

To,
The Corporate Relations Department
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Stovec Industries Ltd.

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Reference : Scrip Code- 504959
Date : April 13, 2026
Subject : Notice convening 52nd Annual General Meeting & Annual Report 2025

Dear Sir/Madam,

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed full Annual Report of the Company for the financial year ended December 31, 2025, including Notice of convening the 52nd Annual General Meeting scheduled to be held on Thursday, 7th May, 2026 at 02:30 p.m. via video conferencing/other audio visual means (VC/OAVM).

The full Annual Report is also available on the website of the Company at www.stovec.com

Kindly take the same on your record.

Thanking you,

Yours sincerely,
For **Stovec Industries Limited**,

Sanjeev Singh Sengar
Company Secretary & Compliance Officer
Encl: As above





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DISCLAIMER

THIS DOCUMENT CONTAINS STATEMENTS ABOUT EXPECTED FUTURE EVENTS AND FINANCIALS OF STOVEC INDUSTRIES LIMITED, WHICH ARE FORWARDLOOKING. BY THEIR NATURE, FORWARD-LOOKING STATEMENTS REQUIRE THE COMPANY TO MAKE ASSUMPTIONS AND ARE SUBJECT TO INHERENT RISKS AND UNCERTAINTIES. THERE IS SIGNIFICANT RISK THAT THE ASSUMPTIONS, PREDICTIONS AND OTHER FORWARD-LOOKING STATEMENTS MAY NOT PROVE TO BE ACCURATE. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON FORWARD-LOOKING STATEMENTS AS SEVERAL FACTORS COULD CAUSE ASSUMPTIONS, ACTUAL FUTURE RESULTS AND EVENTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE FORWARDLOOKING STATEMENTS. ACCORDINGLY, THIS DOCUMENT IS SUBJECT TO THE DISCLAIMER AND QUALIFIED IN ITS ENTIRETY BY THE ASSUMPTIONS, QUALIFICATIONS AND RISK FACTORS REFERRED TO IN THE MANAGEMENT DISCUSSION AND ANALYSIS SECTION OF THIS ANNUAL REPORT.





From Proven Expertise to Future-Ready Printing

For decades, Stovec Industries Limited has stood at the forefront of textile printing, built on a foundation of deep technical expertise, precision engineering, and enduring customer trust. Our journey has been shaped by a relentless pursuit of quality, innovation, and reliability—values that continue to define our leadership in the industry. A legacy of technical excellence positions Stovec to deliver resilient performance and long-term value in a rapidly evolving printing landscape.

As the textile and printing landscape undergoes rapid transformation, Stovec is evolving with purpose. Leveraging its proven capabilities, the Company is actively pursuing process optimisation, and sustainable solutions to meet the changing needs of global customers. Our legacy is not a destination—it is the platform from which we design the future.

“FROM PROVEN CAPABILITIES TO FUTURE-FOCUSED EXECUTION, STOVEC CONTINUES TO STRENGTHEN ITS FOUNDATION FOR SUSTAINABLE GROWTH.”

FINANCIAL HIGHLIGHTS 2025

1981.11

REVENUE
(₹ in million)

132.18

EBITDA
(₹ in million)

68.98

PAT
(₹ in million)

91.52

PBT
(₹ in million)

Statement from the Chairman's Desk

Dear Shareholders

I take immense pleasure to address all of you. Each one of you is a part of our journey and your trust in us is a major motivating factor for us. By combining domain knowledge with innovation, operational excellence, and responsible manufacturing practices, we are strengthening our ability to deliver consistent value across market cycles.

INDIA: A STRONG GROWTH STORY

India continues to stand out as one of the world's most resilient and fastest-growing major economies. Even amid a volatile global environment marked by geopolitical tensions, inflationary pressures, and shifting trade dynamics, the country has sustained robust economic momentum. Structural reforms, expanding infrastructure investments, and a renewed focus on manufacturing and exports are strengthening India's position as a globally competitive industrial hub.

The Government's continued emphasis on domestic manufacturing, supply chain resilience, and export competitiveness is creating a conducive ecosystem for industries to grow, innovate, and expand their global footprint. These developments reinforce confidence in India's long-term growth trajectory and its increasing importance in global value chains.

TEXTILE INDUSTRY: NAVIGATING CHANGE AND OPPORTUNITY

The textile industry remains one of the cornerstones of India's manufacturing economy, combining a rich heritage of craftsmanship with evolving technological capabilities. The sector continues to generate large-scale employment, contribute significantly to exports, and support the growth of allied industries.

India's textile and apparel industry continues to remain a key pillar of the country's manufacturing landscape. The sector contributes approximately

2.3% to India's GDP and around 12% to the country's export earnings, while providing employment to over 45 million people directly across the value chain. As global supply chains diversify and demand for sustainable and technologically advanced textile solutions increases, India is expected to further strengthen its position as a leading textile manufacturing hub.

During FY 2025–26, the industry experienced a dynamic operating environment shaped by weak global demand, cost pressures, and supply chain realignments. At the same time, increasing emphasis on sustainability, digitalisation, and advanced manufacturing technologies is transforming the sector. I believe that strengthening our ability to integrate innovation with operational efficiency makes us positioned to capture emerging opportunities.

GLOBAL UNCERTAINTIES AND THEIR IMPACT

The global economic landscape during the year remained influenced by geopolitical conflicts and heightened trade tensions, which have had cascading effects on commodity prices, logistics networks, and global demand cycles. These developments have created intermittent headwinds for export-oriented sectors, including textiles.

However, such periods of uncertainty also reinforce the importance of strong fundamentals, technological leadership, and operational agility. Businesses that are able to respond swiftly to evolving market conditions while maintaining strategic focus are better equipped to sustain long-term growth.

BUSINESS OVERVIEW

The year under review unfolded against a backdrop of evolving global economic dynamics, geopolitical uncertainties, and shifting trade patterns. Despite these challenges, India's economic fundamentals have remained relatively strong, supported by resilient domestic demand, continued policy reforms, and

a growing emphasis on manufacturing and exports. In this environment, companies that combine technological expertise with operational agility are well positioned to navigate volatility while capturing emerging opportunities in global markets.

As the industry continues to evolve, our focus remains firmly on strengthening technological leadership, enhancing operational excellence, and building long-term partnerships with our customers worldwide. With a strong foundation and a clear strategic direction, we remain confident in our ability to navigate change and contribute meaningfully to the continued advancement of the global textile industry.

REVENUE FROM OPERATIONS

₹ 1981.11 MILLION
(2025)

₹ 2345.70 MILLION
(2024)

PROFIT BEFORE TAX (PBT)

₹ 91.52 MILLION
(2025)

₹ 174.49 MILLION
(2024)

EARNINGS PER SHARE (EPS)

₹ 33.04
(2025)

₹ 62.07
(2024)



TECHNOLOGY AS A STRATEGIC ADVANTAGE

At Stovec Industries Limited, technology continues to remain the cornerstone of our growth strategy. Our commitment to engineering excellence, product innovation, and customer-centric solutions enables us to support the evolving needs of the textile and printing industries.

With over three decades of expertise in specialised textile technologies and printing solutions, the Company continues to focus on enhancing product capabilities, improving operational efficiencies, and delivering high-performance solutions that enable our customers to achieve superior productivity and quality. By continuously strengthening our technological capabilities, we remain aligned with the industry's shift toward smarter, more efficient, and sustainable manufacturing practices.

For our investors, this represents a business anchored in resilience and positioned for long-term growth. With

disciplined capital allocation, a focus on efficiency, and a clear roadmap aligned to industry trends, Stovec remains committed to sustainable value creation—today and for the years ahead.

RESILIENCE IN A DYNAMIC ENVIRONMENT

In an environment characterised by rapid change and external uncertainties, resilience becomes a defining strength. At Stovec, our disciplined approach to operations, strong governance practices, and deep industry relationships have enabled us to navigate market fluctuations while maintaining stability and focus.

Our teams continue to demonstrate agility and commitment, ensuring that the Company remains responsive to evolving customer needs while sustaining operational excellence.

