

Independent Auditor's Report

To the Board of Directors of Harish Textile Engineers Limited.
Report on the audit of the Annual Financial Results.

Qualified Opinion

We have audited the accompanying financial results of HARISH TEXTILE ENGINEERS LIMITED (the "Company"), for the quarter ended March 31, 2026 (the "Statement") and for the year ended March 31, 2026, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us except for the effect of the matter described in the Basis for Qualified Opinion section of our report the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued there under and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the three months and year ended March 31, 2026.

Basis for Qualified Opinion

- a. We draw attention to Note 6 to the financial results, which describes extensions of timelines/defaults in repayment of debenture obligations/the Event of Default for redemption of debenture.

The Company has failed to meet its redemption payment obligation on its 7% Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures ("NCDs") - Old Series-III and New Series-IV, which were due for redemption on October 07, 2025 and December 20, 2025 respectively. The principal amount due was INR 64.72 Lakhs in respect of Old Series-III and INR 146.79 Lakhs in respect of New Series-IV and the interest due from April 01, 2025 to March 31, 2026 was INR 12.58 Lakhs. Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026.

The Company has received a Notice of "Event of Default" dated November 11, 2025 from Debenture Trustee, Axis Trustee Services Limited. The Debenture Trustee has notified the Company of its intent to initiate enforcement proceedings. Further, the Debenture Trustee has called upon the Company to repay aggregate dues amounting to INR 211.51 Lakhs plus interest till December 31, 2025, payable to the Old Series III and New Series IV Debenture Holders.

The financial results have not been adjusted to reflect the full impact of this breach, and in the absence of a complete assessment by the Management, we are unable to quantify the consequential impact on the financial position of the Company.

- b. We have not been able to validate the computation of interest liability provided of Rs 64.48 lakhs in the financial statement for the MSME vendors under the MSMED Act, in the absence of adequate audit evidence to establish the amounts payable to the vendors on account of interest on their outstanding dues. As a result, we are unable to quantify the consequential impact on the financial position of the Company.
- c. The Company has not quantified the impact of non-reversal of input tax credit pertaining to suppliers unpaid beyond 180 days as required under Section 16(2) of the CGST Act, 2017 read with Rule 37 of the CGST Rules. In the absence of such quantification, we are unable to determine the extent of overstatement of input tax credit and understatement of statutory liabilities and related interest, if any.

Our audit opinion on the financial statements for the year ended March 31, 2026 is qualified in respect of the aforesaid matters.

We conducted our audit of the Statement in accordance with the Standards on Auditing (“SA”s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statement Results 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 Statement Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matter:

Note 6 to the financial results, regarding extensions of timelines/defaults in repayment of debenture obligations/Notice of “Event of Default” received from Debenture Trustee, arising out of liquidity crunch faced by the Company. We further draw your attention to the fact that the net working capital of the Company is negative at the end of year ended March 31, 2026. The current liabilities (including short term borrowings) amounted to INR 6430.61 Lakhs. The current assets amounted to INR 4781.36 Lakhs. The net negative working capital has amounted to INR 1649.25 Lakhs.

In view of the above, the Company’s ability to continue as a going concern is dependent upon successful renewal/continuation of the aforesaid credit facilities, raising of additional funds, continued support from lenders, debenture holders and creditors, and generation of adequate cash flows from operations to meet its obligations as they fall due. Our opinion is not modified in respect of this matter.

Management’s Responsibilities for the financial results

314, Shriram Chambers, R. C. Dutt Road, Vadodara 390 005.
Phone No – (0265) 2314384 E-mail: office@kms.net.in

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited condensed financial statements for the year ended March 31, 2026. The Company's Management and the Board of Directors are responsible for the preparation and presentation of the Financial Results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the financial results

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

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

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement 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 Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

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

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

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

Emphasis of matter

We draw attention to the following:

- a. Note 4 of notes to the financial results for the quarter and twelve months ended March 31, 2026, which states that "the Company has received notice on 14th May 2022 from Shree Nikhil H Gandhi, Smt. Chhaya N. Gandhi and Smt. Kumudben H. Gandhi, claiming to be Shareholders of Pacific Harish Industries Limited ("PHIL"), that they have filed a company petition with Hon. NCLT, Mumbai Bench, inter-alia contending that the business of Non-Woven and PSF transferred to the Company by PHIL by way of Slump-sale w.e.f. April 01, 2019 was without obtaining the approval of Shareholders of PHIL and hence such transfer is invalid. The Company is taking appropriate legal recourse to protect its interest. Vide order dated 09th June, 2023, Hon. Bombay High Court has instructed parties to maintain Status quo and subsequently, Hon. NCLT as well vide its order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order. Subsequently, the Hon'ble High Court of Bombay vide order dated July 04, 2025 has disposed of the interim application seeking stay on the impugned order. The Impugned order restrains the appellants from the proceedings with the matter filed before the Hon'ble NCLT, Mumbai."
- b. Note 5 to the financial results for the quarter and twelve months ended March 31, 2026, which states that "the Term Loan and other Credit facilities from Bank of India are, inter-alia secured by Corporate Guarantee and mortgage of properties of Kasha Textile Private Limited (KTPL). One of the Shareholders of KTPL has claimed that the said corporate guarantee and security were given by KTPL

