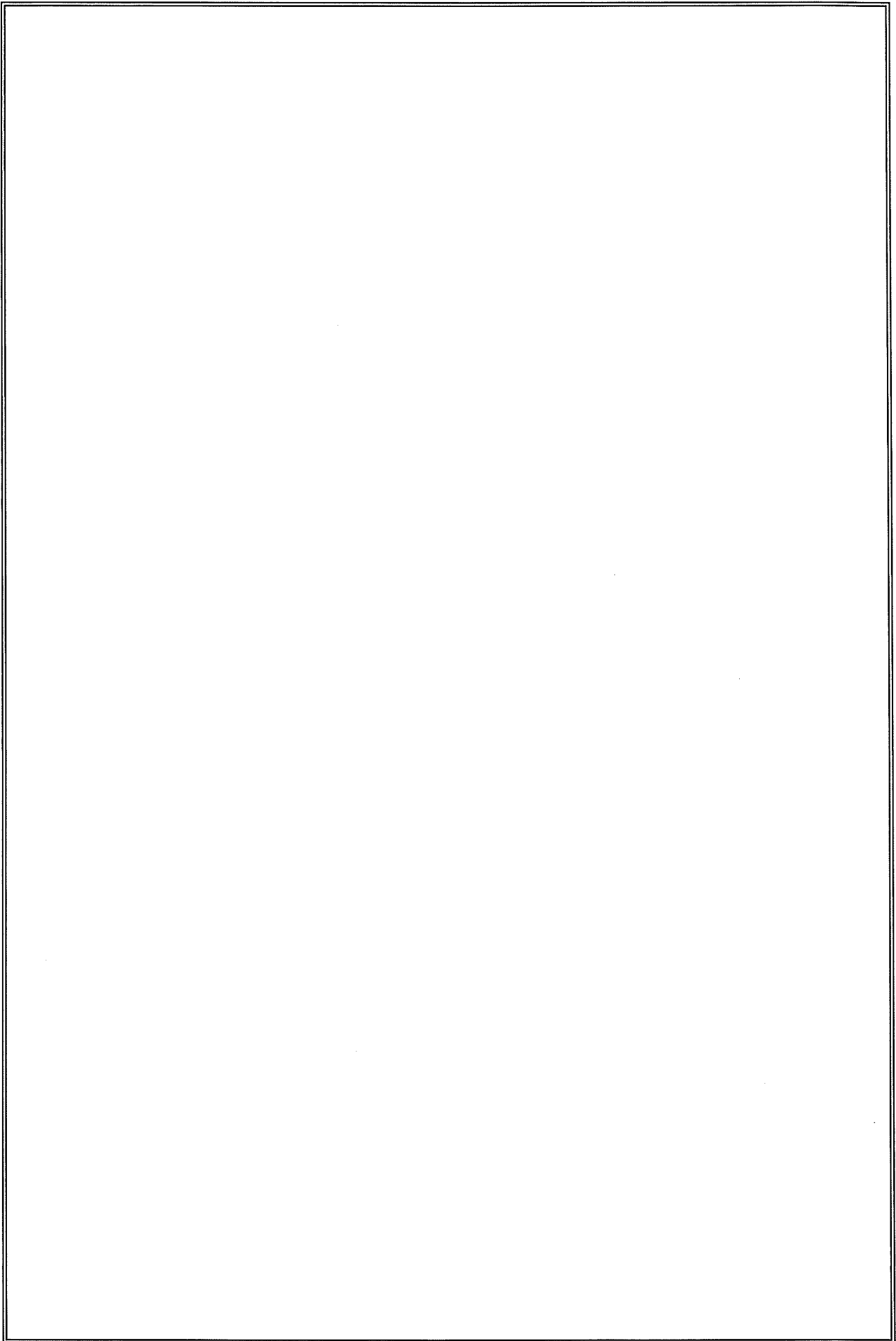
DIN- 00035747




Hiten V. Parekh

Director

DIN- 00037550



NILKAMAL ESWARAN PLASTICS (PRIVATE) LIMITED

FINANCIAL STATEMENTS

31 MARCH 2026



Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

NYR/DSM/DW

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NILKAMAL ESWARAN PLASTICS (PRIVATE) LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nilkamal Eswaran Plastics (Private) Limited (“the Company”) and the consolidated financial statements of the Company and its Subsidiary (“the Group”) which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2026 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

The Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management is responsible for assessing the Company’s and the Group’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 the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s and the Group’s financial reporting process.

(Contd...2/)

EY2026051129691

Partners: D K Hulangarnuwa FCA FCMA LLB (London), Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA FCCA, B E Wijesuriya FCA FCMA, R N de Saram ACA FCMA, N M Sulaiman FCA FCMA, Ms. L K H L Fonseka FCA, Ms. P V K N Sajeewani FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage ACA ACMA, C A Yalagala ACA ACMA, Ms. P S Paranavitane ACA ACMA LLB (Colombo), B Vasanthan ACA ACMA, W D P L Perera ACA, M U M Mansoor ACA

Principals: T P M Ruberu FCMA FCCA MBA, G B Goudian ACMA, D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakthivel B.Com (Sp)

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with confidence

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

11 May 2026
Colombo

Nilkamal Eswaran Plastics (Private) Limited

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

Year ended 31 March 2026

	Notes	Group		Company	
		NEPPL 2026 Rs.	NEPPL 2025 Rs	NEPPL 2026 Rs.	NEPPL 2025 Rs.
Revenue	3	2,146,059,384	1,673,919,509	1,984,454,309	1,594,208,424
Cost of sales		(1,159,592,854)	(906,702,827)	(1,039,132,560)	(848,613,233)
Gross Profit		<u>986,466,530</u>	<u>767,216,683</u>	<u>945,321,749</u>	<u>745,595,190</u>
Other income	4	31,162,655	25,641,699	31,162,655	25,641,699
Administrative expenses		(121,086,438)	(102,519,730)	(120,264,412)	(101,904,217)
Distribution expenses		(321,086,803)	(233,493,025)	(315,092,110)	(231,458,252)
Profit from Operations		<u>575,455,943</u>	<u>456,845,627</u>	<u>541,127,881</u>	<u>437,874,421</u>
Finance Income	5	53,803,240	56,232,710	52,223,501	53,620,673
Finance Cost	6	(2,405,515)	(1,954,304)	(1,982,502)	(1,690,736)
Profit Before Taxation		<u>626,853,668</u>	<u>511,124,033</u>	<u>591,368,880</u>	<u>489,804,358</u>
Income tax expense	7	(182,055,012)	(144,379,206)	(171,939,103)	(137,714,413)
Profit for the Year		<u>444,798,656</u>	<u>366,744,827</u>	<u>419,429,777</u>	<u>352,089,945</u>
Other Comprehensive Income for the Year		-	-	-	-
Total Comprehensive Income for the Year		<u>444,798,656</u>	<u>366,744,827</u>	<u>419,429,777</u>	<u>352,089,945</u>
Basic Earnings per Share (Rs.)	8	281.73	232.29	265.66	223.01

The accounting policies and notes on pages 07 through 28 form an integral part of the financial statements.



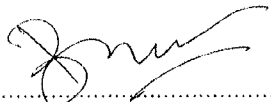
Nilkamal Eswaran Plastics (Private) Limited

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

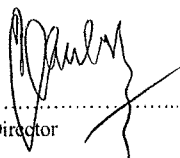
	Notes	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
ASSETS					
Non-Current Assets					
Property, plant and equipment	9	135,586,735	128,528,762	135,586,735	128,528,762
Intangible assets	10	3,751,720	1,265,569	3,751,720	1,265,569
Investment in subsidiary	11	-	-	1,000	1,000
Other financial assets	12	84,960,281	55,531,388	84,960,281	55,531,388
Total Non-Current Assets		224,298,736	185,325,719	224,299,736	185,326,719
Current Assets					
Inventories	13	297,627,763	244,486,772	244,630,131	204,452,069
Trade and other receivables	14	564,614,817	250,965,410	516,660,968	234,190,866
Cash and cash equivalents	15.1	619,996,228	840,928,995	594,828,688	800,328,834
Total Current Assets		1,482,238,808	1,336,381,177	1,356,119,787	1,238,971,769
Total Assets		1,706,537,544	1,521,706,896	1,580,419,523	1,424,298,488
EQUITY & LIABILITIES					
Equity					
Stated capital	16	20,000,000	20,000,000	20,000,000	20,000,000
Retained earnings		1,383,608,360	1,238,781,704	1,266,951,300	1,147,493,523
Total Equity		1,403,608,360	1,258,781,704	1,286,951,300	1,167,493,523
Liabilities					
Non-Current Liabilities					
Deferred taxation	7.2	5,315,921	9,373,468	5,315,921	9,373,468
Employee benefits	17	52,009,905	47,370,680	52,009,905	47,370,680
Total Non Current Liabilities		57,325,825	56,744,148	57,325,825	56,744,148
Current Liabilities					
Trade and other payables	18	115,993,090	75,649,149	112,546,688	73,183,794
Related party payables	19	4,086,631	2,989,188	4,086,631	2,989,188
Bank Overdraft	15.2	-	2,242,710	-	2,242,710
Current Tax		125,523,638	125,299,996	119,509,079	121,645,122
Total Current Liabilities		245,603,359	206,181,043	236,142,398	200,060,814
Total Liabilities		302,929,185	262,925,191	293,468,224	256,804,963
Total Equity and Liabilities		1,706,537,544	1,521,706,896	1,580,419,523	1,424,298,488

These Financial Statements have been prepared in compliance with the requirements of the Companies Act No 07 of 2007.


 Deputy General Manager - Finance

The Board of Directors are responsible for the preparation and presentation of the Financial Statements. Signed for and on behalf of the Board:


 Director


 Director

The accounting policies and notes on pages 07 through 28 form an integral part of the financial statements.

11 May 2026
 Colombo



Nilkamal Eswaran Plastics (Private) Limited

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2026

GROUP	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 01 April 2024	20,000,000	972,053,858	992,053,858
Profit for the year	-	366,744,827	366,744,827
Interim Dividend	-	(100,016,980)	(100,016,980)
Balance as at 31 March 2025	20,000,000	1,238,781,705	1,258,781,705
Profit for the year	-	444,798,656	444,798,656
Interim Dividend 2025/26	-	(149,986,000)	(149,986,000)
Balance as at 31 March 2026	-	1,533,594,360	1,553,594,360
COMPANY	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 01 April 2024	20,000,000	895,420,558	915,420,558
Profit for the year	-	352,089,945	352,089,945
Interim Dividend 2024/25	-	(100,016,980)	(100,016,980)
Balance as at 31 March 2025	20,000,000	1,147,493,523	1,167,493,523
Profit for the year	-	419,429,777	419,429,777
Final Dividend Paid 24/25	-	(149,986,000)	(149,986,000)
Interim Dividend Paid	-	(149,986,000)	(149,986,000)
Balance as at 31 March 2026	20,000,000	1,266,951,300	1,286,951,300

The accounting policies and notes on pages 07 through 28 form an integral part of the financial statements.