LOOKING AHEAD WITH CONFIDENCE

Although, in the short term, textile industry faces headwinds, the long-term

outlook for the global textile industry remains promising. As supply chains continue to diversify and manufacturing capabilities expand across emerging markets, India is expected to play an increasingly prominent role in the global textile ecosystem.

With our strong technological foundation, experienced leadership, and unwavering commitment to innovation, Stovec is well-positioned to participate in this evolving landscape and create sustainable value for all stakeholders.

As a closing note, I would like to express my sincere appreciation to our employees, customers, partners, and shareholders for their continued trust and support. Together, we remain committed to building a stronger and more resilient future.

**“Consistency you
can print with
confidence”**

“

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Warm regards,

Garrett Forde
Chairman



Corporate Overview

Stovec Industries Ltd. was incorporated in the early 1970s and has grown from its roots as a domestic manufacturer into a **recognized global player in the textile printing industry**. Established as part of the SPGPrints Group, a Netherlands-based global printing solutions provider, Stovec has leveraged decades of engineering expertise to develop and deliver high quality products for textile and graphic printing markets. Its fully-air-conditioned manufacturing facility in Ahmedabad ensures high standards of quality, particularly in the production of perforated rotary screens and related consumables that are core to rotary screen-printing technology.



The central hub of the Textile Business Unit is located at Stovec Industries Ltd., Ahmedabad, Gujarat, India. This facility houses a state-of-the-art manufacturing operation and functions as the global center for the Textile Business.

The hub is responsible for:



By centralizing these critical functions, the Business Unit ensures consistency in product standards, efficient utilization of manufacturing capabilities, and alignment of long-term strategic priorities.





About SPGPrints Group

SPGPrints, headquartered in the Netherlands, is a global printing solutions provider offering a comprehensive portfolio of equipment, consumables, and services, with strong positions in textile and industrial printing. The group boasts of a global network, manufacturing facilities and strong personnel dedicated to delivering quality services.

Driven by the commitment to deliver excellence, the Group delivers an integrated portfolio of solutions to its customers, including pre-press processes, rotary screens, inks, and advanced printing systems.

GLOBAL FOOTPRINT HIGHLIGHTS

09

international operating
facilities across key regions

Customers served in over

100 countries

Strong technology leadership

across conventional and digital printing

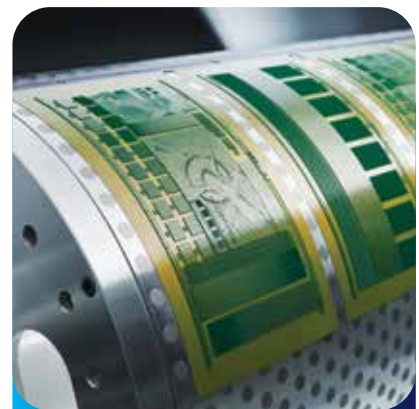
BUSINESS UNITS



Textile



Industrial



Laser

A YEAR OF STRATEGIC TRANSFORMATION

The year under review marked a defining milestone in the evolution of Stovec Industries Ltd. and the broader SPGPrints Group. Against a backdrop of changing global market dynamics and accelerating technology shifts in textile printing, the Group undertook a strategic restructuring initiative aimed at sharpening focus, enhancing speed of execution, and strengthening customer proximity.

As part of this transformation, Stovec Industries Ltd. was designated as the lead entity for the Textile Business of the SPGPrints Group, reinforcing its central role in driving innovation, operational excellence, and sustainable growth across global textile markets.

This restructuring reflects a deliberate move from a centralized operating model to a business-unit-driven structure, placing ownership, accountability, and customer focus at the heart of decision-making.

A DIVERSE PORTFOLIO

Over the years, Stovec has expanded its product portfolio beyond screens to include **rotary and digital printing machines, engraving equipment, digital inks, and other consumables.** Serving both domestic and international customers, the Company combines advanced manufacturing capabilities with global distribution reach, enabling it to support textile processors and mills across diverse applications. This evolution has positioned Stovec as a **global competence centre within**

the SPGPrints network, particularly for rotary screen-printing solutions that demand high precision and consistent performance.

A YEAR OF POSITIVE SHIFTS

Today, Stovec continues to strengthen its market presence through continuous technology development and operational excellence. Our products and services cater to both traditional rotary and modern digital textile printing requirements, reflecting the Company's commitment to innovation and customer-centric solutions. With a strong foundation built over five decades and a strategic role within its global parent group, Stovec remains a key contributor to advancements in textile printing processes worldwide.





Community Development Initiatives

At Stovec, while striving to meet the needs of our customers, we also remain committed to addressing the requirements of the communities in which we operate. The Company undertakes its Corporate Social Responsibility (CSR) initiatives in collaboration with implementing

agencies registered with the Ministry of Corporate Affairs (MCA), in alignment with the provisions of Schedule VII of the Companies Act, 2013.

We believe that CSR extends beyond business success and encompasses making a meaningful and lasting

contribution to society and the environment. Accordingly, the Company supports and implements a diverse range of initiatives across various focus areas. A brief overview of the key CSR activities undertaken during the year is presented below.

PREVENTIVE HEALTHCARE – HPV VACCINATION DRIVE FOR CERVICAL CANCER

The Company supported a Human Papillomavirus (HPV) vaccination drive for the prevention of cervical cancer among Girls under the age of 14 in collaboration with the Rotary Club. Under this initiative, around 600 girls from economically weaker sections

were administered the complete HPV vaccination course, comprising two doses per beneficiary, resulting in the distribution of 1,200 vaccine doses.

We believe that it creates a meaningful long-term health impact by reducing

the risk of cervical cancer among beneficiaries, promoting awareness on preventive healthcare, and enhancing access to life-saving vaccination for underserved communities. The project was successfully completed during the reporting year.



COMMUNITY WELFARE – DISTRIBUTION OF WINTER RELIEF MATERIALS



As part of its CSR initiatives during the year, the Company distributed woolen sweaters to school children in one of Govt Primary School in Gandhinagar, Gujarat, and Blankets to underprivileged individuals across various locations in Ahmedabad, Gujarat. This initiative was undertaken with the objective of providing warmth and comfort during the winter season and supporting vulnerable sections of the community in coping with adverse weather conditions.

NUTRITIONAL SUPPORT TO TUBERCULOSIS (TB) PATIENTS :

The Company provided nutritional support to tuberculosis (TB) patients undergoing treatment at a local medical health centre. Under this project, nutritious food packets were distributed to 25 underprivileged TB patients for a period of six months with the objective of

supporting their recovery through improved nutritional intake.

Each food kit comprised essential items such as milk powder, pulses, wheat flour, groundnuts, and edible oil, suggested by the medical health centre for helping

patients maintain adequate nutrition and physical strength during the course of their treatment. This initiative complemented medical care by addressing nutritional deficiencies and promoting overall well-being among beneficiaries.



SUPPORTING THE FUTURE OF YOUNG ENGINEERS

In alignment with its continued commitment towards promoting education and nurturing future talent, the Company has extended financial assistance to meritorious engineering students through its scholarship programme during year. The Company supported more than fifty

students pursuing engineering education. The scholarship programme aims to alleviate financial constraints and enable deserving students to focus on their academic and professional development.

The initiative is implemented through Protean eGov Technologies Limited via the Vidyasaarathi Digital Platform,

which facilitates access to educational scholarships for students across India. Through this programme, the Company continues to contribute towards empowering aspiring youth by promoting access to higher education and fostering long-term career opportunities.

FEEDING FUTURES: MID-DAY MEAL PROGRAMME FOR SCHOOL CHILDREN

Another continued commitment of the Company towards supporting child nutrition and education, we partnered with The Akshaya Patra Foundation during the year to facilitate the distribution of nutritious mid-day meals to school-going children from underserved communities.

This initiative strives to deal with classroom hunger and promote improved health, school attendance, and learning outcomes among students by ensuring access to wholesome and balanced meals during school hours. Through this collaboration, the Company continues to support the overall well-being and educational development of children, thereby contributing to the empowerment of future generations.