- without obtaining consent of Shareholders as is required in terms of section 186 of Companies Act, 2013. The company is taking appropriate legal recourse to protect its interest.”
- c. Note 6.b of notes to the financial results for the year ended March 31, 2026, wherein the Company has recognised a provision for managerial remuneration amounting to INR 97.20 lakhs for the period October 2025 to March 2026. The Company is in default in repayment of dues to debenture holders during the said period and as at the reporting date. As explained in the said note, no payment of such remuneration has been made and the same shall be considered only after the default is regularised and subject to compliance with the provisions of Section 197 of the Companies Act, 2013 and other applicable approvals, where required.
- d. Property, plant and equipment have been installed and utilised by the Company at a leased premises. The lease agreement is scheduled to expire on 30 June 2026 and, up to the date of our audit report, no renewal, extension or modification of the lease agreement has been executed. Accordingly, the continued use and recoverability of such assets are dependent upon renewal of lease agreement.
- e. The Company's working capital facilities from the bank aggregate to Rs. 600.00 Lakhs, against which an amount of Rs. 588.49 Lakhs was outstanding as at March 31, 2026. The Company has provided an email communication from the Branch Manager confirming renewal of the Cash Credit facility up to March 25, 2026. No formal sanction extending the facility beyond March 25, 2026 had been issued by the bank up to the date of our audit report. However, the facility has continued to be operated by the Company subsequent to March 25, 2026 and the bank has continued to honour transactions in the account in the normal course of business.
- f. The Company is not regular in compliance with depositing statutory dues including Income Tax/Tax Deducted at Source/Professional Taxes/Gratuity/ESIC and GST with appropriate authority.

Our conclusions are not modified in respect of these matters.

Other Matters

The annual financial results include the results for the quarter ended March 31, 2026 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **K. M. Swadia and Company**
Chartered Accountants
Firm Registration No. 110740W



Pravin Panchiwala
Pravin Panchiwala
Partner

Membership No. 127406
UDIN: 26127406TDLPZP2068

Place: Vadodara
Date: May 30, 2026

HARISH TEXTILE ENGINEERS LIMITED
CIN: L29119MH2010PLC201521
Balance Sheet as at 31st March 2026

(Rupees in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
ASSETS		
Non-current assets		
Property, plant and equipment	2,036.12	2,766.53
Right-of-use assets	-	23.29
Capital Work-in-Progress	170.35	86.41
Intangible Assets	9.84	11.11
Intangible Assets under Development	-	1.60
Financial assets		
Other financial assets	389.65	297.14
Other assets	655.99	107.84
Current assets		
Inventories	1,353.59	1,334.73
Financial assets		
Loans	111.95	95.13
Trade receivables	2,916.60	2,641.59
Cash and cash equivalents	73.44	9.11
Other bank balances	16.26	3.64
Other assets	309.52	241.60
Total Assets	8,043.32	7,619.74
EQUITY AND LIABILITIES		
Equity		
Equity share capital	333.60	333.60
Other equity	1,110.28	555.30
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings	35.60	119.48
Lease liabilities	-	-
Other Financial liabilities	-	9.24
Provisions	107.83	80.75
Deferred tax liabilities (Net)	25.40	56.32
Current liabilities		
Financial liabilities		
Borrowings	2,989.19	3,037.27
Lease liabilities	-	11.35
Trade payables		
Due to micro enterprises and small enterprises	712.22	417.79
Due to others	1,586.65	1,867.84
Other financial liabilities	292.31	127.64
Provisions	8.95	6.90
Other current liabilities	711.90	990.65
Current Tax liabilities (Net)	129.40	5.61
Total Equity and Liabilities	8,043.32	7,619.74



[Handwritten Signature]

HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Statement of Profit and Loss for the year ended on 31st March 2026