Nilkamal Eswaran Plastics (Private) Limited

CASH FLOW STATEMENT

Year ended 31 March 2026

	Notes	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash Flows from Operating Activities					
Profit before Tax		626,853,668	511,124,032	591,368,880	489,804,358
<i>Adjustment for :</i>					
Depreciation on property, plant & equipment	9	27,400,500	28,791,533	27,400,500	28,791,533
Amortisation of intangible assets	11	563,997	287,915	563,997	287,915
Provision for gratuity	17	10,956,893	12,627,842	10,956,898	12,627,842
Provision for inventories	13	(881,931)	(8,451,209)	1,302,912	(8,709,459)
Provision/(reversal) for impairment of trade receivables		2,476,886	3,323,279	2,055,697	2,681,267
(Profit)/Loss on disposal of property, plant & equipment		(8,871,959)	93,067	(8,871,959)	93,067
Revaluation of shares		12,628,783	(4,646,048)	12,628,783	(4,646,048)
Gain on disposal of shares		(27,616,948)	(16,299,264)	(27,616,948)	(16,299,264)
Interest income	5	(53,803,240)	(56,232,710)	(52,223,501)	(53,620,673)
Dividend Income		(5,043,457)	(2,348,537)	(5,043,457)	(2,348,537)
Other Interest expense	6	2,405,230	235,586	1,982,502	220,061
		<u>587,068,424</u>	<u>468,505,484</u>	<u>554,504,305</u>	<u>448,882,062</u>
(Increase)/ Decrease in inventories		(52,259,060)	99,398	(41,480,974)	9,402,890
(Increase)/ Decrease in trade and other receivables		(316,126,246)	(33,201,806)	(284,525,803)	(36,038,119)
Increase (Decrease) in trade and other payables		40,343,941	945,786	39,362,894	(76,563)
Increase/ (Decrease) in related party payables		1,097,443	751,902	1,097,443	751,902
Cash Generated from Operations		<u>260,124,502</u>	<u>437,100,764</u>	<u>268,957,865</u>	<u>422,922,172</u>
Employee benefit paid		(6,317,672)	(5,547,154)	(6,317,672)	(5,547,154)
Interest paid	6	(2,405,230)	(235,586)	(1,982,502)	(220,061)
Current tax paid		(185,888,962)	(86,117,381)	(178,132,694)	(79,795,028)
Net Cash Flow Generated from Operating Activities		<u>65,512,638</u>	<u>345,200,644</u>	<u>82,524,998</u>	<u>337,359,929</u>
Cash Flows from Investing Activities					
Acquisition of property, plant and equipment	9	(34,465,018)	(6,468,380)	(34,465,018)	(6,468,380)
Acquisition of intangible assets	10	(3,091,848)	(475,641)	(3,091,848)	(475,641)
Proceeds from sale of property, plant and equipment		8,920,204	-	8,920,204	-
Dividend Received		5,043,457	2,113,689	5,043,457	2,113,689
Proceed from sale of equity		114,047,334	75,744,749	114,047,333	75,744,749
Interest received	5	53,803,240	55,259,224	52,223,501	52,647,187
Purchase of equity instruments		(128,488,064)	(42,897,726)	(128,488,064)	(42,897,726)
Net Cash Flow used in Investing Activities		<u>15,769,304</u>	<u>83,275,915</u>	<u>14,189,565</u>	<u>80,663,878</u>
Cash Flows from Financing Activities					
Dividends paid		(299,972,000)	(100,016,980)	(299,972,000)	(100,016,980)
Net Cash Flow used in Financing Activities		<u>(299,972,000)</u>	<u>(100,016,980)</u>	<u>(299,972,000)</u>	<u>(100,016,980)</u>
Net Decrease in Cash & Cash Equivalents		<u>(218,690,058)</u>	<u>328,459,579</u>	<u>(203,257,437)</u>	<u>318,006,826</u>
Cash & cash equivalents at the beginning of the year	15	838,686,286	510,226,705	798,086,125	480,079,299
Cash & Cash Equivalents at the End of the Year	15	<u>619,996,228</u>	<u>838,686,286</u>	<u>594,828,688</u>	<u>798,086,125</u>

The accounting policies and notes on pages 07 through 28 form an integral part of the financial statements.



1. REPORTING ENTITY

1.1 Domicile and Legal Form

Nilkamal Eswaran Plastics (Private) Limited ('the Company') is a limited liability company incorporated in and domiciled in Sri Lanka. The registered office of the Company and the principal place of business is located at 328, Madapatha Road, Batakettera, Piliyandala.

The Consolidated Financial Statements of the Group as at and the year ended 31 March 2026 comprise the Company and its subsidiary (together referred to as the "Group" and individually as "Group entities"). The Company has a fully owned subsidiary, Nilkamal Eswaran Marketing (Private) Limited.

1.2 Principal Activities and Nature of Operations

The principal activities of the Group were as follows;

Nilkamal Eswaran Plastics (Pvt) Ltd	Manufacturing of injection molded plastic articles and sofa
Nilkamal Eswaran Marketing (Pvt) Ltd	Importing and selling of all kinds of plastics articles

1.3 Parent Entity and Ultimate Parent Entity

The Group's parent entity and ultimate parent entity is Nilkamal Limited, which is incorporated in India.

1.4 Date of Authorization for Issue

The Financial Statements of the Company and the Group for the year ended 31 March 2026 was authorized for issue in accordance with a resolution of the Board of Directors on 11 May 2026.



2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group and the separate Financial Statements of the Company, which comprise the Statement of Financial Position, Statement of Profit or Loss and Comprehensive Income, Changes in Equity and Cash Flows together with accounting policies and notes to the Financial Statements of the Company and Group as at 31 March 2026 and for the year then ended have been prepared in accordance with Sri Lanka Accounting Standard for Small and Medium Sized – Entities (SLFRS for SMEs), issued by the Institute of Chartered Accountants of Sri Lanka (ICASL) and comply with the requirements of Companies Act, No. 7 of 2007 and amendments thereto.

2.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the Financial Statements, except for the retirement benefit liability for employee benefits recognized based on the Gratuity Act, in the Statement of Financial Position.

These Consolidated Financial Statements have been prepared on the basis that the Group would continue as a going concern for the foreseeable future.

2.2 Comparative Figures

Where necessary, comparative figures have been rearranged to conform with the current year's presentation.

2.3 Functional and Presentation Currency

All values presented in the Financial Statements are in Sri Lankan Rupees (Rs.) unless otherwise indicated.

2.4 Use of Estimate and Judgment

The preparation of the Financial Statements in conformity with SLFRS for SMEs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in the following notes:

- Impairment of financial assets (Note 2.12.6)
- Impairment of Non-financial assets (Note 2.7)
- Current taxation (Note 2.6.3)
- Deferred taxation and utilization of tax losses (Note 2.6.3)
- Measurement of Employee benefits (Note 2.14)
- Provisions and contingencies (Note 2.16)



2.5 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

2.6 SIGNIFICANT ACCOUNTING POLICIES

2.6.1 Basis of Consolidation

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements, unless otherwise indicated. The accounting policies have been applied consistently by the Group.

Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of that enterprise so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The Financial Statements of subsidiary is included in the Consolidated Financial Statements from the date that control effectively commences until the date that control effectively ceases. Accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company.

All companies in the Group have a common financial year, which ends on 31 March.

Loss of Control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or in accordance with the Group's Accounting Policy for financial assets (see Accounting Policy 2.11 below) depending on the level of influence retained.

Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealized gains and losses or income and expenses arising from the intra-group transactions are eliminated in preparing the Consolidated Financial Statements.

Accounting for Investment in Subsidiaries

When separate Financial Statements are prepared, investments in subsidiaries are accounted for using the cost method. Investments in subsidiaries are stated in the Company's Statement of Financial Position at cost less accumulated impairment losses.

2.6.2 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Foreign currency differences arising on retranslation are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

2.6.3 Income Tax Expense

Income tax expenses comprise of current & deferred tax expenses recognized in the Statement of Profit or Loss and Other Comprehensive Income.

(a) Current Taxation

The Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No 10 of 2006 and amendments thereto before 01 April 2018. After 01 April 2018, the Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent gazette notifications.

(b) Deferred Taxation

Deferred tax is recognised in respect of all temporary differences as at the reporting date between the tax bases of assets and liabilities and their respective carrying amounts for financial reporting purposes. The balance in the deferred taxation account represents income tax applicable to the difference between the written down values for tax purpose of the assets on which tax depreciation has been claimed and the net book value of such asset, offset by the provision for employee benefit which is deductible for tax purpose only on payment.

Deferred tax assets, including those related to temporary tax effect of income tax losses and credits available to be carried forward are recognized only to the extent that it is probable that future taxable profit will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.7 Property, Plant and Equipment

a) Cost and Valuation

Property, plant & equipment are carried at cost less accumulated depreciation, less accumulated impairment losses if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Items of property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or losses arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognized.

b) Subsequent Cost

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul costs, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognized in the Statement of Profit or Loss and Other Comprehensive Income as an expense as incurred.



c) Depreciation

The provision for depreciation is calculated by using straight line method on all property, plant and equipment in order to write off such amounts over the following estimated useful economic lives by equal installments.

Buildings on Freehold Land	20 years
Plant and Machinery	09.67 years
Moulds	06.17 years
Office Equipment	05 years
Computer Equipment and Software	05 years
Furniture and Fittings	10 years
Motor Vehicles	05 years

Freehold land is not depreciated.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognized.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

d) Impairment of Property Plant and Equipment

The carrying value of property plant and equipment is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognized in the Statement of Profit or Loss and Other Comprehensive Income unless it reverses a previous revaluation surplus for the same asset.

2.8 Intangible Assets

All computer software costs incurred, licensed for use by the Group, which are not integrally related to associate hardware, and can be clearly identified, reliably measured and it is probable that they will lead to future economic benefits are included in the Statement of Financial Position under the category Intangible Assets and carried at cost less accumulated amortization and accumulated impairment losses if any.

a) Subsequent Expenditure

Expenditure incurred on intangible assets are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

b) Amortization

Intangible assets are amortized on a straight line basis over a period of 05 years except goodwill in the Statement of Profit or Loss and Other Comprehensive Income from the date when the asset is available for use, over the best estimate of its useful economic life.