STRENGTHENING COMMUNITY HEALTHCARE FOR THE DIFFERENTLY-ABLED

The Company continued its commitment towards empowering differently abled individuals by extending support to Narayan Seva Sansthan, an institution dedicated to providing artificial limbs to individuals who are unable to afford such essential medical support. Through

this initiative, 50 beneficiaries were provided with artificial limbs during the year, enabling them to improve mobility, restore independence, and lead more dignified lives. The programme is aimed at assisting economically disadvantaged individuals in overcoming

physical limitations and reintegrating into society with confidence. The Company remains committed to supporting such life-changing healthcare interventions that create sustainable and meaningful social impact.



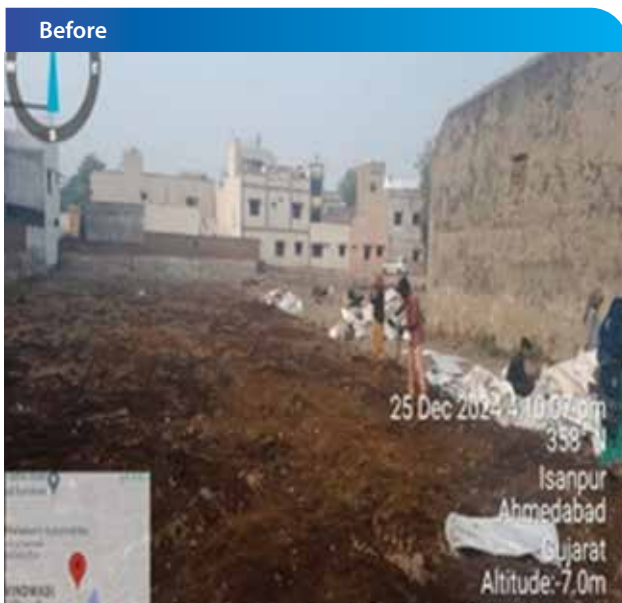
ENVIRONMENTAL STEWARDSHIP & RESOURCE EFFICIENCY

ENVIRONMENTAL SUSTAINABILITY PLANTATION INITIATIVE

In continuation to the tree plantation initiative undertaken where we have planted 1000 trees using the Miyawaki technique near to our plant

location in the previous financial year in partnership with Catch Foundation and accepts its maintenance for next 3 years to make them grow as tree. So, this is a second year of our continued commitment

of maintenance activities during the year. The project, being implemented over a period of three years, is progressing as planned and aims to enhance green cover, improve biodiversity, and contribute to climate resilience in the surrounding ecosystem.



PEOPLE, SAFETY & COMMUNITY DEVELOPMENT

Employees and their safety are at the core of the Company's business operations. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. We also conduct training workshops for our employees to develop a variety of skill sets and organize modules at regular intervals to promote teamwork and personal growth of employees.

The Company places strong emphasis on creating a safe and supportive working environment for its employees. Our manufacturing facilities are well-equipped with the necessary infrastructure, safety systems, and operational protocols to ensure the well-being of all personnel. Regular safety checks, adherence to regulatory standards, and continuous monitoring of workplace practices enable us to maintain high standards of occupational health and safety across our operations.

We also believe that our people are central to our long-term success. To recognise and motivate our workforce, the Company regularly organises rewards and recognition programmes that acknowledge employee contributions and achievements. These initiatives help foster a culture of appreciation, encourage performance excellence, and strengthen employee engagement across the Company.



ETHICAL GOVERNANCE & RESPONSIBLE BUSINESS PRACTICES

The Company remains firmly committed to maintaining the highest standards of ethical governance and responsible business conduct. A robust governance framework is supported by a well-structured Board, including experienced Independent Directors, who provide oversight and strategic guidance.

The Audit Committee plays a key role in ensuring transparency, financial discipline, and adherence to regulatory requirements. The Company also

maintains strong internal control systems and regularly reviews its policies and processes to ensure compliance with applicable laws, corporate governance norms, and industry standards.

Transparency and accountability remain central to our governance philosophy. All statutory disclosures and regulatory filings with stock exchanges are undertaken in a timely and compliant manner, reflecting the Company's commitment to responsible corporate conduct.

The Company also promotes ethical business practices through clearly defined policies, internal checks, and a culture that emphasises integrity, fairness, and responsible decision-making. Together, these measures enable the Company to safeguard stakeholder interests while fostering long-term trust and credibility.



Management Discussion & Analysis

GLOBAL ECONOMY

According to World Economic Outlook, global growth for the year has been resilient but is also projected to be moderate. Furthermore, Global GDP growth is projected to ease from 3.2% in 2025 to 2.9% in 2026 and then strengthen slightly to 3.1% in 2027.

Increased trade barriers and policy uncertainty contribute to a broad-based growth slowdown, mainly with regard to trade relations in most of the world's economies. Tariffs affect demand and continue to weigh on trade volumes as announced tariffs come into full effect. This may further affect the estimated effective tariff rate, reducing the divergence with collected duties. The global economic outlook remains resilient but increasingly fragile, shaped by a complex interplay of moderating growth, persistent inflation risks, and heightened geopolitical uncertainty.

While baseline global growth is holding around 3%, the recent surge in oil prices—driven by Middle East tensions and potential supply disruptions—has reintroduced inflationary pressures just as central banks were nearing the end of their tightening cycles. At the

same time, elevated tariff regimes and ongoing trade fragmentation continue to act as a structural drag on global trade efficiency and investment sentiment. This has placed policymakers in a difficult position, with limited room to either stimulate growth or tighten further, reinforcing a “higher-for-longer” interest rate environment.

Consequently, the global economy is navigating a narrow path characterized by modest growth, sticky inflation, and heightened vulnerability to external shocks, with energy markets and geopolitical developments emerging as the key variables to watch.

While headline inflation may continue for some time, it is projected to stabilize by 2027 in almost all major economies. It is anticipated that growth becomes firm later in 2026 as the impact of tariffs fades, financial conditions improve and lower inflation supports demand, with emerging Asian economies remaining the key contributors to global growth.

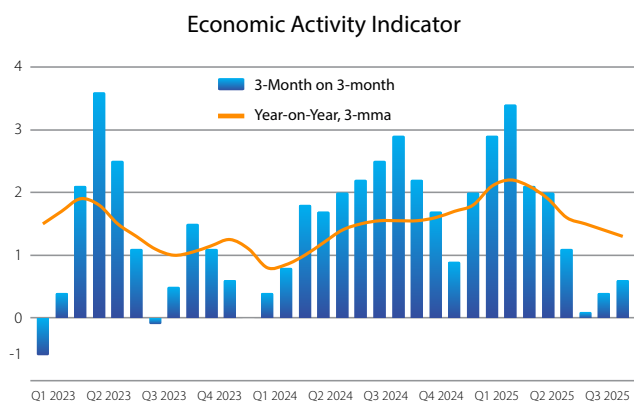
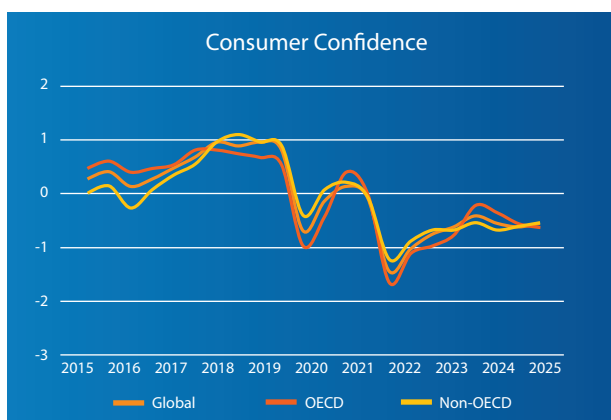
(Source: OECD, World Economic Outlook)

Commodity prices declined sharply in early April amid weakening global

growth prospects. Commodity prices are currently also being driven by a mix of cyclical shocks and structural shifts, with energy markets leading the volatility. Crude oil has surged on geopolitical tensions and supply risks, while natural gas and downstream inputs are reflecting similar tightness, feeding into broader inflation.