(Rupees in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Revenue		
Revenue from operations	13849.17	13202.74
Other income	34.42	57.22
Total Income	13,883.59	13,259.96
Expenses		
Cost of materials consumed	8259.17	8220.81
Changes in inventories	31.32	216.24
Employee benefits expenses	1297.38	1163.01
Finance costs	391.45	395.78
Depreciation, amortization & impairment of assets	174.66	167.94
Other expenses	2991.59	3080.62
Total Expenses	13,145.57	13,244.40
Profit Before Tax for the year	738.02	15.57
Tax expense:		
Current tax	215.54	16.43
Adjustment for earlier tax expense	-	12.43
Deferred tax	(31.32)	(36.84)
Profit for the year	553.80	23.55
Other comprehensive income	-	-
Items that will not be reclassified to profit or loss in subsequent period		
a. Remeasurement (gain)/ loss on defined benefit plans	(1.58)	6.32
b. Income tax related to items that will not be reclassified to profit or loss	0.40	(1.57)
Total other comprehensive income	(1.18)	4.75
Total comprehensive income for the year	554.98	18.80
Earnings per equity share of FV of Rs. 10 each		
Basic	16.64	0.56
Diluted	16.64	0.56



HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Statement of Cash Flows For the Year ended 31st March, 2026

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
A) Cash Flow from Operating activities		
Profit before tax	738.02	15.57
Adjustments for:		
Depreciation and Amortisation	174.66	167.94
(Profit)/ Loss on sale of Fixed Assets	(1.83)	(11.42)
Sundry bal w.back	-	(0.48)
Sundry Balance w/off	128.66	117.19
Provision for expected credit loss	(70.30)	34.56
Gratuity Provision	34.86	12.58
Interest Income	(24.90)	(23.00)
Interest Paid	391.45	395.78
Operating Profit before Working Capital Changes	1,370.62	708.72
Adjustments for changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(332.22)	(559.08)
(Increase)/Decrease in Other - Non Current Assets	101.86	(12.31)
(Increase)/Decrease in Non Current financial assets	(92.51)	(16.53)
(Increase)/Decrease in Other Current Assets	(63.91)	261.59
(Increase)/Decrease in Loans	(16.82)	(72.00)
(Increase)/Decrease in Other Current financial assets	-	205.54
(Increase)/Decrease in Inventories	(18.87)	267.30
Changes in Trade and Other Receivables	(422.47)	74.51
Increase/(Decrease) in Trade Payables	13.23	217.17
Increase/(Decrease) in Other current Liabilities	(278.75)	43.50
Increase/(Decrease) in Provisions	(7.72)	(6.60)
Increase/(Decrease) in Other Current financial Liabilities	164.67	42.22
Increase/(Decrease) in Other financial Liabilities	(9.24)	-
Changes in Trade and Other Payables	(117.81)	296.29
Cash Generated from Operations	830.34	1,079.52
Income tax paid (Net of refunds)	91.75	12.98
Net Cash from Operating Activities	738.58	1,066.54
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of Assets	8.91	13.72
Purchase of PPE, Intangible Assets, WIP and Capital Advances	(160.69)	(276.40)
Interest Received	24.90	23.00
Net Cash used in Investing Activities	(126.88)	(239.68)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term borrowings (incl. current maturities of long term borrowing)	13.25	-
Repayment of Long term loans borrowings (incl. current maturities of long term borrowing)	(308.33)	(516.78)
lease liabilities	(12.00)	(12.00)
Change in Short-term borrowings	163.12	83.12
Interest Paid	(390.80)	(394.00)
Net Cash from Financing Activities	(534.75)	(839.66)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	76.95	(12.80)



HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Statement of Cash Flows For the Year ended 31st March, 2026

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Cash and Cash Equivalents at the beginning of the year	12.75	25.55
Cash and Cash Equivalents at the end of the year	89.70	12.75
Closing Cash and Cash Equivalents comprise:		
Cash in hand	22.69	3.30
Balance in Current Account	67.01	9.45
Total	89.70	12.75
Notes to Cash Flow Statement:		
Cash and Cash equivalents comprise of:		
Cash on Hands	22.69	3.30
Balance with Scheduled Banks in Current Accounts	67.01	9.45
Closing Cash and Cash Equivalents	89.70	12.75

Significant non-cash investing activity

During the year, the Company transferred agricultural land back to M/s Agratha Enterprises pursuant to MOU dated 29 April 2025 for consideration of ₹650 lakh. Since no cash consideration has been received up to the reporting date, the transaction has no impact on the Statement of Cash Flows and has been disclosed as a significant non-cash investing activity in accordance with Ind AS 7 – Statement of Cash Flows.