2.9 Leased Assets

Leased in terms of which the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to property, plant and equipment.

Other leases are operating leases and are not recognized in the Group's Statement of Financial Position.

2.10 Inventories

Inventories are valued at lower of cost or net realizable value, after making due allowance for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for cost of realization and/or cost of conversion from their existing state to saleable condition.

Raw Materials	-	At actual cost on first-in first-out (FIFO) basis
Finished Goods	-	At the cost of direct materials, direct labor and an appropriate proportion of fixed production overheads based on normal operating capacity
Work in Progress	-	based on the standard costing which included all direct expenditure and production overheads
Consumables and Spares	-	At purchase cost on first-in first-out (FIFO) basis
Goods in Transit	-	At purchase cost

2.11 Financial Assets

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Initial Recognition of Financial Assets and Liabilities

An entity shall recognise a financial asset or a financial liability only when the entity becomes a party to the contractual provisions of the instrument.

2.11.2 Initial Measurement

When a financial asset or financial liability is recognised initially, an entity shall measure it at the transaction price (including transaction costs) unless the arrangement constitutes, in effect, a financing transaction. A financing transaction may take place in connection with the sale of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. If the arrangement constitutes a financing transaction, the entity shall measure the financial asset or financial liability at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.



2.11.3 Subsequent Measurement

At the end of each reporting period, an entity shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposal.

- Debt instruments shall be measured at amortised cost using the effective interest method. Cash and debt instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received (i.e., net of impairment) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the entity shall measure the debt instrument at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
- Investments in shares shall be measured at fair value with changes in fair value recognised in profit or loss. For shares traded in an active market the best evidence of fair value is the quoted price for those shares in that active market.

2.12.4 Trade and Other Receivables

Trade and other receivables and due from related parties are initially recognized at cost. Trade receivable and other receivables are stated at the amounts they are estimated to realize net of impairment for bad and doubtful receivables.

If receivables extend beyond the normal credit terms, those receivables are measured at amortized cost using the effective interest rate at the end of each reporting period.

2.12.5 Cash and Cash Equivalents

Cash and cash equivalents are cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.12.6 Impairment of Financial Assets Measured at Cost or Amortised Cost

At the end of each reporting period, an entity shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost. If there is objective evidence of impairment, the entity shall recognize an impairment loss in profit or loss immediately. Objective evidence that a financial asset or group of assets is impaired includes observable data that come to the attention of the entity about the loss events.

2.12.6.1 Measurement

The Group measure an impairment loss on financial assets measured at cost or amortised cost as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.



2.12.7 Derecognition of a Financial Asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all risks and rewards of ownership and it does not retain control of the financial asset.

2.13 Impairment of Non-financial Assets

The carrying amounts of the Company's non-financial assets such as deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognized in profit or loss.

2.14 Employee Benefits

(a) Defined Contribution Plan - Employees' Provident Fund & Employees' Trust Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into an approved Employees' Provident Fund and to the Employees' Trust Fund, and will have no legal or constructive obligation to pay further amounts. The Group contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund contribution respectively.

(b) Defined Benefit Plans– Retirement Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Provision has been made for retirement gratuities from the first year of service for all employees, in conformity with SLFRS for SMEs (Section 28- Employee Benefits). The liability recognised in the Financial Statements in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The computation of the provision is based only on Gratuity Act requirement. The Group measures the present value of retirement benefits of gratuity using an internally generated model based on formula annually. However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 05 years of continued service.

The liability is not externally funded nor actuarially valued.

2.15 Non-derivative Financial Liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.



The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Trade Payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into Sri Lankan rupees using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income.

2.16 Provisions and Liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for Warranty Liability

The Company offers warranties on Sofa products on its own account and warranty is provided by giving a warranty period of 01 year from the date of sale for the fabric and 15 years from the date of sale for the frame. A provision for warranty is recognised when the underlying products are sold. The quantum of the provision is based on the historical experience. The said extended warranty provision will be reversed upon expiration of warranty period if unutilised as at that date.

The provision is included under other liabilities.

2.17 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and that revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes and after eliminating sales within the Group.

The following specific criteria are used for the purpose of recognition of revenue.

(a) Sale of Goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.



Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer normally at the point of good dispatch; with the Group retaining neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

(b) Others

Other income is recognized on an accrual basis.

Net gains and losses of a revenue nature on the disposal of property, plant & equipment and other non-current assets including investments are accounted for in the Statement of Profit or Loss and Other Comprehensive Income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

2.18 Expenditure Recognition

(a) Operating Expenses

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on the basis of a direct association between the cost incurred and the earning specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of Profit or Loss and Other Comprehensive Income.

(b) Finance Income and Expense

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments through the expected life of the financial asset or liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liabilities. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

(c) Borrowing Cost

All borrowing costs are recognised as an expense in the period in which they are incurred.

2.19 Related Party Transactions

Disclosures has been made in respect of the transactions in which one party has the liability to control or exercise significant influence over the financial and operating decisions/policies of the other, irrespective of a price being charged.



2.20 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "Indirect Method" in accordance with LKAS 7 "statement of Cash Flows".

Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalents include cash in hand, balances with banks and short term deposits with banks.

Interest paid is classified as operating cash flows, interest received are classified as investing cash flows, while dividends paid are classified as financing cash flows for the purpose of presenting the statement of cash flows.



NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

3. REVENUE	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Local Sales	2,165,642,064	1,674,079,201	2,004,036,989	1,594,368,116
Less:Trade Discounts	(19,582,680)	(159,692)	(19,582,680)	(159,692)
	<u>2,146,059,384</u>	<u>1,673,919,509</u>	<u>1,984,454,309</u>	<u>1,594,208,424</u>
4. OTHER INCOME	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
(Gain) / Loss on disposal of property, plant and equipment	8,871,959	(93,067)	8,871,959	(93,067)
Interest on staff loan	421,673	544,871	421,673	544,871
Scrap sales	1,837,401	1,776,844	1,837,401	1,776,844
Mould Lease Income	-	119,200	-	119,200
Dividend Income	5,043,457	2,348,537	5,043,457	2,348,537
Fair Value Gain on Shares	(12,628,783)	4,646,048	(12,628,783)	4,646,048
Profit on Disposal of shares	27,616,948	16,299,264	27,616,948	16,299,264
	<u>31,162,655</u>	<u>25,641,699</u>	<u>31,162,655</u>	<u>25,641,699</u>
5. FINANCE INCOME	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Interest income from investment in securities Purchased under Resale Agreement	21,391,011	16,211,087	19,811,558	16,211,087
Exchange Gain	285	-	-	-
Interest Income from Fixed Deposit	24,257,413	24,357,853	24,257,413	24,357,853
Interest Income from Mutual Funds (CAL securities)	8,154,531	14,690,284	8,154,531	12,078,247
Exchange Gain	-	973,486	-	973,486
	<u>53,803,240</u>	<u>56,232,710</u>	<u>52,223,501</u>	<u>53,620,673</u>
6. FINANCE COST	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Bank charges	2,237,371	1,720,525	1,815,240	1,470,675
Exchange loss	-	13,719	-	-
Interest on short term borrowings	96,644	143,061	95,761	143,061
Interest on distributor cash deposit	71,500	77,000	71,500	77,000
	<u>2,405,515</u>	<u>1,954,304</u>	<u>1,982,502</u>	<u>1,690,736</u>
7. INCOME TAX EXPENSE	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Current Income Tax				
Current Income tax charge (Note 7.1)	186,112,945	151,514,557	175,996,650	144,848,576
Over Provision in Respect of Prior Years	(386)	(10,511)	-	(9,324)
	<u>186,112,559</u>	<u>151,504,046</u>	<u>175,996,650</u>	<u>144,839,252</u>
Deferred Tax Expenses /(Income)				
Deferred Income Tax Charge / (Reversal) (Note 7.2)	(4,057,547)	(7,124,840)	(4,057,547)	(7,124,840)
Income Tax Expense Recorded in the Statement of Profit or Loss	<u>182,055,012</u>	<u>144,379,206</u>	<u>171,939,103</u>	<u>137,714,413</u>



7. INCOME TAX EXPENSE (Contd...)

7.1 Reconciliation between the Accounting Profit and the Tax Profit

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Profit Before Tax	626,853,668	511,124,032	591,368,880	489,804,358
Other Sources of Income	(86,885,125)	(79,097,942)	(85,305,580)	(76,485,905)
Aggregate disallowable expenses	64,348,102	45,526,935	63,926,972	44,626,674
Aggregate allowable expenses	(38,164,789)	(28,308,598)	(35,979,946)	(28,308,598)
Profit from Business	566,151,856	449,244,427	534,010,326	429,636,529
Interest Income - Non Business Income	54,224,629	55,804,095	52,645,175	53,192,058
Taxable Income	620,376,484	505,048,522	586,655,501	482,828,587
Manufacturing Business- Tax @30%	169,845,557	134,773,328	160,203,098	128,890,959
Non Business Income - Interest Income @30%	16,267,389	16,741,229	15,793,553	15,957,617
Taxable Income	186,112,945	151,514,557	175,996,650	144,848,576
Current Tax @30%	186,112,945	151,514,557	175,996,650	144,848,576
	186,112,945	151,514,557	175,996,650	144,848,576

7.2 Deferred Tax Liabilities

At the beginning of the year	9,373,468	16,498,308	9,373,468	16,498,308
Provision made during the year	(4,057,547)	(7,124,840)	(4,057,547)	(7,124,840)
At the end of the year	5,315,921	9,373,468	5,315,921	9,373,468

7.3 The Closing Deferred Tax Asset Balance Relates to the following;

Accelerated depreciation for tax purpose	20,918,892	23,584,672	20,918,892	23,584,672
Employee benefit liability	(15,602,971)	(14,211,204)	(15,602,971)	(14,211,204)
	5,315,921	9,373,468	5,315,921	9,373,468

8. EARNINGS PER SHARE

8.1 Basic Earnings Per Share is calculated by dividing the Net Profit for the Year attributable to Ordinary Shareholders by the Weighted Average Number of Ordinary Shares outstanding during the year.