Industrial commodities such as metals remain range-bound but sensitive to China's uneven recovery and global manufacturing demand, whereas agricultural prices are seeing intermittent spikes due to climate disruptions and supply chain constraints. In the long run, the commodity cycle is likely to remain structurally firm rather than sharply inflationary, supported by energy transition investments (increasing demand for copper, lithium, and critical minerals), underinvestment in traditional fossil fuel capacity, and ongoing geopolitical fragmentation that keeps supply chains less efficient.

As a result, while near-term volatility will persist, the longer-term outlook points to a higher floor for commodity prices, with periodic spikes driven by changes rather than a sustained supercycle.



INDIAN ECONOMY



According to CRISIL's latest outlook, India's economy continues to demonstrate resilience and strong growth momentum. India is expected to remain the fastest-growing major economy, with GDP growth at 7.1% in FY27, following a 7.6% growth in FY26. This is mainly supported by robust demand both in the domestic and international markets. Moreover, improved consumer consumption, awareness, and positive investment trends enhance the growth inclination.

Despite global headwinds, including trade uncertainties, private consumption and government capex remain important drivers for sustained momentum. CRISIL

also notes that inflationary pressures have eased and normal monsoon conditions are expected to bolster demand, further supporting economic activity across sectors.

KPMG's analysis similarly underscores steady growth prospects, underpinned by strong domestic demand, infrastructure development, and supportive government initiatives, policies and regulations. Continued declines in inflation and a shrinking fiscal deficit reflect a positive macroeconomic development, while noting structural reforms aimed at enhancing competitiveness and attracting

investment. The report further states that "India's strong economic performance presents an opportunity for the country to implement essential structural reforms to realise the ambition of becoming an advanced economy by 2047."

Policy measures such as streamlined business approvals and initiatives to boost economy are viewed as reinforcing economic stability and investor confidence. These combined trends paint a robust macroeconomic picture, balancing resilient growth with reforms that support long-term development.

(Source: CRISIL, KPMG)



TEXTILE INDUSTRY

The textile industry is one of the oldest and most renowned industries of India. It is concerned with designing, production and distribution of cloth with the use of natural raw materials and the sector has made significant contributions in terms of forex earnings and employment opportunities.

Dominated by small and medium enterprises (SMEs), the Indian economy's dependence on the textile manufacturing industries is noteworthy. The evolution of fabrics like nylon, satin, chiffon, and more has created a wider scope in market of textile industries. This has also led to the discovery of new sources of natural fiber.

With the advent of modern technologies, better transportation and communication, It has become simpler to share and trade local skills and textile art with other countries. Additionally, the growth of e-retail and consumer



preferences are shortening fashion cycles and Increasing demand for rapid design-to-market execution. Hybrid production models combining rotary and digital

textile printing are gaining traction, creating opportunities for technology providers offering scalable and flexible printing solutions.

PERFORMANCE IN 2025

The Union Budget 2025–26 has allocated ₹5,272 crore (US\$ 607 million) to the Ministry of Textiles, marking a 19% increase over the previous year's allocation. The budget also announced the launch of a five-year Cotton Mission aimed at improving cotton productivity, reducing import dependence, and strengthening the competitiveness of MSME-driven textile manufacturing.

Union Minister of Commerce and Industry, Piyush Goyal, highlighted that the India–United Kingdom Free Trade Agreement is expected to create significant growth opportunities for the textiles, leather, and footwear sectors, strengthening their competitiveness and expanding their presence in the UK market.

India is the world's largest producer of cotton. In FY25, the production of cotton in India stood at 29.42 million bales. A report from India Brand Equity Foundation (IBEF) states that India's domestic market is valued at US\$ 225

billion in 2025 and is growing at a brisk pace of 10-12% CAGR. Rising incomes, e-commerce penetration, and evolving consumer preferences are expected to push the market size to US\$ 350 billion by 2030. This expansion will be further supported by India's rising per capita income, which is projected to increase from US\$ 1,379 in FY25 to US\$ 4,000 by FY30.

The IBEF report also mentions that India is actively diversifying its textile export destinations by strengthening trade engagement with regions such as the European Union and other emerging markets. This strategy aims to mitigate global trade uncertainties, including recent tariff measures imposed by the United States.

In a significant development, the India–United Kingdom Free Trade Agreement, signed on July 24, 2025, provides duty-free access for nearly 99% of India's textile exports to the UK, effectively eliminating the 10–12% tariff disadvantage previously faced against competing nations. The

agreement is expected to significantly expand India's textile exports to the UK, currently valued at US\$ 1.79 billion, with potential to grow to approximately US\$ 5 billion. It is also anticipated to support growth in major textile hubs such as Tirupur, encourage joint ventures, strengthen traditional manufacturing clusters, and contribute to the broader objective of doubling bilateral trade between India and the UK to US\$ 112 billion by 2030.

India's home textile sector reflects a rich legacy of craftsmanship and regional specialisation, with different parts of the country known for distinctive textile techniques and designs. Gujarat is celebrated for its vibrant and intricate embroidery traditions, while Kashmir is renowned for its premium woollen shawls and handcrafted rugs. This regional diversity highlights India's deep-rooted heritage and long-standing expertise in textile production.

(Source: Scribd)

GOVERNMENT INITIATIVES

The Government of India has undertaken several policy measures to enhance the competitiveness and growth potential of the textile industry. The administration led by Narendra Modi has focused on removing key operational barriers and introducing supportive reforms across the sector. These include initiatives related to quality standards such as Quality Control Orders (QCO), enhanced export incentives through schemes like RoDTEP (Remission of Duties and Taxes on Exported Products) and RoSCTL (Rebate of State and Central Taxes and Levies), temporary reductions in certain import duties, and efforts to correct the inverted duty structure.

Collectively, these measures aim to improve cost competitiveness, streamline industry operations, and support the expansion of India's textile manufacturing and export capabilities.

Some initiatives led by the Government of India are as below: -

Waste Management in Printing:
The Indian government provides support for setting up Effluent Treatment Plants (ETP) and using sustainable, energy-efficient technologies.

Production Linked Incentive (PLI) Scheme:
The PLI scheme for Textiles is mainly designed to promote large-scale investment and modernization in manufacturing infrastructure. It also facilitates the integration of high-speed and energy-efficient digital printers.

PM MITRA Parks:
Integrated textile parks are being developed by the Government of India in seven states namely Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh, and Maharashtra, etc. to house digital textile printing units for faster sampling and flexible water-efficient production.

National Technical Textiles Mission:
This initiative focuses on upgrading printing units with advanced printing machines and water-frugal technology.

India's textile industry is at a pivotal juncture, where strong policy support, rapid digital innovation, and an increasing focus on sustainability are converging to reshape textile production and exports. This alignment presents a significant opportunity to transform printing processes, enhance efficiency, and strengthen global competitiveness.

GROWTH DRIVERS

India's textile industry continues to be a key contributor to manufacturing, exports, and employment, supported by multiple structural and demand-led growth drivers. Strong domestic consumption, driven by rising disposable incomes, urbanization and changing

lifestyle preferences, has increased demand for apparel, home textiles, and value-added products.

Moreover, the rapid growth of India's e-retail ecosystem has boosted demand across mass, mid-premium, and niche

segments, including ethnic wear and home textiles. Globally e-commerce has accelerated demand for faster production cycles, shorter runs, customizations, and trend-responsive manufacturing, benefitting suppliers capable of agile and digital printing solutions.

Impact of E-Retail on Textile Sales

Aspect	Global Textile Sales – Impact of E-Retail	Domestic Textile Sales (India) – Impact of E-Retail
Market Expansion	Expansion of global e-commerce platforms increasing textile and apparel demand	Rapid growth of online retail driving apparel and home textile consumption
Production Cycles	Shift towards shorter production cycles and smaller batch sizes	Increased demand for faster turnaround times and flexible manufacturing
Customization	Growing need for customization and rapid design-to-market execution	Higher focus on visual differentiation and design innovation
Inventory Management	Reduced inventory risk for brands through online demand testing	Improved demand forecasting through online sales data
Technology Adoption	Increased adoption of digital and flexible printing technologies	Greater emphasis on speed, responsiveness, and technology-driven processes
Competitive Landscape	Faster response required to global fashion trends	Intensified competition across urban and semi-urban markets

**1. Asia-Pacific as a Global Textile Manufacturing Hub**

The Asia-Pacific region continues to dominate global textile production, driven by export demand, expanding manufacturing capacity, and supply-chain diversification. This sustains demand for high-volume rotary printing solutions while simultaneously creating opportunities for digital printing to support flexible and short-run production.