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail : pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

Statement Of Audited Financial Results for the Quarter / Year Ended March 31, 2026

SL. NO	PARTICULARS	Results (Rupees in Lakhs), Except EPS				
		For Quarter Ended			For Year Ended	
		31.03.2026 (Audited)	31.12.2025 (Unaudited)	31.03.2025 (Audited)	31.03.2026 (Audited)	31.03.2025 (Audited)
I	Revenue from operations	3,635.87	3,534.74	3,270.75	13,849.17	13,202.74
II	Other Income	10.93	5.76	10.10	34.42	57.22
	Total Income from operations	3,646.80	3,540.50	3,280.85	13,883.59	13,259.96
III	Expenses					
	Cost of material consumed	2,115.24	2,033.08	2,036.25	8,259.17	8,220.81
	Changes in Inventories of finished goods, work-inprogress and stock-in-trade	74.92	1.10	(9.20)	31.32	216.24
	Employee benefit expenses	314.87	364.52	294.92	1,297.38	1,163.01
	Finance Costs	93.56	86.30	97.04	391.45	395.78
	Depreciation, amortization & impairment of assets	44.00	43.53	42.42	174.66	167.94
	Other Expenses	805.33	776.05	702.66	2,991.59	3,080.62
	Total Expenses	3,447.92	3,304.57	3,164.08	13,145.57	13,244.39
IV	Profit before exceptional Items and tax	198.87	235.93	116.77	738.02	15.57
V	Exceptional Items	-	-	-	-	-
VI	Profit from ordinary activities before tax	198.87	235.93	116.77	738.02	15.57
VII	Tax Expense					
	Current Tax	118.98	47.54	16.43	215.54	16.43
	Adjustment for earlier tax expenses	-	-	-	-	12.43
	Deferred Tax	(105.11)	37.80	(51.56)	(31.32)	(36.84)
VIII	Net Profit from Ordinary activities after tax	185.00	150.59	151.90	553.80	23.55
IX	Other Comprehensive Income (After Tax)					
	1. Items that will not be reclassified to profit or loss					
	a. Remeasurement (gain)/ loss on defined benefit plans	(3.89)	3.00	(2.53)	(1.58)	(6.32)
	b. Income tax related to items that will not be reclassified to profit or loss	0.97	(0.74)	0.63	0.40	1.57
X	Total Comprehensive Income for the period (comprising Profit for the period) (after tax) and Other Comprehensive Income (after tax)	184.44	152.84	150.00	554.98	18.80
XI	Paid-up Equity Share Capital (Face Value Rs.10/- each)	333.60	333.60	333.60	333.60	333.60
XII	Earnings Per Share (EPS) (of Rs.10/- each) (Not annualised)					
	- Basic	5.53	4.58	4.50	16.64	0.56
	- Diluted	5.53	4.58	4.50	16.64	0.56



[Handwritten Signature]

HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail : pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

Segment Wise Revenue, Results and Capital employed for the quarter ended 31st March 2026

SL. NO	PARTICULARS	Amount in Lakhs (Rs.)				
		Quarter Ended			Year Ended	
		31.03.2026 (Audited)	31.12.2025 (Unaudited)	31.03.2025 (Audited)	31.03.2026 (Audited)	31.03.2025 (Audited)
1	Segment Revenue					
	a) Textile Engineering	416.39	548.36	410.50	1,842.01	2,676.51
	b) Non-Woven	2,506.50	2,291.74	2,238.14	9,184.53	8,046.90
	c) PSF	1,025.09	1,044.30	983.26	4,078.09	3,722.54
	d) Unallocable					
	Total	3,947.99	3,884.40	3,631.90	15,104.63	14,445.95
	Less: Inter-segment revenue	312.12	349.65	361.14	1,255.46	1,243.21
	Net Sales/Income from Operations	3,635.87	3,534.74	3,270.75	13,849.17	13,202.74
2	Segment Results					
	a) Textile Engineering	(167.59)	(56.66)	(167.36)	(500.84)	(897.88)
	b) Non-Woven	319.96	192.01	220.17	910.94	673.73
	c) PSF	70.49	125.27	66.81	383.79	252.30
	d) Unallocable	(24.00)	(24.67)	(2.86)	(55.90)	(12.58)
	Total	198.87	235.93	116.77	738.02	15.57
	Add: Other un-allocable Income net of Unallocable expenditure					
	Total Profit before Tax	198.87	235.93	116.77	738.02	15.57
3	Segment Assets					
	a) Textile Engineering	2172.41	2,330.95	2,189.59	2,172.41	2,189.59
	b) Non-Woven	4433.84	4,235.20	4,088.09	4,433.84	4,088.09
	c) PSF	1777.98	1,724.63	1,777.26	1,777.98	1,777.26
	d) Unallocable	1061.91	1,062.27	1,059.77	1,061.91	1,059.77
	e) Inter Segment Division	(1,016.95)	(1,021.91)	(1,026.98)	(1,016.95)	(1,026.98)
	Total	8429.20	8,331.14	8,087.73	8,429.20	8,087.73
4	Segment Liabilities					
	a) Textile Engineering	4300.78	4,291.72	3,817.11	4,300.78	3,817.11
	b) Non-Woven	2280.64	2,402.58	2,845.79	2,280.64	2,845.79
	c) PSF	1,016.64	1,033.81	1,399.72	1,016.64	1,399.72
	d) Unallocable	404.21	365.51	163.18	404.21	163.18
	e) Inter Segment Division	(1,016.95)	(1,021.91)	(1,026.98)	(1,016.95)	(1,026.98)
	Total	6,985.32	7,071.70	7,198.83	6,985.32	7,198.83