8.2 The following reflects the income and share data used in the Basic Earnings Per Share computations.

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Net Profit for the Year	444,798,656	366,744,827	419,429,777	352,089,945
Net Profit Attributable to Ordinary Shareholders for Basic Earnings Per Share	444,798,656	366,744,827	419,429,777	352,089,945

Number of Ordinary Shares Used as the Denominator:

Weighted Average Number of Ordinary Shares in issue applicable to Basic Earnings Per Share	1,578,800	1,578,800	1,578,800	1,578,800
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Basic earning Per Share	281.73	232.29	265.66	223.01
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Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

9. PROPERTY, PLANT AND EQUIPMENT

9.1 Cost

Company/Group	Freehold Land		Buildings		Plant and Machinery		Moulds		Office Equipment		Computer Equipment		Furniture and Fittings		Motor Vehicles		Road Development		31.03.2026	
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.	
As at 01st April	26,370,476		234,697,234		274,104,848		416,203,620		8,445,154		14,486,709		5,424,076		35,454,426		680,763		1,015,867,306	
Additions	-		-		1,863,035		3,415,244		1,824,076		5,300,790		350,289		21,711,585		-		34,465,018	
Disposals	-		-		31,576		-		29,999		-		-		7,630,000		-		7,691,575	
As at 31 March	26,370,476		234,697,234		275,936,307		419,618,863		10,239,231		19,787,499		5,774,365		49,536,011		680,763		1,042,640,749	

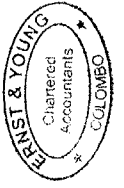
9.2 Accumulated Depreciation

As at 01st April	-		187,605,799		238,469,866		403,792,961		6,297,267		10,326,712		4,710,751		35,454,426		680,763		887,338,545	
Charge for the year	-		5,862,508		13,123,798		4,619,635		790,163		1,662,767		256,050		1,085,579		-		27,400,500	
Disposals	-		-		25,031		-		29,999		-		-		7,630,000		-		7,685,030	
As at 31 March	-		193,468,301		251,568,632		408,412,596		7,057,431		11,989,480		4,966,801		28,910,005		680,763		907,054,014	

Carrying Value as at:

31 March 2026	26,370,476		41,228,932		24,367,675		11,206,267		3,181,798		7,798,019		807,564		20,626,005.5		-		135,586,735	
31 March 2025	26,370,476		47,091,434		35,634,982		12,410,659		2,147,887		4,159,998		713,325		-		-		128,528,762	

9.3 During the financial year, the Company/Group acquired property, plant and equipment to aggregate value of Rs. 34,465,018 /- (2025 - Rs.6,468,380/-). Cash payments amounting to Rs.34,465,018/- (2025 - Rs.6,468,380/-) were made during the year for purchase of property plant & equipment.



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

9. PROPERTY, PLANT AND EQUIPMENT (Contd...)

9.4 Assets Pledged

The Group has mortgaged following property, plant and equipment as securities for obtaining banking facilities from Commercial Bank of Ceylon PLC and State Bank of India, Colombo Branch

Description of the asset	Name of the Bank	Facility	Security Value (Rs.)
Land and Building located at 328, Madapatha Road, Batakettara	Commercial Bank of Ceylon PLC	Fund based and non-fund based short term banking facilities - Rs 295,000,000/-	86,000,000
Piliyandala and immovable plant and equipment	State Bank of India, Colombo	Fund based and non-fund based short term banking facilities - Rs 190,000,000/-	226,000,000

10. INTANGIBLE ASSETS

Computer Software

Company/Group

Cost

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
As at 01 April	14,968,668	14,493,027	14,968,668	14,493,027
Acquisitions during the year	3,091,848	475,641	3,091,848	475,641
Disposals During the year	(357,430)	-	(357,430)	-
As at 31 March	17,703,086	14,968,668	17,703,086	14,968,668

Accumulated Amortization

As at 01 April	13,703,099	13,415,184	13,703,099	13,415,184
Amortization during the year	563,997	287,915	563,997	287,915
Disposals During the year	(315,730)	-	(315,730)	-
As at 31 March	13,951,366	13,703,099	13,951,366	13,703,099

Carrying Value

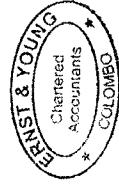
As at 31 March	3,751,720	1,265,569	3,751,720	1,265,569
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During the financial year, the Company/Group acquired intangible assets to aggregate value of Rs. 3,091,848/- (2025- Rs. 475,641/-). Cash Payments amounting to Rs. 3,091,848/- (2025 - Rs. 475,641/-) were made during the year for purchases of Intangible Assets.

11. INVESTMENT IN SUBSIDIARIES

Company		Company	
2026	2025	2026	2025
Holdings%	Holdings%	Rs.	Rs.
100	100	1,000	1,000
100	100	1,000	1,000

Nilkamal Eswaran Marketing (Pvt) Ltd



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

12. OTHER FINANCIAL ASSETS

Company/Group	Investment in Equity Securities 31.03.2026	No of shares as at 31.03.2026	No of shares as at 31.03.2025	Total Market Value as at 31.03.2025	Qty	Rs.	Cost of Acquisition/ Carrying Value 31.03.2025	Rs.	Cost of Acquisition/ Carrying Value 31.03.2026	Rs.	Market price as at 31.03.2026	Rs.	Market price as at 31.03.2025	Rs.	Total Market Value as at 31.03.2026	Rs.	Revaluation Gain/(Loss) 31.03.2026	Rs.	Revaluation Gain/(Loss) 31.03.2025	Rs.
Hemas Holding PLC	-	-	95,000	11,400,000			6,616,191	-	120	-	-	-	-	-	-	-	-	(4,783,809)	-	
John Keels Holding PLC	-	-	330,000	6,666,000			5,477,123	-	20	-	-	-	20	-	-	-	-	(1,188,877)	-	
Commercial Bank of Ceylon PLC	-	-	115,005	16,963,238			10,873,381	-	148	-	-	-	148	-	-	-	-	(6,089,857)	-	
Lanka IOC PLC	70,000	70,000	70,000	8,890,000			9,308,096	9,308,096	127	140	140	127	140	127	9,800,000	491,904	418,096	418,096	418,096	
CTC	8,600	8,600	8,600	11,612,150			10,911,708	10,911,708	1,350	1,710	1,710	1,350	1,710	1,350	14,706,000	3,794,292	(700,442)	(700,442)	(700,442)	
Chevron Lubricants Lanka PLC	80,000	80,000	-	-			-	14,904,529	179	-	-	-	-	-	14,300,000	(604,529)	-	-	-	
Singer SL PLC	104,303	104,303	-	-			-	8,751,819	77	-	-	-	-	-	8,031,331	(720,488)	-	-	-	
NTB	80,693	80,693	-	-			-	25,110,866	289	-	-	-	-	-	23,340,450	(1,770,415)	-	-	-	
TKYO	-	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	
Hayleys PLC	13,800	13,800	-	-			-	-	-	-	-	-	-	-	14,782,500	(1,474,659)	-	-	-	
Haycarb PLC	135,000	135,000	-	-			-	16,257,159	110	110	110	-	-	-	14,782,500	(1,474,659)	-	-	-	
		492,396	618,605	55,531,388			43,186,499	85,244,177							84,960,281	(283,896)			(12,344,888)	

12.2 Profit or Loss on Disposal of Equity Securities 31.03.2026	No of shares	Date of Disposal	Price Per Share	Cost	SP /Share	Sale Proceeds	Profit/(Loss)
John Keels Holding PLC	330,000	07.10.2025	16.60	5,477,123	21.46	7,080,797	1,603,674
Commercial Bank of Ceylon PLC	116,344	13.03.2026	95.14	11,068,890	200.26	23,298,618	12,229,728
Hemas Holding PLC	75,000	08.01.2026	13.93	1,044,662	35.03	2,627,185	1,582,523
Hemas Holding PLC	400,000	09.01.2026	13.93	5,571,529	34.47	13,789,121	8,217,591
TKYO	200,120	12.02.2026	93.77	18,764,389	103.09	20,629,693	1,865,303
Hayleys PLC	3,909	18.03.2026	193.49	756,371	1.05	792,370	35,999
Hayleys PLC	226,091	20.03.2026	193.49	43,747,422	1.05	45,829,550	2,082,128
	1,351,464			86,430,386		114,047,333	27,616,947



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

12. OTHER FINANCIAL ASSETS (Contd...)

12.3 Profit or Loss on Disposal of Equity Securities 31.03.2025

	No of Shares	Date of Disposal	Price per Share		Cost		SP /Share		Sale Proceeds		Profit/(Loss)	
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Dialog Axiata PLC	169,512	24.04.2024	9	1,456,990	12	1,994,313	537,324					
Dialog Axiata PLC	816,611	01.05.2024	10	7,947,973	12	9,608,833	1,660,860					
John Keels Holding PLC	30,000	24.04.2024	144	4,305,184	201	6,021,792	1,716,608					
Hatton National Bank PLC	15,938	01.05.2024	128	2,035,470	202	3,226,756	1,191,286					
Hatton National Bank PLC	10,000	26.05.2024	178	1,778,571	204	2,036,928	258,357					
Hatton National Bank PLC	20,000	04.07.2024	176	3,522,033	201	4,024,812	502,778					
Commercial Bank of Ceylon PLC	10,562	01.05.2024	79	833,031	115	1,211,470	378,439					
Commercial Bank of Ceylon PLC	19,995	13.06.2024	79	1,583,634	108	2,155,045	571,411					
Peoples Leasing and Finance PLC	736,511	06.01.2025	12	8,727,331	12	8,933,297	205,966					
Peoples Leasing and Finance PLC	250,000	13.06.2024	11	2,700,405	13	3,164,160	463,755					
Aitken Spence Hotel Holding PLC	60,000	15.01.2025	62	3,713,817	81	4,864,896	1,151,079					
Central Finance	50,000	15.01.2025	126	6,304,405	184	9,220,560	2,916,155					
CIC Holding	85,000	15.01.2025	59	5,020,580	67	5,715,264	694,684					
Teejay Lanka PLC	28,000	15.01.2025	340	9,515,775	485	13,566,336	4,050,561					
	<u>2,302,129</u>			<u>59,445,199</u>		<u>75,744,463</u>	<u>16,299,264</u>					

13. INVENTORIES

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Raw materials	155,574,398	103,367,956	155,574,398	103,367,957
Packing materials	4,876,111	3,871,454	4,876,111	3,871,454
Goods in Transit	6,413,457	11,901,000	6,413,457	11,901,000
Work in Progress	1,832,796	3,399,875	1,832,796	3,399,875
Semi finished Goods	14,161,391	19,636,018	14,161,391	12,325,165
Finished goods	152,383,443	140,806,235	78,809,649	85,321,377
	<u>335,241,596</u>	<u>282,982,537</u>	<u>261,667,803</u>	<u>220,186,828</u>
Less: Provision for slow moving Inventories (Note 13.1)	<u>(37,613,833)</u>	<u>(38,495,765)</u>	<u>(17,037,671)</u>	<u>(15,734,758)</u>
	<u>297,627,763</u>	<u>244,486,772</u>	<u>244,630,131</u>	<u>204,452,069</u>