2. India's strengthening Manufacturing Capabilities

India's integrated textile value chain, availability of raw materials, skilled workforce, and government initiative such as PLI and PM MITRA parks are accelerating investments in

modern printing technologies. This environment supports both rotary printing for scale efficiency and digital printing for value-added and customized applications.

3. Rising Consumer Awareness and Demand for Sustainability

Increasing consumer awareness around sustainability, traceability, and responsible sourcing is driving demand for low-water and low-waste printing processes and solutions. Digital textile printing, along with optimized rotary technologies, is well-positioned to address these expectations through improved efficiency and reduced environmental impact.

KEY INDUSTRY TRENDS**1. Rapid Growth in Digital Printing & Customization**

The printing industry is gradually shifting from traditional methods to digital and on-demand printing, driven by demand for short runs, fast turnaround times, and cost efficiencies. Digital printing allows for easier customization and personalization of products — a major competitive advantage in both consumer and business markets.

2. Sustainability and Eco-Friendly Practices

Environmental consciousness is shaping market expectations. Printers are adopting eco-friendly inks, energy-efficient equipment, reduced waste technologies, and recyclable materials to

meet consumer preferences and regulatory requirements. This aligns with broader ESG priorities and is becoming a key differentiator.

3. E-commerce Driven Demand for Packaging & Print Solutions

The rise of e-commerce has boosted the need for innovative, durable, and visually appealing packaging printing — critical for branding and customer experience. Customized packaging with QR codes and security features is increasingly important.

4. Technology Integration (AI, Hybrid Systems & Automation)

Advances such as AI in print workflows, predictive quality control, cloud printing technologies, and hybrid printing systems

are improving productivity and consistency. These technologies help optimize operations and reduce manual interventions.

5. Expansion of Digital Textile Printing

In the textile and apparel segment, digital fabric printing is showing strong growth as part of the broader digital transformation, supported by e-commerce demand, sustainable practices, and faster production cycles.

6. Localized Production & Market Adaptation

Brands are increasingly adopting localized and flexible printing models that reduce lead times and better respond to regional demand, particularly in Asia-Pacific markets.

OPPORTUNITIES FOR ROTARY AND DIGITAL TEXTILE PRINTING

The global textile industry is characterised by strong growth opportunities for both rotary and digital textile printing. Digital textile printing is witnessing accelerated adoption owing to its ability to support shorter production runs, faster design-to-market cycles, and customization. Increasing focus on sustainability, reduced water consumption, and lower waste generation further strengthens the case for digital technologies.

The printing industry has undergone a paradigm shift with the integration

of digital printing technologies into mainstream operations. Innovations such as inkjet and laser printing now enable high-resolution outputs characterized by vibrant colours and durable finishes. Consequently, digital printing is gradually supplanting conventional printing across various sectors, including commercial printing, packaging, labels, and promotional materials.

The market's growth is further propelled by the increasing adoption of digital printing within the textile and apparel

industries, that highly value customization and short production runs.

The digital printing services market is projected to experience significant growth, fueled by continuous technological advancements and shifting consumer preferences. A key trend involves the increasing integration of digital printing with automation, artificial intelligence, and the Internet of Things (IoT). This integration is set to boost operational efficiency, minimize waste, and facilitate real-time quality control.

Such innovations are anticipated to decrease production costs and enable the creation of more intricate, high-quality outputs, thereby broadening the range of applications for digital printing.

Similarly, rotary printing remains relevant for large-scale and high-speed production; offering consistency,

cost-efficiency, and scalability for long production runs. In emerging markets, investments in textile manufacturing capacity and export-oriented production are sustaining demand, thereby creating a peak need for reliable rotary printing solutions.

Brands and organisations at large respond

to evolving customer preferences and e-commerce-driven demand, hybrid production models that blend rotary and digital printing. This helps in gaining traction, creating opportunities for solution providers offering a comprehensive product portfolio.

KEY OPPORTUNITY DRIVERS

- ◆ Growing textile manufacturing capacity across the globe
- ◆ A paradigm shift towards quicker turnaround and customised production
- ◆ Expansion of fashion, home textile, and technical textile segments
- ◆ Emergence of hybrid rotary-digital production models
- ◆ Rising demand for technology upgrades and process optimization



CHALLENGES

1. Volatility in Global and Asia-Pacific Market Conditions

The Asia-Pacific region, while being a key growth market for textile and printing technologies, continues to face demand fluctuations driven by global economic uncertainty, inflationary pressures, and changing trade dynamics. Variations in customer investment cycles and export-oriented manufacturing activity may impact order visibility and capital expenditure decisions.

2. Rapid Technological Evolution and Competitive Intensity

The industry is experiencing accelerated innovation in digital, sustainable, and automated printing solutions. Companies must continuously invest in technology upgrades to remain competitive, while also managing pricing pressures from regional and low-cost players, particularly in Asia-Pacific markets.

3. Supply Chain Disruptions and Input Cost Pressures

Ongoing geopolitical developments, logistics constraints, and fluctuations in raw material and energy costs present challenges in maintaining stable supply chains. These factors may affect production timelines, cost structures, and margins, especially for companies operating across multiple international markets.

RISKS AND CONCERNS

1. Technological Disruption and Rapid Change

The pace of technological innovation such as digital printing, automation, and AI-enabled workflows continues to accelerate. Companies may struggle to keep up with investments in the latest equipment and software, risking obsolescence or loss of competitive advantage.

2. Rising Input Costs

Fluctuating prices of raw materials (paper, inks, chemicals, textiles),

and increases in energy and transportation costs can compress margins, especially when customers resist price increases.

3. Supply Chain Vulnerabilities

Global disruptions such as geopolitical tensions, port delays, or shortages of critical components can affect production timelines and inventory availability, leading to service delays or higher costs.

4. Talent Shortage and Skill Gaps

Advanced digital and hybrid

systems require skilled operators and technicians. A shortage of trained personnel or slow upskilling can impact productivity and quality.

5. Sustainability and Regulatory Pressure

Increasing focus on environmental impact and regulatory compliance (e.g. waste management, emissions, chemical restrictions) requires ongoing investment. Failing to meet evolving sustainability standards may harm reputation and market access.



6. Competitive Pricing and Market Fragmentation

The industry faces intense price competition from regional players and low-cost providers, potentially eroding long-term contracts and profitability.

7. Changing Customer Expectations

Customers now expect faster turnaround times, highly

customized products, and integrated digital-to-physical solutions. Failure to meet these evolving demands can result in client attrition.

8. E-commerce and Digital Alternatives

While e-commerce drives demand for packaging and labels, digital alternatives in document

management and marketing (e.g., digital ads replacing print collateral) pose substitution risk.

9. Cybersecurity and Data Risks

As workflows become more digitized and connected, cybersecurity threats (data breaches, ransomware) pose operational and reputational risks.

COMPANY OVERVIEW

A global leader in industrial and textile printing technologies, Stovec Industries is a part of the esteemed SPGPrints Group based in Boxmeer, Netherlands. The company is an established name globally. Boasting of an international network of competence centers and a strong distribution foothold, the company develops, manufactures, and supplies printing systems, machinery, consumables, and printing solutions used in textile and label production as well as other industrial printing applications.

Stovec is a holistic printing solutions provider that offers a product portfolio covering capital & consumables range of products for the textile printing industry. Stovec's excellence in engineering and innovation has made us a key international player in the textile printing industry.