Handwritten signature

HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail : pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

Statement Of Audited Financial Results for the Quarter / Year Ended March 31, 2026

Particulars	Quarter Ended			Year Ended	
	31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Net Profit Ratio (%) **					
Profit After Tax/ Total Sales	5.09%	4.26%	4.64%	4.00%	0.18%
Operating Margin **					
Earnings before exceptional items, Interest and Tax/ Income from Operations	8.04%	9.12%	6.54%	8.16%	4.75%
Return on Capital employed (%) **					
Earning before interest and tax/ Tangible Net Worth + Total Debt + Deferred Tax Liability	6.51%	2.98%	5.21%	25.13%	10.03%

Particulars	Year Ended 31st March 2026	Year Ended 31st March 2025
Liquidity Ratio		
Current Ratio (times)		
Current Assets/ Current Liabilities	0.74	0.67
Solvency Ratio		
Debt-Equity Ratio (times)		
Total Debt/ Shareholder's Equity	2.09	3.55
Debt Service Coverage Ratio (times)		
Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc./ Interest + Lease Payments + Principal Repayments	1.65	0.79
Utilization Ratio		
Trade Receivables turnover ratio (times)		
Net Credit Sales/ Average Trade Receivables	4.98	5.42
Inventory turnover ratio (times)		
Cost of goods sold or Sales/ Average Inventory	6.17	5.75
Trade payables turnover ratio (times)		
Net Credit Purchases/ Average Trade Payables	3.62	3.75
Other Ratios		
Long Term Debt to Working Capital Ratio		
Long term loans borrowings (incl. current maturities of long term borrowing)/ Current Assets- Current Liabilities (excl. current maturities of long term borrowing)	0.00	0.00
Interest Service Coverage Ratio (ISCR)		
EBITA (excl. exceptional items)/ Interest Expenses	2.88	1.56
Bad Debts to accounts receivable ratio		
Bad Debts/ Average Trade Receivables	0.05	0.05
Current Liability Ratio		
Current Liabilities/ Total Liabilities	0.97	0.96
Total Debt to Total Assets Ratio		
Total Borrowings/ Total Assets	0.38	0.41

Place: Mumbai
Date: 30/05/2026For & on behalf of the Board
HARISH TEXTILE ENGINEERS LIMITED

Sandeep Gandhi
Managing Director
DIN: 00941665


HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail: pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

NOTES TO RESULTS:

1. The Audited Financial Results for Q4 of FY: 2025-26 were reviewed and approved by the Audit Committee and have been considered and approved by the Board of Directors at their respective meetings held on May 30 2026.
2. In accordance with provisions of Ind AS 108 "Operating Segments", the company has 3 reportable segments namely viz Manufacture of (A) Textile processing and Finishing Machinery (B) Non-Woven Fabrics and (C) polyester staple fibre from recycle waste material.
3. EPS has been calculated in accordance with Ind AS 33.
4. The Company has received notice on 14th May 2022 from Shree Nikhil H Gandhi, Smt. Chhaya N. Gandhi and Smt. Kumudben H. Gandhi, claiming to be Shareholders of Pacific Harish Industries Limited ("PHIL"), that they have filed a company petition with Hon. NCLT, Mumbai Bench, inter-alia contending that the business of Non-Woven and PSF transferred to the Company by PHIL by way of Slump-sale w.e.f. April 01, 2019 was without obtaining the approval of Shareholders of PHIL and hence such transfer is invalid. The Company is taking appropriate legal recourse to protect its interest. Vide order dated 09th June, 2023, Hon. Bombay High Court has instructed parties to maintain Status quo and subsequently, Hon. NCLT as well vide its order dated 14th June, 2023 has stayed the further proceedings till the pendency of the Hon. High Court order. Subsequently, the Hon'ble High Court of Bombay vide order dated July 04, 2025 has disposed of the interim application seeking stay on the impugned order. The Impugned order restrains the appellants from the proceedings with the matter filed before the Hon'ble NCLT, Mumbai.
5. The Term Loan and other Credit facilities from Bank of India are, inter-alia secured by Corporate Guarantee and mortgage of properties of Kasha Textile Private Limited (KTPL). One of the Shareholders of KTPL has claimed that the said corporate guarantee and security were given by KTPL without obtaining consent of Shareholders as is required in terms of section 186 of Companies Act, 2013. The company is taking appropriate legal recourse to protect its interest
6. Pursuant to the supplementary deed executed on 24th June, 2024 and the second supplementary deed executed on March 18, 2025 between the Company and Axis Trustees Service Limited, the Company had extended the tenure of certain Non-Convertible Debentures (NCDs). The details of the extensions and subsequent defaults in redemption are furnished hereunder:



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail: pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

NOTES TO RESULTS:

is not sustainable and no material liability is expected to arise therefrom. Accordingly, no provision has been made in the financial statements.

8. The company has received a notice for hearing on July 24, 2025 at the National Company Law Tribunal (NCLT), Mumbai Bench in the matter of Kamlesh Corporation. The Ld. Counsel appearing on behalf of the Applicant states that an outstanding of Rs. 117 Lakhs has been claimed in the application, which comprises of principal amount of Rs.108 Lakhs (already accounted for in the Books of Account) and the balance amount is towards interest.
9. On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.
10. The company in its Board Meeting held on 10th February, 2026 has approved the issuance of up to 21,23,800 (Twenty One Lakh Twenty three Thousand Eight Hundred) fully paid-up equity shares of the Company of face value of Rs. 10/- (Rupees Ten Only) each at an issue price of Rs. 64/- (Rupees Sixty Four Only) per equity share [including a securities premium of Rs. 54/- (Rupees Fifty-Four Only)] aggregating up to Rs. 13,59,23,200/- (Rupees Thirteen Crore Fifty Nine Lakh Twenty Three Thousand Two Hundred Only) to the proposed allottees, belonging to the Promoter and Non-Promoter Category ("Investors"), by way of a preferential issue on a private placement basis ("Preferential Issue"), for consideration in cash and/or other than cash, in accordance with the provisions of Section 42 and Section 62 of the Companies Act, 2013, as amended ("Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("Rules"), Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), SEBI Listing Regulations and other applicable laws, subject to the approval of the regulatory authorities including BSE Limited, as may be applicable.
11. Figures of the previous quarter/ year have been re-classified/ re-group wherever necessary to correspond with the current quarter classification/ disclosure.



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail: pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

NOTES TO RESULTS:

(INR in Lakhs)

Series of Debentures	Scheduled Date of Redemption	Extended Date of Redemption	Further Extended Date of Redemption	Further Extended Date of Redemption	Total Debenture Outstanding as on 31.03.2026	Amount in Default
Old Series- III	13th August, 2024	12th February, 2025	12th May, 2025	7th October, 2025*	64.72	64.72
New Series- IV	20th September, 2025	NA	20th December, 2025	20th December, 2025*	146.79	146.79
Interest on Old Series- III and series - IV	NA	NA	NA	NA	12.58	3.30

* The Company has failed to meet its redemption payment obligation on its 7% Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures ("NCDs") - Old Series-III and New Series-IV, which were due for redemption on October 07, 2025 and December 20, 2025 respectively. The principal amount due was INR 64.72 Lakhs in respect of Old Series-III and INR 146.79 Lakhs in respect of New Series-IV and the interest due from April 01, 2025 to March 31, 2026 was INR 12.58 Lakhs. Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026.

The Company has received a Notice of "Event of Default" dated November 11, 2025 from Debenture Trustee, Axis Trustee Services Limited. The Debenture Trustee has notified the Company of its intent to initiate enforcement proceedings. Further, the Debenture Trustee has called upon the Company to repay aggregate dues amounting to INR 211.51 Lakhs plus interest till December 31, 2025, payable to the Old Series III and New Series IV Debenture Holders.

The Company is in discussions with the Debenture Trustee and the Debenture Holders to amicably resolve the matter and complete the redemption at the earliest possible date. The management continues to make every effort to arrange the requisite funds to discharge the said liability.