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

13. INVENTORIES (Contd...)

13.1 Provision for Slow Moving Inventories

	Group		Company	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
	Rs.	Rs.	Rs.	Rs.
Balance as at the beginning of the year	38,495,763	46,946,974	15,734,758	24,444,218
Provision for the year	(881,931)	(8,451,209)	1,302,912	(8,709,459)
Balance as at the end of the period	37,613,833	38,495,765	17,037,671	15,734,758

13.1.1 Provision Category wise

	Group		Company	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
	Rs.	Rs.	Rs.	Rs.
Raw materials	9,192,330	9,921,325	9,192,330	9,921,325
Packing materials	153,769	362,779	153,769	362,779
Finished goods	24,242,391	1,709,500	3,666,229	1,709,500
Semi-finished goods	4,025,343	26,502,160	4,025,343	3,741,155
	37,613,833	38,495,765	17,037,671	15,734,758

13.2 The group has mortgaged its stocks with assignment over Trade Debtors, to obtain banking facilities as follows

Name of the Bank	Facility	Security Value	
		Group	Company
		Rs.	Rs.
Commercial Bank of Ceylon PLC		105,000,000	70,000,000
State Bank of India, Colombo Branch	Fund based and non-fund based short term facilities	20,000,000	20,000,000
		125,000,000	90,000,000



Nilkamal Eswaran Plastics (Private) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

14. TRADE AND OTHER RECEIVABLE

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade Receivables - Related Parties (Note 14.1)	7,291,091	12,437,659	6,541,465	12,437,659
- Other	294,639,470	192,662,771	254,254,646	185,870,798
Less: Provision for impairment (Note 14.2)	(5,826,091)	(4,471,596)	(4,747,073)	(3,813,768)
	296,104,469	200,628,834	256,049,038	194,494,690
Staff Loans	5,682,981	4,287,713	5,682,981	4,287,713
Refundable Deposits	4,027,036	5,201,873	3,914,040	5,170,877
Prepayments and advances	4,362,751	4,088,483	4,318,451	4,056,825
Advances paid to suppliers	243,856,422	24,928,085	243,856,422	24,502,126
VAT Receivables	7,741,122	10,151,787	-	-
Other receivables	2,592,576	1,431,176	2,592,576	1,431,176
NBT recoverable	247,460	247,460	247,460	247,460
	564,614,817	250,965,410	516,660,968	234,190,866

14.1 Trade Receivables - Related Parties

Relationship	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Good Value Eswaran (Pvt) Ltd	5,987,963	5,069,579	5,459,507	5,069,579
Eswaran Brothers Exports (Pvt) Ltd	197,910	278,600	197,910	278,600
Good Value Eswaran Worldwide (Pvt) Ltd	527,847	-	306,677	-
Eswaran Brothers Ceylon (Pvt) Ltd.	58,776	-	58,776	-
Nilkamal Limited	518,596	7,089,481	518,596	7,089,481
	7,291,091	12,437,659	6,541,465	12,437,659

14.2 Provision for Impairment

Balance as at 01 April	4,471,596	2,696,558	3,813,768	2,680,741
Charge for the year	4,453,328	3,323,279	4,032,138	2,681,267
Written off during the year	(3,098,833)	(1,548,241)	(3,098,833)	(1,548,241)
Balance as at 31 March	5,826,091	4,471,596	4,747,073	3,813,768

15. CASH AND CASH EQUIVALENTS

Components of Cash and Cash Equivalents

15.1 Favorable Cash and Cash Equivalent Balance

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash at Bank	36,546,367	6,535,438	35,403,827	2,123,389
Cash In Hand	1,574,759	969,991	1,549,759	905,880
Investments on Units @ CAL Fixed income Fund	118,724,125	113,857,471	118,724,125	113,857,471
Repo investments in Sri Lanka Government Treasury Bills	71,000,000	386,000,000	47,000,000	350,000,000
Investments in Fixed Deposits	383,746,292	312,007,188	383,746,292	312,007,188
Interest Receivable	8,404,685	21,558,907	8,404,685	21,434,907
	619,996,228	840,928,995	594,828,688	800,328,834

15.2 Favorable Cash and Cash Equivalent Balance

Bank Overdraft	-	(2,242,710)	-	(2,242,710)
	-	(2,242,710)	-	(2,242,710)

Total Cash and Cash Equivalents For the Purpose of Statement of Cash Flows

	619,996,228	838,686,286	594,828,688	798,086,125
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16. STATED CAPITAL

	Company/Group		Company/Group	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Ordinary Shares	1,578,800	1,578,800	20,000,000	20,000,000
	1,578,800	1,578,800	20,000,000	20,000,000



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

17. RETIREMENT BENEFIT OBLIGATIONS

	Company		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Balance as at 01 April	47,370,680	40,289,992	47,370,680	40,289,992
Current Service Cost	5,604,033	3,841,271	5,604,033	3,841,271
Interest Cost	3,789,655	7,252,198	3,789,655	7,252,198
Actuarial Loss	1,563,210	1,534,373	1,563,210	1,534,373
Payments made during the year	(6,317,672)	(5,547,154)	(6,317,672)	(5,547,154)
Balance as at 31 March	<u>52,009,905</u>	<u>47,370,680</u>	<u>52,009,905</u>	<u>47,370,680</u>

17.1 The Principal Assumptions Used are as follows:

	2026	2025
Principal assumptions used were as follows at the reporting date:		
Discount Rate	11%	11%
Future Salary Increment	12%	12%
Retirement Age	60 Years	60 Years
Staff Turnover	38%	8%

18. TRADE AND OTHER PAYABLE

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade Payables - Related Parties (Note 18.1)	-	2,975	-	2,975
- Other	39,177,471	19,319,063	37,775,356	19,256,811
Security Deposits from Trade Debtors	1,100,000	1,100,000	1,100,000	1,100,000
Accrued Expenses	49,493,114	27,807,895	48,075,658	25,559,905
Value Added Tax Payable	11,758,136	16,765,955	11,758,136	16,765,955
Social Security Contribution Levy Payable	2,669,412	3,004,942	2,669,412	3,004,942
Advances from Customers	5,587,702	2,379,726	4,960,871	2,224,613
Other Payables	6,207,255	5,268,593	6,207,255	5,268,593
	<u>115,993,090</u>	<u>75,649,149</u>	<u>112,546,688</u>	<u>73,183,794</u>

18.1 Trade Payables - Related Parties

	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Eswaran Brothers Ceylon (Pvt) Ltd	Affiliate Company	-	2,975	-	2,975
		<u>-</u>	<u>2,975</u>	<u>-</u>	<u>2,975</u>

19. RELATED PARTY PAYABLES

	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Nilkamal Limited	Parent Company	4,086,631	2,989,188	4,086,631	2,989,188
		<u>4,086,631</u>	<u>2,989,188</u>	<u>4,086,631</u>	<u>2,989,188</u>

20. PROFIT FROM CONTINUING OPERATIONS

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Stated after Charging /(Crediting)				
Depreciation	27,400,500	28,791,533	27,400,500	28,791,533
Audit Fees and Expenses	2,758,972	2,785,587	2,296,972	2,455,587
Non Audit Services	1,118,606	334,969	1,118,606	334,969
Amortization of Intangible Assets	563,997	287,915	563,997	287,915
(Reversal)/Provision for impairment of trade receivables	2,476,887	2,996,944	2,055,697	2,681,267
(Charge)/Reversal of provision for Inventories	(881,931)	(8,451,208)	1,302,912	(8,709,458)
Staff Costs Includes				
- Defined Benefit Plan Costs - Gratuity	10,956,893	12,627,842	10,956,893	12,627,842
- Defined Contribution Plan Costs - EPF and ETF	18,680,135	13,927,093	18,680,135	13,927,093
- Salaries , wages and Other related Costs	166,899,144	158,413,409	166,899,144	158,413,409
	<u>166,899,144</u>	<u>158,413,409</u>	<u>166,899,144</u>	<u>158,413,409</u>



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

21. COMMITMENTS AND CONTINGENCIES

21.1 Capital Expenditure Commitments

The Company does not have significant Capital Expenditure commitments as at the date of reporting.

21.2 Contingencies

The Company does not have significant contingencies as at the reporting date.

22. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements.

23. RELATED PARTY TRANSACTIONS

23.1 Key Management Personnel

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

The Company/Group has identified the Board of Directors of the Company, Board of Directors of the Parent and other members of the management team who hold significant authority and responsibility for planning, directing and controlling the entity's activities as KMP of the Company/Group.

23.2 Compensation of Key Management Personnel

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Short Term Benefits	37,503,878	18,286,589	37,503,878	18,286,589
	<u>37,503,878</u>	<u>18,286,589</u>	<u>37,503,878</u>	<u>18,286,589</u>

23.3 Transactions with Related Companies

Company Name	Relationship	Nature of Transaction	Company		
			2026 Rs.	2025 Rs.	
Nilkamal Eswaran Marketing (Pvt) Ltd	Subsidiary Company	Opening Balance	-	2,934,871	
		Net fund transfer to/(from) the Related Party Company	76,334,417	32,683,546	
		Settlement of Dues to the Related Party Company	(76,334,417)	(35,618,417)	
		Closing Balance	-	-	
		Parent Company	Opening Balance	7,089,481	(5,334,812)
	Purchases for the Related Party Company	(44,705,912)	(15,282,581)		
	Settlement during the period	38,135,027	27,706,873		
		518,596	7,089,481		
		Final Dividend Paid	(133,570,000)	-	
		Interim Dividend Paid	(133,570,000)	(89,070,100)	
Nilkamal Limited		Opening Balance	(2,989,188)	(2,237,286)	
		Royalty Charge	(14,883,415)	(11,956,563)	
		Royalty Paid	13,785,973	11,204,661	
		Closing Balance	(4,086,631)	(2,989,188)	
			Opening Balance	-	-
	Mould lease income from the Related Party Company	-	119,200		
	Transferred to exchange gain	-	(119,200)		
	Closing Balance	-	-		
	Eswaran Brothers Exports (Pvt) Ltd	Affiliate Company	Opening Balance	278,600	-
			Sales	1,067,110	427,740
Settlements			(1,147,800)	(149,140)	
Closing Balance			197,910	278,600	



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

23. RELATED PARTY TRANSACTIONS (Contd...)

23.3 Transactions with Related Companies (Contd...)

Company Name	Relationship	Nature of Transaction	Company	
			2026 Rs.	2025 Rs.
Eswaran Brothers Ceylon (Pvt) Ltd	Affiliate Company	Opening Balance	(2,975)	(2,975)
		Sales	116,795	-
		Settlements	(55,044)	-
		Closing Balance	<u>58,776</u>	<u>(2,975)</u>
Good Value Eswaran (Pvt) Ltd	Affiliate Company	Opening Balance	4,442,685	5,212,717
		Sales	31,110,630	24,380,415
		Settlements	(30,093,808)	(25,150,447)
		Closing Balance	<u>5,459,507</u>	<u>4,442,685</u>
Good Value Eswaran Worldwide (Pvt) Ltd	Affiliate Company	Opening Balance	626,894	37,010
		Sales	986,794	1,730,241
		Settlements	(1,307,011)	(1,140,357)
		Closing Balance	<u>306,677</u>	<u>626,894</u>

23.4 The Company has provided a Corporate Guarantee for Rs 16mn in 21 November 2012 for banking facility made available to the Subsidiary Nilkamal Eswaran Marketing (Pvt) Ltd by the Commercial Bank of Ceylon PLC.