Stovec's ability to stay ahead of the curve, while mastering the production of rotary printing machines and screens, digital printing equipment,

inks, engraving systems, and prepress technology facilitates the company to serve customers around the world with advanced, high-performance printing technology and support.

The company has been a pioneer in printing innovations, including launching the first digital textile printer and providing sustainable, efficient solutions for large-scale production environments.



1973
Founded



49,000
m² area



250
FTE

FINANCIAL PERFORMANCE

Changes in financial ratios over last year

Financial ratios	2025	2024	Change (%)	Remarks
Debtor Turnover (in times)	5.59	7.06	-20.82%	--
Inventory Turnover (in times)	2.23	2.68	-16.79%	--
Current Ratio (in times)	3.86	3.49	10.60%	--
Operating Profit Margin (%)	3.77%	6.66%	-43.45%	Weak demand leading to lower sales and profitability, additional provision for gratuity and leave encashment as per the New Labour Code, 2025.
Net Profit Margin (%)	3.48%	5.53%	-36.98%	Weak demand leading to lower sales and profitability, additional provision for gratuity and leave encashment as per the New Labour Code, 2025.
Return on Net Worth (%)	5.37%	9.78%	-45.06%	Downward movement resulting from lower profitability compared to last year and a lower net worth position.

Financial ratios	2025	2024	Change (%)	Remarks
Creditor Turnover Ratio (in times)	8.19	5.64	45.21%	A slowdown in business operations resulted in lower purchases and a corresponding decrease in trade payables compared to the prior year.
Net Capital Turnover Ratio (in times)	2.05	2.72	-24.63%	Reduction driven by higher working capital (inventory) and lower revenue from operations.
Return on Investment (%)	6.48%	6.25%	3.68%	--

Segment-wise performance

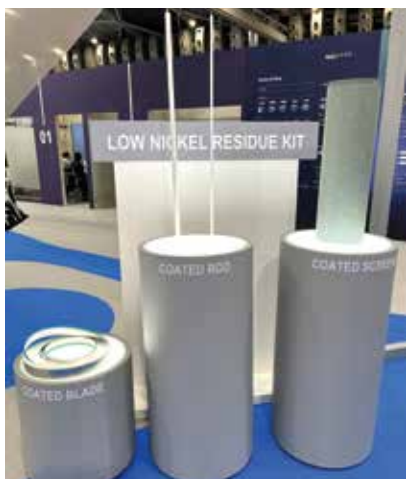
The Company's segment-wise revenue performances are as follows:

(₹ in Million)

Particulars	2025	2024
Textile consumables & machinery	1,888.78	2,230.50
Graphic products	92.33	115.20

MARKET ENGAGEMENT THROUGH INDUSTRY EVENTS AND EXHIBITIONS

Stovec actively participated in exhibitions focused on the textile and label markets, showcasing the latest advancements and innovations within the industry. These platforms provided valuable opportunities for networking, knowledge exchange, and strengthening of long-term relationships with customers, industry veterans, start-ups, experts, and investors.



INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

For proper financial management and circumventing fraud, the Company maintains an effective internal control system at par with its size and operations. Internal Control Systems, comprising

policies and procedures, are designed to ensure orderly and efficient conduct of business, safeguard the assets of the business, prevent and detect fraud, ensure the completeness and accuracy of accounting records, and timely preparation of financial information.

Furthermore, the system is reviewed and updated continually based on the recommendations made by the Statutory Auditors, Internal Auditors, and the Independent Audit Committee of the Board of Directors, of the Company.

HUMAN RESOURCES & INTERNAL MANAGEMENT

Human resources continue to be a critical pillar supporting Stovec's operational efficiency, innovation capability, and long-term growth. During the year, the Company focused on strengthening its workforce through skill development, cross-functional collaboration, and continuous learning, particularly in areas related to digital technologies, process optimization, and customer-centric solutions. Given the evolving nature of printing and textile technologies, emphasis was placed on upskilling employees to adapt to new systems, automation, and advanced production techniques.

Stovec fosters a collaborative and inclusive work environment that encourages knowledge sharing, accountability, and continuous improvement across functions. Internal

processes were further streamlined to enhance coordination between technical, commercial, and support teams, enabling faster decision-making and improved responsiveness to customer requirements.

The Company also prioritizes employee engagement, workplace safety, and adherence to ethical and compliance standards. Management believes that sustained investment in people, systems, and internal governance will remain essential to maintaining operational excellence and supporting Stovec's strategic objectives in a competitive and rapidly evolving industry.

CAUTIONARY STATEMENT

The information and opinion expressed in this report as well as the Boards' Report describing the Company's objectives, projections, estimates, and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the spend by the Government in agriculture and infrastructure, significant changes in political and economic environment in India, volatility in the prices of major raw materials and its availability, taxation laws, exchange rate fluctuations, interest, and other costs.



Corporate Information

BOARD OF DIRECTORS

MR. GARRETT FORDE, *Chairman*

MR. SHAILESH WANI, *Managing Director*

MR. BHANUBHAI PATEL, *Independent Director (w.e.f. 5th May, 2025)*

MRS. KIRAN DHINGRA, *Independent Director*

MR. ABHAY JADEJA, *Independent Director (w.e.f. 5th May, 2025)*

MR. ARNOUT OTMA, *Non-executive Director (w.e.f. 10th February, 2026)*

CHIEF FINANCIAL OFFICER

MR. GAURAV AMRUTIYA

(w.e.f. 14th November, 2025)

MR. PARAS MEHTA

(Upto 23rd May, 2025)

COMPANY SECRETARY & COMPLIANCE OFFICER

MR. SANJEEV SINGH SENGAR

STATUTORY AUDITOR

PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP

SECRETARIAL AUDITOR

SANDIP SHETH & ASSOCIATES, COMPANY SECRETARIES

REGISTRAR & SHARE TRANSFER AGENTS

MUFG Intime India Private Limited

5th Floor, 506 to 508, Amarnath Business Center-I (ABC-I)
Besides Gala Business Center, Near St. Xavier's College Corner
Off. C.G. Road, Navrangpura, Ahmedabad 380009, Gujarat
Phone: +91 79 26465179
Email: investor.helpdesk@in.mpms.mufg.com

BANKERS

Axis Bank Limited
HDFC Bank Limited

REGISTERED OFFICE AND FACTORY

N.I.D.C., near Lambha Village, Post: Narol,
Ahmedabad 382 405, Gujarat, India

INVESTOR'S HELPDESK

Email: secretarial@stovec.com
Phone: +91 79 6157 2300/470

INVESTOR INFORMATION:

AGM: Thursday, 7th May, 2026 at 2:30 p.m.

AGM venue: Through VC/OAVM

Remote e-voting:

begins on 4th May, 2026 @ 9:00 a.m.
ends on 6th May, 2026 @ 5:00 p.m.

Cut-off date: Thursday, 30th April, 2026

CIN: L45200GJ1973PLC050790

BSE Code: STOVACQ (504959)

Website: www.stovec.com

Notice

NOTICE is hereby given that the 52nd Annual General Meeting ("AGM") of the members of STOVEC INDUSTRIES LIMITED will be held on Thursday, 7th May, 2026 at 2:30 pm (IST) through video conferencing ("VC")/other audio-visual means ("OAVM") from the registered office of the Company at NIDC, Near Lambha Village, Post Narol, Ahmedabad – 382 405 to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the standalone audited financial statements of the Company for the financial year ended 31st December, 2025, together with the report of the Board of Directors and the Auditor's thereon;
- 2) To declare dividend of ₹ 12 per equity share of face value of ₹ 10 each for the financial year ended 31st December, 2025;
- 3) To appoint a director in place of Mr. Garrett Forde (DIN: 09040078), who retires by rotation and being eligible, offers himself for re-appointment;

SPECIAL BUSINESS:

4) To approve payment of commission to the Independent Directors

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

"RESOLVED THAT pursuant to Sections 197, 198 and schedule V of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), other applicable provisions, if any, consent of the members be and is hereby accorded for payment of commission to the Independent Directors of the Company for a period of three financial years commencing from January, 2026 provided that the total commission payable to the Independent directors during a financial year shall not exceed 1% (one percent) of the net profits of the Company of that financial year as computed in the manner prescribed under Section 198 of the Act, and the said remuneration shall be in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company or Committee thereof from time to time."