The extensions of timelines/defaults in repayment of debenture obligations have taken place arising out of liquidity crunch faced by the Company. The net working capital of the Company as on 31/03/2026 is negative. The current liabilities (including short term borrowings) amounted to INR 6430.61 Lacs. The current assets amounted to INR 4781.36 Lacs. The net negative working capital has amounted to INR 1649.25 Lacs.



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail: pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

NOTES TO RESULTS:

- c) The Company has, based on the information and declarations presently available from its vendors, recognized a general provision of INR 64.48 lakhs towards interest payable to MSME vendors in accordance with the requirements of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. The Company continues to obtain updated confirmations and necessary documentary evidence from the respective MSME vendors. Upon receipt of complete information, the Company will reassess and, if required, appropriately adjust the provision in subsequent periods.
- d) The Company has received a legal notice from the advocate/legal consultant of one of the suppliers, demanding payment of the outstanding amount of Rs. 3.10 Lakhs (already accounted for in the Books of Accounts) - along with applicable interest.
- e) The Company has received a Notice for Pre-Institution Mediation issued by the Mediation Centre, Mumbai District Legal Services Authority, City Civil & Sessions Court, Dindoshi, Mumbai, in the matter filed by M/s. Steel-O-Fab Engineers, demanding payment of the outstanding amount of Rs. 12.26 Lacs (already accounted for in the Books of Account) – along with Interest of Rs. 2.78 Lacs.
- f) The Company has received a scrutiny notice in Form GST ASMT-10 dated 13 January 2026 from the Office of the Deputy Commissioner of State Tax, Ambad-505, Nashik, Maharashtra under Section 61 of the Central Goods and Services Tax Act, 2017, in respect of GSTR-3B returns filed for the financial year 2023-24 (April 2023 to March 2024). The Company has submitted its reply to the said notice and is contesting the observations raised therein. Based on the assessment of the facts of the case, the management believes that the demand is not sustainable and, accordingly, does not expect any material outflow. Consequently, no provision has been recognised in the financial statements.
- g) The Company has received a notice under Section 148A(b) of the Income-tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, Circle 2(1)(1), Mumbai, dated 30 March 2026, in respect of Assessment Year 2021-22 (Financial Year 2020-21). The Company has submitted its response to the said notice. In the view of the management, based on the facts of the case, the notice



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail: pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

NOTES TO RESULTS:

The Company's ability to continue as a going concern is dependent on its ability to raise additional funds as required and successful negotiations with debenture holders and continued support of lenders and vendors along with generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

As of date, the Company has met all its debt obligations payable to its lenders/banks and financial institutions along with applicable interest, except the NCD as mentioned above. The Company is confident of raising resources to tide over the liquidity crunch.

- 6.b The Company has recognised a provision towards managerial remuneration amounting to INR 97.20 Lakhs for the period October 2025 to March 2026 during which the Company is in default in repayment of dues to debenture holders. The said provision has been made on the same basis as in earlier periods and in accordance with the approval granted by the shareholders. The management is of the view that having regards to Section 197 (1) Proviso of the Companies act, 2013 that the managerial Remunerations cannot be paid during the period of default in redemption of NCD's. without the approval of NCD Holders and the shareholders. However, the said proviso does not absolve the company from making the payment of managerial remuneration of the default period once the default is set right. Since, the accounts are maintained on accrual basis, the Company is duty bound to make provision for remuneration which even though not payable during the default period, will become payable once the default is set right and subject to compliance with the applicable provisions of the Companies Act, 2013 and other relevant regulations.

7. Other Contingent Liabilities

- a) Liability pertaining to Goods and Service Tax Act with respect to delayed payments to suppliers has not been quantified and provided for.
- b) The Company is in receipt of legal intimation dated April 18, 2024 from one of the Creditors for delayed payment. The said creditor has filed application for delayed payment before the Hon' ble Micro Small Enterprise Facilitation Council, Ahmedabad, Gujarat. As per the said intimation, the company is liable to make a total payment of Rs. 97.59 Lakhs which includes Principal amount of Rs. 25.50 Lakhs (already accounted for in the Books of Account) and an interest amount of Rs. 72.09 Lakhs as of 20/07/2023 (not accounted for in the books). The said creditor has moved an application to Arbitration proceedings in connection with the delayed payment claim made against the company.