24. CURRENT TAXATION

	Company	
	2026 Rs.	2025 Rs.
Opening balance at the beginning of the year	121,645,122	56,591,575
Self Assessment Tax Payment for 24/25		
Q4	(100,000,000)	(7,066,582)
Final Tax	(21,644,983)	(50,846,624)
WHT Claimed	-	(76,779)
Sub Total	<u>(121,644,983)</u>	<u>(57,989,985)</u>
Self Assessment Tax Payment for 25/26		
Q1	(18,266,944)	(6,705,381)
Q2	(17,778,732)	(6,642,949)
Q3	(17,778,732)	(6,541,611)
WHT Claimed 25/26	(2,663,304)	(1,137,904)
WHT On CAL Fixed Income securities	-	-
	-	(767,875)
Over/Under provision pertaining to last year	-	(9,324)
Sub Total	<u>(56,487,712)</u>	<u>(21,805,043)</u>
Current year Provision	<u>175,996,651</u>	<u>144,848,576</u>
	<u>119,509,079</u>	<u>121,645,122</u>



NILKAMAL ESWARAN PLASTICS (PRIVATE) LIMITED

**DETAILED STATEMENT OF PROFIT OR LOSS
YEAR ENDED 31 MARCH 2026**



Nilkamal Eswaran Plastics (Private) Limited

DETAILED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2026

	STATEMENT	Company	
		2026 Rs.	2025 Rs.
Revenue		1,984,454,309	1,594,208,424
Cost of Sales	I	(1,039,132,560)	(848,613,233)
Gross Profit		<u>945,321,749</u>	<u>745,595,190</u>
Other income		31,162,655	25,641,699
Administrative expenses	III	(120,264,412)	(101,904,217)
Distribution expenses	IV	(315,092,110)	(231,458,252)
Profit from Operations		<u>541,127,881</u>	<u>437,874,421</u>
Finance Income		52,223,501	53,620,673
Finance Cost		(1,982,502)	(1,690,736)
Profit Before Taxation		<u><u>591,368,880</u></u>	<u><u>489,804,358</u></u>



Nilkamal Eswaran Plastics (Private) Limited

DETAILED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2026

STATEMENT - I

	Company	
	2026	2025
	Rs.	Rs.
COST OF SALES		
Opening Stock	220,186,828	229,589,717
Purchases	892,698,068	695,593,188
Provision for Discount for Slow-moving Stock	1,302,912	(8,709,458)
Manufacturing Cost (Statement II)	192,100,097	166,782,013
Goods in Transit	(5,487,543)	(14,455,401)
Closing Stock	(261,667,803)	(220,186,828)
	<u>1,039,132,560</u>	<u>848,613,233</u>

STATEMENT - II

	Company	
	2026	2025
	Rs.	Rs.
MANUFACTURING COST		
Annual Leave Encashment	2,443,230	2,440,075
Attendance Allowance	1,936,050	1,068,883
Bonus	5,183,961	2,749,523
Budgetary Allowance	211,500	883,595
Contract Wages	39,741,181	28,722,426
Depreciation on Moulds	4,619,635	7,264,841
Depreciation on Plant, Machinery and Equipment	13,123,798	13,843,684
Electricity	34,443,962	40,403,193
EPF	4,858,364	3,827,291
ETF	1,214,591	956,825
Factory Consumables	2,249,754	2,561,847
Hard Shift Allowance	168,075	176,000
Loading and Unloading Charges	1,500	105,010
Loading and Unloading Furniture	71,790	-
Loading and Unloading on Purchases	63,720	-
Meal Allowance	-	5,565
Night Shift Allowance - Factory	40,838	19,530
OSS Products Expenses	681,053	586,681
Overtime	16,088,902	13,127,723
Outsourced Labour charges	1,935,343	-
Plant & Machinery Maintenance	11,560,489	10,419,987
Powder Coating Chagres	6,635,356	3,763,044
Production Incentive	3,637,659	1,053,422
Related Expenses - Leased Moulds	-	137,601
Salaries & Wages	28,409,369	22,555,523
Screen Printing	1,173,895	314,977
Special Allowance	2,014,568	1,625,661
Staff Welfare Factory	1,720,408	-
Travelling Allowance	5,958,175	5,085,493
Water Bill Expenses	1,730,783	1,348,039
Sofa Labour	182,150	1,735,575
	<u>192,100,097</u>	<u>166,782,013</u>



Nilkamal Eswaran Plastics (Private) Limited

DETAILED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2026

STATEMENT - III

ADMINISTRATION COSTS

	Company	
	2026 Rs.	2025 Rs.
Accommodation	1,981,077	1,340,041
Annual Leave Encashment	1,092,481	1,152,340
EPF 12%	2,831,063	2,090,876
ETF 3%	707,766	522,737
Bonus	2,248,130	1,192,395
Gratuity	10,956,893	12,627,842
Salaries	15,321,504	10,755,664
Special Allowance	2,785,907	2,448,456
Budgetary Allowance	7,788	49,000
Vehicle Hiring	1,443,570	1,022,400
Overtime	335,813	83,508
Traveling Allowance	4,331,570	3,169,835
Travelling expense	1,703,812	2,050,299
Fuel Expenses	2,850,350	2,984,908
Foreign Travelling	1,938,211	-
Seminar & Training	52,214	19,000
Staff Recruitment	2,601,213	109,720
Vehicle Maintenance	3,525,999	5,969,907
Audit Fees	2,296,972	1,955,556
Audit Fees - Internal	1,118,606	835,000
Books & Periodicals	95,070	98,300
Building Maintenance	2,664,436	1,853,174
Charity & Donations	98,000	145,050
Computer Consumables	273,975	635,300
Container Washing & Cleaning Charges	344,041	47,180
Depreciation on Other Fixed Assets	10,221,065	7,970,923
Insurance Expenses	7,236,975	6,790,324
Legal & Consultancy Fees	30,000	-
License Fee	425,910	213,576
Medical Expenses	261,046	254,184
Office Maintenance	17,944,809	17,479,913
Payroll Outsourcing Fee	-	208,339
Postage, Stamp & Courier	302,056	106,289
Printing & Stationery	558,835	400,675
Rates & Taxes	2,435,454	2,435,454
Secretarial Fees	187,667	328,144
Security Expenses	9,403,780	6,431,033
Staff Welfare	5,578,813	4,396,426
Stamp Duty	110,475	99,950
Tab & Phone Repair	99,119	200,931
Telephone & Fax	1,861,945	1,417,829
Miscellaneous Expenses	-	11,740
	<u>120,264,412</u>	<u>101,904,217</u>



Nilkamal Eswaran Plastics (Private) Limited

DETAILED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2026

STATEMENT - IV

DISTRIBUTION EXPENSES

	Company	
	2026	2025
	Rs.	Rs.
Advertising Expenses	87,280	23,320
Annual Leave Encashment	2,584,209	3,960,701
Bad Debts	2,055,697	2,681,267
Budgetary Allowance	219,250	819,756
Bonus	7,136,503	2,791,608
Daraz Sales Commission	-	157,932
Daraz Sales Promotion	241,002	-
Distributor Sales Incentives	25,736,035	9,103,235
EPF	7,254,681	5,227,506
ETF	1,813,670	1,301,858
Export Charges	24,482	-
Fields Sales Expenses	8,502,265	6,173,912
Fuel Expenses	6,332,193	5,489,985
Online Courier Chagres	670,087	491,313
Online Sales Commission	-	751
Overtime	983,451	367,453
Promotions & Events	16,407,934	7,159,671
Purchase of Samples	12,900	227,045
Review Meeting Expense	575,055	461,969
Royalty	14,883,416	11,956,563
Salaries	49,338,282	26,675,219
Sales Incentives	27,634,687	34,427,715
Settlement Discounts	23,528,022	17,521,265
Social Security Contribution Levy	42,409,557	33,911,038
Sofa Warranty Provision Charge	(541,126)	-
Special Allowance	5,604,775	5,453,796
Tender Expenses	730,160	653,440
Transport Charges	60,529,510	44,686,702
Traveling Allowance	5,330,516	9,577,542
Traveling for sales	4,872,474	-
Written Off Unclaimed VAT	135,144	155,686
	<u>315,092,110</u>	<u>231,458,252</u>



NILKAMAL ESWARAN MARKETING (PRIVATE) LIMITED

FINANCIAL STATEMENTS

31 MARCH 2026

NYR/KRA/DM

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF NILKAMAL ESWARAN MARKETING (PRIVATE) LIMITED

Opinion

We have audited the financial statements of Nilkamal Eswaran Marketing (Private) Limited, which comprise the statement of financial position as at 31 March 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for small and medium - sized entities (SLFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium - Sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(Contd...2/)

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**Shape the future
with confidence**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

A handwritten signature in black ink, appearing to read 'Ems & Young'.