5) To approve appointment of Mr. Arnout Otma (DIN: 11521057) as Director of the Company

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (the

"Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 17 (1C) and other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Arnout Otma (DIN: 11521057), who was appointed as an Additional Director of the Company under Section 161 of the Act, considering the nomination of SPGPrints B.V., on 10th February, 2026 to hold office up to the date ensuing Annual General Meeting, and in respect of whom the Company has received a notice, in writing, under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, and he shall be liable to retire by rotation."

6) To ratify remuneration of Cost Auditor of the Company payable for FY2026

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 1,90,000/- (Rupees One Lakh Ninety Thousand Only) plus applicable taxes payable to M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the Financial Year ending 31st December, 2026 and the reimbursement of out-of-pocket expenses.

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

7) To approve acquisition of Intellectual Properties and Rights thereon (IPR) relevant to the company's business from SPGPrints B.V., holding company

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the



Act'), Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and other applicable laws (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and the Company's Policy on Related Party Transactions, and as per the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members be and is hereby accorded to the Board to enter into contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) with M/s SPGPrints B.V., holding company, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, for acquisition of technical knowhow, designs and drawings, manufacturing processes, registered trademarks and other associated rights (IPR), pertain to the manufacturing and sale of Rotary ScreenPrinting Machines and Nova Screens that are currently being used by the Company under the licensing arrangement, on such terms and conditions as set out in the explanatory statement annexed to this notice, at a total consideration of ₹ 153 million determined based on valuation report of the registered valuer appointed by the Company.

RESOLVED FURTHER THAT any one of the Directors and Chief Financial Officer of the Company be and is hereby severally authorized to sign and execute all such documents, agreements, papers and writings as may be required and to do all such acts deeds and things that may be necessary, proper, desirable to give effect to this resolution."

8) To approve material related party transactions with SPGPrints B.V., holding company

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

"RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and other applicable laws (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and the Company's Policy on Related Party Transactions, and as per the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members be and is hereby accorded to the Board to enter into contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) with M/s SPGPrints B.V., holding company, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, exceeding the prescribed limit of materiality (whether by way of an individual transaction or a series of transactions or otherwise) on such terms and conditions set out in the explanatory statement to be carried out at arm's length basis in the ordinary course of business of the Company during the financial year 2026, such that the maximum value of the

transactions with such related party, in aggregate, does not exceed ₹ 306 million.

RESOLVED FURTHER THAT any one of the Directors and Chief Financial Officer of the Company be and is hereby severally authorized to sign and execute all such documents, agreements, papers and writings as may be required and to do all such acts deeds and things that may be necessary, proper, desirable to give effect to this resolution."

**By Order of the Board,
For Stovec Industries Limited,**

Sanjeev Singh Sengar

Company Secretary

Membership No. FCS7835

Date: 7th April, 2026

Place: Ahmedabad

Notes:

1. Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 03/2025 dated 22nd September, 2025, has allowed companies to conduct their Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM), till further orders, without the physical presence of members, subject to compliance with the procedures prescribed in MCA General Circular No. 20/2020 dated 5th May, 2020 (collectively referred to as the 'MCA Circulars'). Pursuant to such MCA circulars and to encouraging wider participation of the shareholders at the AGM, the meeting is being held through VC and Company is pleased to providing facility to attend and participate in the AGM through VC/OAVM. Members can attend and participate in the meeting through VC/OAVM from their respective locations following the instructions given herein. Annual Report of the Company for the financial year 2025 ('Annual Report') is being sent through email to the members whose email addresses are registered/available with the Company/ Depositories.
2. The full Annual Report together with the Notice of convening this AGM is available on the website of the Company at www.stovec.com; Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of MUFG Intime India Private Limited (agency for providing the e-Voting facility) at i.e. <https://instavote.linkintime.co.in>. Annual report can also be accessible from the newspaper advertisement bearing the QR code.
In case the shareholder/s has not registered his/her email address with the Company/ RTA/Depositories or wish to make change or update the same, he/she can do so by following instructions given in this report.
3. SEBI through its various circulars mandated furnishing of PAN, KYC details (i.e., postal address with pin code, email id, mobile number, bank account details) and nomination details by shareholders holding securities in physical form, and the folio shall be treated as incomplete if such information not there in the record. We would request such concerned shareholder/s to update/furnish the above information to the RTA at the earliest. Please know that any service requests or complaints received from such shareholders will not be processed till

the aforesaid details/ documents are provided. Dividend shall be paid only electronically in respect of folios wherein PAN or KYC details are not available. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf

Investor may visit the Company/RTA website for registering/ changing/ updating all or any of the above details by furnishing required documents along with the duly filled appropriate form/s viz. ISR-1 (for KYC), ISR-2 (for signature verifications), ISR-3 (for opting out from nomination) and Nomination forms SH-13/14, as the case may be.

4. Regulation 40 SEBI Listing Regulations provides that the transfer and transmission can be processed in demat mode only. However, SEBI vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 issued on 30th January, 2026, provided a special window of one year from 05th February, 2026 to 04th February, 2027 for re-lodgment of physical share transfer deeds that were originally lodged prior to 1st April, 2019 and subsequently rejected or returned due to documentation deficiencies.
6. Sections 124 of the Companies Act, 2013 ("the Act") provides that dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account required to be transferred to Investor Education and Protection Fund ("IEPF") established by the Central Government. During the year, the Company has transferred unclaimed dividend of ₹ 1.14 Million pertaining to the financial year 2017 to IEPF. Shareholders who have not claimed their dividend pertaining to financial year 2017 and all subsequent years are requested to claim their dividend as early as possible, failing which it would be transferred to IEPF as per the (tentative) date mentioned below. The details of unclaimed dividends are available on the Company's website at www.stovec.com and Ministry of Corporate Affairs website at www.iepf.gov.in.

Relating to FY	Unclaimed dividend (₹ in Million)	Tentative date of transfer
Final Dividend 2018	1.71	11 th June, 2026
Final Dividend 2019	1.47	15 th October, 2027
Final Dividend 2020	0.65	8 th June, 2028
Final Dividend 2021	1.41	3 rd June, 2029
Final Dividend 2022	1.09	6 th June, 2030
Interim Dividend 2023	2.85	7 th September, 2030
Final Dividend 2023	0.70	24 th May, 2031
Interim & Final Dividend 2024	4.03	6 th June, 2031

Further, pursuant to Section 124(6) of the Act read with relevant rule of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF. Company would be sending individual communications to all such shareholders whose dividend has not been paid or claimed for any year during the said seven consecutive years requesting them to claim their dividend before the due date of transfer failing which their shares would be transferred to the IEPF. The Shareholders whose shares are transferred to the IEPF Authority can claim their shares back from such authority by filing form IEPF-5 and following such procedures as may be prescribed in the IEPF Rules from time to time.

All such re-lodged requests shall be processed only in dematerialized form, and due process shall be followed for transfer-cum-demat. Members are encouraged to take advantage of this opportunity to secure their rights in the securities purchased in physical. Members may contact the Company's RTA for assistance in this regard.

5. SEBI vide its circular dated 31st July, 2023 (updated as on 11th August, 2023), introduced an Online Dispute Resolution Portal (ODR Portal) for resolving disputes of the investors in the Indian Securities Market. The ODR Portal integrates timebound online conciliation and arbitration methods to facilitate dispute resolution effectively. Investors are encouraged to initially address their concerns with market participants and may escalate to the Company through the SEBI SCORES guidelines, if not satisfied with the resolution provided. If they remain unsatisfied with the resolutions exhausting all options, they can seek resolution through the ODR Portal. The ODR Portal is available only when complaint is not under consideration with market participants or the Company or pending before the judicial or quasi-judicial body. Investor may please refer the above circular for detailed information.