HARISH TEXTILE ENGINEERS LIMITED

Regd. Office: 19, Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Phone: +91 22 28367151 / 40373000, website: www.harishtextile.com; E Mail: pinkesh@harishtextile.com

CIN: L29119MH2010PLC201521

NOTES TO RESULTS:

For and on behalf of the Board of Directors

Harish Textile Engineers Limited



Sandeep Gandhi

Director

DIN: 00941665

Date: May 30, 2026

Place: Mumbai



ANNEXURE A

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Quarter and Year ended March 31, 2026 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (In Lakhs, except EPS)				
I.	Sl. No.	Particulars	Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	13,849.17	13,849.17
	2.	Total Expenditure	13,145.57	13,145.57
	3.	Net Profit/(Loss)	738.02	738.02
	4.	Earnings Per Share	16.64	16.64
	5.	Total Assets	8043.32	8043.32
	6.	Total Liabilities	6599.43	6599.43
	7.	Net Worth	1443.88	1443.88
	8.	Any other financial item(s) (as felt appropriate by the Management)	-	-
II.	Audit Qualification:			
	a.	Details of Audit Qualification:	<p>1. The Company has failed to meet its redemption payment obligation on its 7% Unlisted, Secured, Unrated, Redeemable, Non-Convertible Debentures ("NCDs") - Old Series-III and New Series-IV, which were due for redemption on October 07, 2025 and December 20, 2025 respectively. The principal amount due was INR 64.72 Lakhs in respect of Old Series-III and INR 146.79 Lakhs in respect of New Series-IV and the interest due from April 01, 2025 to March 31, 2026 was INR 12.58 Lakhs. Subsequently, the Company has paid interest amounting to INR 9.28 Lakhs in the month of April 2026.</p> <p>The Company has received a Notice of "Event of Default" dated November 11, 2025 from Debenture Trustee, Axis Trustee Services Limited. The Debenture Trustee has notified the Company of its intent to initiate enforcement proceedings. Further, the Debenture Trustee has called upon the Company to repay aggregate dues amounting to INR 211.51 Lakhs plus interest till December 31, 2025, payable to the Old Series III and New Series IV Debenture Holders.</p> <p>The financial results have not been adjusted to reflect the full impact of this breach, and in the absence of a complete assessment by the Management, we are unable to quantify the consequential impact on the financial position of the Company.</p> <p>2. We have not been able to validate the computation of interest liability provided of Rs 64.48 lakhs in the financial statement for the MSME vendors under the MSMED Act, in the absence of adequate audit evidence to establish the amounts payable to the vendors on account of interest on their outstanding dues. As a result, we are</p>	

	<p>unable to quantify the consequential impact on the financial position of the Company.</p> <p>3. The Company has not quantified the impact of non-reversal of input tax credit pertaining to suppliers unpaid beyond 180 days as required under Section 16(2) of the CGST Act, 2017 read with Rule 37 of the CGST Rules. In the absence of such quantification, we are unable to determine the extent of overstatement of input tax credit and understatement of statutory liabilities and related interest, if any.</p>
b.	Type of Audit Qualification : Qualified Opinion
c.	Frequency of qualification: Qualification no. 1- Second Time. Qualification no. 2- Second time. Qualification no. 3- Firsts time
d.	For Audit Qualification where the impact is quantified by the auditor, Management's Views: Not Quantified
e.	For Audit Qualification where the impact is not quantified by the auditor: The Impact for All the 3 Qualifications has not been quantified.
	(i) Management's estimation on the impact of audit qualification: Unable to quantify the consequential impact.
	(ii) If management is unable to estimate the impact, reasons for the same: Qualification no. 1- The Company has been in continuous discussions with the Debenture Holders and the Debenture Trustee for resolution of the outstanding obligations and has also made part payment of interest subsequent to the reporting date. Management is evaluating the implications arising from the said default and the related communications received from the Debenture Trustee. Pending completion of such assessment and ongoing discussions with stakeholders, the consequential financial impact, if any, cannot presently be determined with certainty. Qualification no. 2- The company is in the process of obtaining the latest MSME confirmation/ registration status form its suppliers. Qualification no. 3- The Company is of the view that the suppliers have already discharged their GST liability, resulting in no loss of revenue to the tax authorities. Accordingly, the Company believes that there is no basis for reversal of the GST credit and no interest is also applicable.
	(iii) Auditors' Comments on (i) or (ii) above: All the above 3 points are self-explanatory.
III.	Signatories:
	Chairman & Managing Director Mr. Sandeep Gandhi
	CFO Mr. Pinkesh Upadhyay
	Audit Committee Chairman Mrs. Bhavna Brahmbhatt
	Executive Director Mr. Sunil Bhirud
	Statutory Auditor K M Swadia and Company Pravin Panchiwala, Partner
	Place: Mumbai Date: 30/05/2026
	<p>For K. M. Swadia and Company Chartered Accountants Firm Registration No. 110740W</p> <p><i>Pravin Panchiwala</i> Pravin Panchiwala Partner</p>