11 May 2026
Colombo

Nilkamal Eswaran Marketing (Private) Limited

STATEMENT OF FINANCIAL POSITION

Year ended 31 March 2026

	Notes	2026 Rs.	2025 Rs.
Revenue	4.	161,605,075	79,711,086
Cost of Sales		(120,460,291)	(58,089,593)
Gross Profit		<u>41,144,784</u>	<u>21,621,493</u>
Administrative Expenses		(822,026)	(615,513)
Distribution Expenses		(5,994,693)	(2,034,773)
Profit from Operations		<u>34,328,065</u>	<u>18,971,207</u>
Finance Income	12.1	1,579,738	2,612,037
Finance Cost	12.2	(423,013)	(263,568)
Profit Before Taxation		<u>35,484,790</u>	<u>21,319,675</u>
Income Tax Expense	13	(10,116,341)	(6,664,794)
Profit for the Year		<u><u>25,368,449</u></u>	<u><u>14,654,881</u></u>

The accounting policies and notes on pages 07 through 17 form an integral part of the Financial Statements.



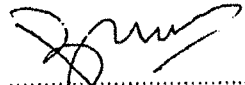
Nilkamal Eswaran Marketing (Private) Limited

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

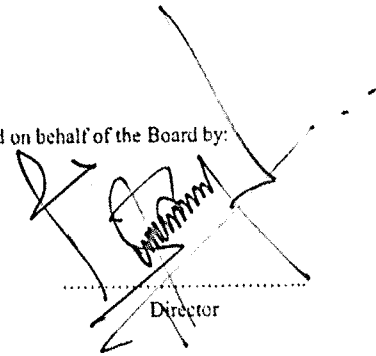
	Note	2026 Rs.	2025 Rs.
ASSETS			
Current Assets			
Inventories	5.	52,997,632	40,034,706
Trade and Other Receivables	6.	47,953,852	16,774,545
Cash and Cash Equivalents	11.1	25,167,540	40,600,161
Total Assets		<u>126,119,024</u>	<u>97,409,412</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	7.	1,000	1,000
Retained Earnings		116,656,631	91,233,182
Total Equity		<u>116,657,631</u>	<u>91,234,182</u>
Current Liabilities			
Trade and Other Payables	8.	3,446,446	2,465,356
Related Party Payable	9.	-	-
Current Taxation	10	6,014,947	3,654,374
		<u>9,461,393</u>	<u>6,120,230</u>
Total Equity and Liabilities		<u>126,119,024</u>	<u>97,409,412</u>

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No 07 of 2007.


.....
Finance Officer

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by:


.....
Director


.....
Director

The accounting policies and notes on pages 07 through 17 form an integral part of the Financial Statements.

11 May 2026
Colombo



Nilkamal Eswaran Marketing (Private) Limited

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2026

	Note	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
As at 31 March 2024		1,000	76,633,301	76,634,300
Profit for the Year		-	14,654,881	14,654,881
As at 31 March 2025		1,000	91,288,182	91,289,181
Profit for the Year		-	25,368,449	25,368,449
As at 31 March 2026		1,000	116,656,631	116,657,630

The accounting policies and notes on pages 07 through 17 form an integral part of the Financial Statements.



Nilkamal Eswaran Marketing (Private) Limited

STATEMENT OF CASH FLOWS

Year ended 31 March 2026

	Note	2026 Rs.	2025 Rs.
Cash Flows From / (Used in) Operating Activities			
Profit before Income Tax Expenses		35,484,790	21,319,675
Adjustments for			
Provision for slow moving inventories	4.1	(2,184,843)	258,250
Provision for impairment of trade debtors		421,190	642,012
Finance expense	11.2	423,013	263,568
Operating Profit before Working Capital Changes		<u>34,144,150</u>	<u>22,483,505</u>
		(10,778,083)	(9,303,492)
(Increase)/Decrease in Inventories		(31,600,497)	5,771,184
(Increase)/Decrease in Trade and Other Receivables		981,090	1,022,349
Increase/(Decrease) in Trade and Other Payables		-	(2,934,871)
Increase/(Decrease) in Related Party Payable		<u>(7,253,339)</u>	<u>17,038,675</u>
Cash Generated from Operations			
		(7,756,268)	(6,322,353)
Tax Paid	9	<u>(7,756,268)</u>	<u>(6,322,353)</u>
Net Cash Flows (used in)/ from Operating Activities		<u>(15,009,607)</u>	<u>10,716,322</u>
Cash Flows from / (used in) Investing Activities			
Net Cash Flows from / (used in) Investing Activities		<u>-</u>	<u>-</u>
Cash Flows from / (used in) Financing Activities			
Finance expense	11.2	(423,013)	(263,568)
Net Cash Flows from / (used in) Financing Activities		<u>(423,013)</u>	<u>(263,568)</u>
Net (Decrease) / Increase in Cash and Cash Equivalents		(15,432,620)	10,452,754
Cash and Cash Equivalents at the beginning of the year	10	40,600,161	30,147,406
Cash and Cash Equivalents at the end of the year		<u>25,167,540</u>	<u>40,600,161</u>

The accounting policies and notes on pages 07 through 17 form an integral part of the Financial Statements.



1. CORPORATE INFORMATION

1.1 General

Nilkamal Eswaran Marketing (Private) Limited (“the Company”) is a private limited liability company incorporated and domiciled in Sri Lanka. The registered office and the principal place of business of the Company is located at 328, Madapatha Road, Batakettera, Piliyandala.

1.2 Principal Activities and Nature of Operations

The principal activity of the Company is buying and selling all kinds of furniture and crates.

1.3 Parent Entity and Ultimate Parent Entity

The Company’s parent entity and ultimate parent entity are Nilkamal Eswaran Plastics (Private) Limited and Nilkamal Limited - India respectively.

1.4 Date of Authorization for Issue

The Financial Statements of Nilkamal Eswaran Marketing (Private) Limited for the year ended 31 March 2026 were authorized for issue in accordance with a resolution of the Board of Directors on 11 May 2026.



2. GENERAL POLICIES

2.1 Basis of preparation

These Financial Statements have been prepared in accordance with the Sri Lanka Financial Reporting Standards for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka.

The functional currency of the Company is Sri Lankan Rupees. The Financial Statements of the Company are presented in Sri Lankan Rupees. The Financial Statements have been prepared on a historical cost basis unless otherwise indicated.

2.2 Statement of Compliance

The Financial Statements of the Company, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Changes in Equity and Cash Flows together with Accounting Policies and Notes to the Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities.

The preparation and presentation of these Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007.

2.3 Going Concern

The Directors have made an assessment of the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.4 Comparative Information

Where necessary, comparative figures have been rearranged to conform with the current year's presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

3.1 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Foreign currency differences arising on retranslation are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3.2 Income Tax Expense

Income tax expenses comprise of current & deferred tax expenses recognized in the Statement of Profit or Loss and Other Comprehensive Income.

a) Current Taxation

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

The Company's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent gazette notifications.

b) Deferred Taxation

Deferred tax is provided on the liability method for all temporary differences as at the reporting date between the tax bases of assets and liabilities and their carrying amounts of assets and liabilities for financial reporting purposes. The balance in the deferred taxation account represents income tax applicable to the difference between the written down values for tax purposes of the assets on which tax depreciation has been claimed and the net book value of a such asset, offset by the provision for employee benefit which is deductible for tax purpose only on payment.

3.3 Events occurring after the reporting date

The materiality of the events occurring after the reporting date has been considered and appropriate adjustments or disclosures have been made in the Financial Statements where necessary.

3.4 ASSETS AND BASES OF THEIR VALUATION

3.4.1 Inventories

Inventories are valued at lower of cost or net realizable value, after making due allowance for obsolete and slow-moving items. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for cost of realization and/or cost of conversion from their existing state to saleable condition.

Finished Goods -	At purchase cost on first-in-first-out (FIFO) basis
Goods in Transit -	At purchase cost

3.4.2 Financial Assets

An entity shall recognise a financial asset or a financial liability only when the Company becomes a party to the contractual provisions of the instrument.



3.5 Initial measurement

When a financial asset or financial liability is recognised initially, the Company shall measure it at the transaction price (including transaction costs) unless the arrangement constitutes, in effect, a financing transaction. A financing transaction may take place in connection with the sale of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. If the arrangement constitutes a financing transaction, the Company shall measure the financial asset or financial liability at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

3.5.1 Subsequent measurement

At the end of each reporting period, the Company shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposals.

Debt instruments shall be measured at amortised cost using the effective interest method. Cash and debt instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received (i.e., net of impairment) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the entity shall measure the debt instrument at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other receivables

Trade and other receivables and due from Related Parties are initially recognized at costs. Trade receivables and other receivables are stated at the amounts they are estimated to realize net of impairment for bad and doubtful receivables.

If receivables extend beyond the normal credit terms, those receivables are measured at amortized cost using the effective interest rate at the end of each reporting period.

Cash and Cash Equivalents

Cash and cash equivalents are cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

3.5.2 Impairment of financial assets measured at cost or amortised cost

At the end of each reporting period, the Company shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost. If there is objective evidence of impairment, the entity shall recognize an impairment loss in profit or loss immediately. Objective evidence that a financial asset or group of assets is impaired includes observable data that come to the attention of the Company about the loss events.

3.5.2.1 Measurement

The Company shall measure an impairment loss on financial assets measured at cost or amortised cost as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

3.5.3 Derecognition of a financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all risks and rewards of ownership and it does not retain control of the financial asset.

3.6 Impairment of Non-financial assets

The carrying amounts of the Company's non-financial assets such as deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognized in profit or loss.

3.7 LIABILITIES AND PROVISIONS

Liabilities classified as Current Liabilities on the Statement of Financial Position are those obligations payable on demand or within one year from the Statement of Financial Position. Items classified as non-current liabilities are those obligations, which expire beyond a period of one year from the reporting date.

All known liabilities have been accounted for in preparing the Financial Statements. Provisions and liabilities are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.7.1 Non-derivative financial liabilities

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The non – derivative financial liabilities comprise only with trade and other payables

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

3.7.2 Provisions and liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount rate is recognised as a finance cost.

3.7.3 Contingencies and Capital Commitments

All material capital commitments and contingencies, which exist as at the reporting date, are disclosed in the respective notes to the Financial Statements.

3.8 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

3.8.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes.

The following specific criteria are used for the purpose of recognition of revenue.

a) Sale of Goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognized when significant risks and rewards of ownership have been transferred to the customers, usually on dispatch of the goods.

b) Other Income

Other income is recognized on an accrual basis.

Net gains and losses of a revenue nature on the disposal of non-current assets are accounted for in the Statement of Profit or Loss and Other Comprehensive Income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

3.8.2 Expenditure Recognition

a) Operating Expenses

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on the basis of a direct association between the cost incurred and the earning specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of Profit or Loss and Other Comprehensive Income.

b) Finance Income and Expense

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments throughout the expected life of the financial asset or liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liabilities. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

c) Borrowing cost

All borrowing costs are recognised as an expense in the period in which they are incurred.

3.9 Related Party Transactions

Disclosures has been made in respect of the transactions in which one party has the liability to control or exercise significant influence over the financial and operating decisions/policies of the other, irrespective of a price being charged.

Nilkamal Eswaran Marketing (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2026

4. REVENUE	2026 Rs.	2025 Rs.		
Sales of Goods	161,605,075	79,711,086		
	<u>161,605,075</u>	<u>79,711,086</u>		
5. INVENTORY	2026 Rs.	2025 Rs.		
Furniture	15,459,286	2,246,776		
Crates	55,705,883	60,244,104		
Local Outsourcing Products	2,408,624	304,830		
Sub Total	<u>73,573,794</u>	<u>62,795,711</u>		
Less : Provision for slow moving inventories (Note 5.1)	<u>(20,576,162)</u>	<u>(22,761,005)</u>		
	<u>52,997,632</u>	<u>40,034,706</u>		
5.1 Movement in Provision for Slow Moving Inventories	2026 Rs.	2025 Rs.		
Balance as at the beginning of the year	22,761,005	22,502,756		
(Reversal) / Provision for the year	<u>(2,184,843)</u>	<u>258,250</u>		
Balance as at the end of the year	<u>20,576,162</u>	<u>22,761,005</u>		
6. TRADE AND OTHER RECEIVABLES	2026 Rs.	2025 Rs.		
Trade receivables (Note 6.1)	40,055,434	6,134,145		
Refundable Deposit	112,996	30,996		
Advance paid to Nilkamal Ltd	-	425,959		
Prepayments	44,301	31,658		
VAT receivables	7,741,122	10,151,787		
	<u>47,953,852</u>	<u>16,774,545</u>		
6.1 Trade receivables	2026 Rs.	2025 Rs.		
Trade Receivables - Related party	749,625	-		
Trade Receivables - Other	40,384,826	6,791,974		
Provision for impairment of trade receivables (Note 6.1.1)	<u>(1,079,018)</u>	<u>(657,828)</u>		
	<u>40,055,434</u>	<u>6,134,145</u>		
6.1.1 Provision for Impairment of Trade Receivables	2026 Rs.	2025 Rs.		
Balance as at the beginning of the year	657,828	15,817		
Provision / (Reversal) during the period	<u>421,190</u>	<u>642,012</u>		
Balance as at end of the year	<u>1,079,018</u>	<u>657,828</u>		
7. STATED CAPITAL	2026	2025		
	Number	Rs.	Number	Rs.
Fully Paid Ordinary Shares	100	1,000	100	1,000
	<u>100</u>	<u>1,000</u>	<u>100</u>	<u>1,000</u>



Nilkamal Eswaran Marketing (Private) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

8. TRADE AND OTHER PAYABLES	2026	2025
	Rs.	Rs.
Trade Payable - Other	1,402,114	62,251
Accrued Expenses	1,417,456	2,247,992
Advances from Customers	626,875	155,112
	<u>3,446,446</u>	<u>2,465,355</u>
9. RELATED PARTY PAYABLE	2026	2025
	Rs.	Rs.
Nilkamal Eswaran Plastics (Pvt) Ltd	-	-
Good Value Eswaran (Pvt) Ltd	-	-
	<u>-</u>	<u>-</u>
10. CURRENT TAX PAYABLE	2026	2025
	Rs.	Rs.
Balance as at beginning of the year	3,654,874	3,312,431
<u>Payment Made during the year</u>		
For 2024/25 Self Assessment Paid	(3,654,875)	(3,011,106)
For 2025/26 Self Assessment paid	(4,101,393)	(3,311,245)
Over/(Under) Provision	-	(1,187)
Provision for the year	10,116,341	6,665,981
Balance as at end of the period	<u>6,014,947</u>	<u>3,654,874</u>
11. CASH AND CASH EQUIVALENTS IN CASH FLOW STATEMENT	2026	2025
Components of Cash and Cash Equivalents	Rs.	Rs.
11.1 Favourable Cash and Cash Equivalents Balances		
Cash in hand	25,000	64,112
Cash at bank	1,142,540	4,412,049
REPO investments in Sri Lankan Government Treasury Bills	24,000,000	36,000,000
Interest Receivable	-	124,000
	<u>25,167,540</u>	<u>40,600,161</u>
11.2 Unfavourable Cash and Cash Equivalent Balances		
Bank Overdrafts	-	-
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	<u>25,167,540</u>	<u>40,600,161</u>
12. FINANCE INCOME AND FINANCE COST	2026	2025
	Rs.	Rs.
12.1 Finance Income		
Interest Income from REPO	1,579,454	2,612,037
Exchange Gain	285	-
	<u>1,579,738</u>	<u>2,612,037</u>
12.2 Finance Cost		
Bank Charges	422,131	234,325
Overdraft Interest	882	15,525
Exchange Loss	-	13,719
	<u>423,013</u>	<u>263,569</u>



13. INCOME TAX EXPENSE	2026 Rs.	2025 Rs.
Current Income Tax		
Income Liabe at 30% (13.1)	10,116,341	6,665,981
Income Tax Under/(Over) provision in previous year	-	(1,187)
Current Tax Expense	<u>10,116,341</u>	<u>6,664,794</u>
13.1 Reconciliation of the accounting profit & the income tax expenses	2026 Rs.	2025 Rs.
Profit before Tax	35,484,790	21,319,675
Other Sources of Income	(1,579,454)	(2,612,037)
Aggregate disallowable expenses	421,190	900,261
Aggregate allowable expenses	(2,184,843)	-
Taxable Income from business	<u>32,141,683</u>	<u>19,607,899</u>
Interest Income	1,579,454	2,612,037
Taxable Income from investment	<u>1,579,454</u>	<u>2,612,037</u>
Total Taxable Income	<u>33,721,136</u>	<u>22,219,936</u>
Tax Liability		
Liabe @ 30%	<u>10,116,341</u>	<u>6,665,981</u>
	<u>10,116,341</u>	<u>6,665,981</u>

14. RELATED PARTY DISCLOSURES

14.1 Transactions with the Related Parties

Company Name	Relationship	Nature of Transaction	Transaction Amount 2026 Rs.	Transaction Amount 2025 Rs.
Nilkamal Limited	Ultimate Parent	Opening Balance	427,246	3,363,334
		Purchase of Goods	(80,769,470)	(54,462,490)
		Settlements	80,342,224	51,526,402
		Closing Balance	<u>-</u>	<u>427,246</u>
Nilkamal Eswaran Plastic (Pvt) Ltd	Immediate Parent	Opening Balance	-	(2,934,871)
		Dues the company to be settled to NEPPL	60,868,302	35,321,142
		Dues the NEPPL to be settled to the	(60,868,302)	(32,386,271)
		Closing Balance	<u>-</u>	<u>-</u>
Good Value Eswaran (Pvt) Ltd	Affiliate Company	Opening Balance	-	-
		Sale	3,445,248	38,000
		Settlements	(2,916,793)	(38,000)
		Closing Balance	<u>528,455</u>	<u>-</u>
Eswaran Brothers Export (Pvt) Ltd	Affiliate Company	Opening Balance	-	-
		Sale	-	58,646
		Settlements	-	(58,646)
		Closing Balance	<u>-</u>	<u>-</u>
Good Value Eswaran WorldWide (Pvt) Ltd	Affiliate Company	Opening Balance	-	-
		Sale	221,170	-
		Closing Balance	<u>221,170</u>	<u>-</u>



15. COMMITMENTS AND CONTINGENCIES

15.1 Commitments

The following commitment have been identified as at the reporting date.

Bank	Type of Facility	Currency Type	2026	2025
Commercial Bank of Ceylon PLC	Letter of Guarantee	LKR	3,057,541	-

15.2 Contingencies

There were no significant contingencies as at the reporting date.

16. ASSETS PLEDGED

There were no assets have been pledged as security for liabilities.

17. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no event occurring after the Reporting date that require adjustments to or disclosures in these financial statements.



NILKAMAL ESWARAN MARKETING (PRIVATE) LIMITED

**DETAILED EXPENDITURE STATEMENTS
YEAR ENDED 31 MARCH 2026**



Nilkamal Eswaran Marketing (Private) Limited

DETAILED INCOME STATEMENT

Year ended 31 March 2026

	Note	2026 Rs.	2025 Rs.
REVENUE		161,605,075	79,711,086
Less: Cost of Sales			
Cost Of Goods Sold	Statement I	(120,460,291)	(58,089,593)
Gross Profit		<u>41,144,784</u>	<u>21,621,493</u>
Administrative Expenses	Statement II	(822,026)	(615,513)
Distribution Expenses	Statement III	(5,994,693)	(2,034,773)
		<u>(6,816,719)</u>	<u>(2,650,286)</u>
Profit from Operations		<u><u>34,328,065</u></u>	<u><u>18,971,207</u></u>



Nilkamal Eswaran Marketing (Private) Limited

DETAILED INCOME STATEMENT

Year ended 31 March 2026

STATEMENT I	2026	2025
	Rs.	Rs.
Cost Of Goods Sold		
Opening stock	62,795,711	53,492,218
Provision for Slow Moving Stocks (Expense)	(2,184,843)	258,250
Purchases	133,423,217	67,134,836
Closing Stock	(73,573,794)	(62,795,711)
	<u>120,460,291</u>	<u>58,089,593</u>

STATEMENT II	2026	2025
Administrative Expenses	Rs.	Rs.
Audit Fee	462,000	330,000
Insurance Charges	75,716	62,970
Stamp Duty	11,075	7,550
Postage/stamp/courier/Printing	31,075	10,200
Secretarial Fees	168,624	181,002
Container Washing & Cleaning Charges	73,535	4,487
Refundable Deposit Write Off	-	19,304
	<u>822,026</u>	<u>615,513</u>

STATEMENT III	2026	2025
Distribution Expenses	Rs.	Rs.
Sales Incentive	508,153	106,624
Field Sales Expenses - Furniture	20,823	-
Tender Expenses	425,320	257,415
Sales Promotion - Daraz	49,473	253,006
Provision for Bad Debts	421,190	642,012
Transport	3,078,111	758,516
Settlement Discount	541,289	-
Travelling Expenses	1,250	-
Distributor Sales Incentive	48,022	-
Social Security Contribution Leavy A/C	882,354	-
VAT on Free Issues & Sample Issues	816	2,694
Written Off Unclaimed VAT - 18%	17,892	5,319
Written Off Unclaimed VAT - 15%	-	587
Unloading Expenses - Local Furniture	-	8,600
	<u>5,994,693</u>	<u>2,034,773</u>