7. The Register of Members and Share Transfer Book shall remain closed from 1st May, 2026, to 7th May, 2026 (both days inclusive) for the purpose of AGM and dividend. The dividend, if declared in the AGM, shall be paid on or before its due date to the shareholders who hold the shares as of cutoff date i.e., 30th April, 2026. The voting rights of Members shall be in proportion to their share held in the paid-up equity share capital of the Company as on the cut-off date.
8. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depository Participant ("DP") only. However, Members holding shares in physical mode are required to notify any change pertaining to their bank details, NECS, mandates, nominations, power



of attorney, change of address/name, PAN details, etc. to Registrar and Share Transfer Agent i.e., M/s. MUFG Intime India Private Limited, 5th Floor, 506 to 508, Amarnath Business Center-I (ABC-I), Besides Gala Business Center, Nr. St. Xavier's College Corner, off. C.G. Road, Navrangpura, Ahmedabad – 380 009, Gujarat.

9. The explanatory statement pursuant to Section 102 of the Act, in respect of special businesses and brief profile of Director(s) seeking appointment/reappointment in the annual general meeting is annexed herewith and forms integral part of the Notice.
10. The documents and registers that are required to be open for inspection by the members of the company, are open for inspection at the registered office of the Company on all working days except Saturdays, Sundays, and public holidays between 11.00 a.m. to 4.00 p.m. up to the date of the AGM and also available electronically for which you may write to the Company at secretarial@stovec.com.
11. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at secretarial@stovec.com at least 5 days before the date of the meeting from their registered email address mentioning their name, DP ID Client ID / Folio no. and mobile number so that the information required may be made available at the meeting.
12. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to investor.helpdesk@in.mpms.mufg.com latest by 28th April, 2026. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20% excluding surcharge & cess. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to investor.helpdesk@in.mpms.mufg.com latest by that date.
13. Providing route map of the venue of the meeting is not applicable in case of VC meeting.

14. INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING:

- a) Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be passed in the AGM by electronic means.
- b) The Company has engaged the services of MUFG Intime India Private Limited to provide remote e-voting facility as well as e-voting during the AGM to the Members.
- c) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- d) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting through VC or OAVM but he shall not be entitled to cast their vote again and shall not be allowed to change it subsequently.
- e) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- f) Since the AGM is being held through VC/OAVM in accordance with MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available and hence the proxy form and attendance slip are not annexed to this Annual Report. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- g) The Notice calling the AGM has been uploaded on the website of the Company at www.stovec.com. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of MUFG Intime India Private Limited (agency for providing the Remote e-Voting facility and e-voting system during the meeting) at <https://instavote.linkintime.co.in>.
- h) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act, read with MCA Circulars.
- i) M/s. Sandip Sheth & Associates, Practicing Company Secretaries, Ahmedabad (Firm Regn. No. P2001GJ041000), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting system on the date of AGM in a fair and transparent manner.
- j) The voting results will be declared on receipt of scrutinizer's report. The voting results along with the Scrutinizer's Report will be placed on the website of the agency at <https://instavote.linkintime.co.in/> and also on the website of the Company at

www.stovec.com, within two working days of the conclusion of the AGM of the Company and will also be submitted to the Bombay Stock Exchange (BSE) where the shares of the Company are listed.

15. INSTRUCTIONS RELATING TO REMOTE E-VOTING:

The remote e-voting period begins on 4th May, 2026 @ 9.00 hours (IST) and ends on 6th May, 2026 @ 17.00 hours (IST). During this period, shareholders of the Company, holding shares either in physical or dematerialized form, as on the cut-off date i.e., 30th April, 2026 may cast their vote electronically. The e-voting module shall be disabled by the agency for voting thereafter.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of the aforesaid period.

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1–NSDL OTP based login

- Visit URL: <https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp>
- Enter your 8–character DP ID, 8–digit Client Id, PAN, Verification code and generate OTP.
- Enter the OTP received on your registered email ID/mobile number and click on login.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2–NSDL IDeAS facility

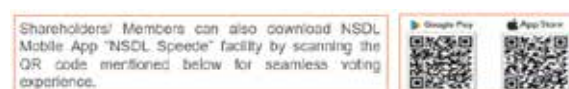
Shareholders registered for IDeAS facility:

- Visit URL: <https://eservices.nsd.com> and click on “Beneficial Owner” icon under “IDeAS Login Section”.
- Enter IDeAS User ID, Password, Verification code & click on “Log-in”.
- Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.

- Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsd.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.
- Enter the last 4 digits of your bank account / generate ‘OTP’
- Post successful registration, user will be provided with Login ID and password.
- Follow steps given above in points (a-d).



METHOD 3–NSDL e-voting website

- Visit URL: <https://www.evoting.nsd.com>
- Click on the “Login” tab available under ‘Shareholder/ Member’ section.
- Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on “Login”.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1–CDSL e-voting page

- Visit URL: <https://www.cdslindia.com>.
- Go to e-voting tab.
- Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2–CDSL Easi/ Easiest facility:**

Shareholders registered for Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".
- Enter existing username, Password & click on "Login".
- Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>.
- Proceed with updating the required fields for registration.
- Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- Login to DP website
- After Successful login, user shall navigate through "e-voting" option.
- Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- Post successful authentication, click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- Enter details as under:
 - User ID: Enter User ID
 - Password: Enter existing Password

- Enter Image Verification (CAPTCHA) Code
- Click "Submit".

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

Shareholders not registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:
 - User ID: Enter User ID
 - PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company-in DD/MM/YYYY format)
 - Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
 - Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
 - Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
 - Set the password of your choice. (The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Enter Image Verification (CAPTCHA) Code.
 - Click "Submit" (You have now registered on InstaVote).
- Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- A. Visit URL: <https://instavote.linkintime.co.in>
- B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

- A. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- B. Click on "Investor Mapping" tab under the Menu section
- C. Map the Investor with the following details:

- 1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
- 2) 'Investor's Name' – Enter Investor's Name as updated with DP.
- 3) 'Investor PAN' – Enter your 10-digit PAN.
- 4) 'Power of Attorney' – Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1–VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on "Votes Entry" tab under the Menu section.
- c) Enter the "Event No." for which you want to cast vote. Event No. can be viewed on the home page of InstaVote under "On-going Events".
- d) Enter "16-digit Demat Account No."
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2–VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will see "Notification for e-voting".
- c) Select "View" icon for "Company's Name / Event number".
- d) E-voting page will appear.
- e) Download sample vote file from "Download Sample Vote File" tab.
- f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.



- g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on:

<https://instavote.linkintime.co.in>

- Click on "**Login**" under 'SHARE HOLDER' tab.
- Further Click on "**forgot password?**"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".



In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on:

<https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Further Click on "**forgot password?**"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/ DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on:--Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions–Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

16. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".
- Select the "Company Name" and register with your following details:
- Select Check Box–**Demat Account No. / Folio No. / PAN**

- Shareholders holding shares in NSDL/ CDSL demat account shall select check box–Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.
- d) Click “Go to Meeting”
You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least (3) three days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@stovec.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries 5 days in advance prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@stovec.com. The queries will be replied suitably by the Company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Regd. Office:

N.I.D.C. Nr. Lambha Village,
Post: Narol, Ahmedabad – 382 405
Gujarat, INDIA.
CIN: L45200GJ1973PLC050790
Tel: +91 (0) 79 6157 2300
E-mail: secretarial@stovec.com, Website: www.stovec.com
Date: 7th April, 2026
Place: Ahmedabad

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on link “Cast your vote”.
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.
- c) Click on ‘Submit’.
- d) After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
- e) Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on:–Tel: 022 – 4918 6000 / 4918 6175.

By Order of the Board,
For **Stovec Industries Limited,**

Sanjeev Singh Sengar
Company Secretary
Membership No. FCS 7835



Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ('the Act'), concerning the Businesses set out in the Notice is annexed hereto and forms part of this Notice.

Item No. 4

Section 197 of the Act provides that the commission up to 1% of the net profits of the company may be paid to the non-executive directors without the approval of members of the company but the Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires members approval by means of passing an ordinary resolution for payment of all fees / compensation to the non-executive directors (includes Independent Director).

The Company recognizes that its Independent Directors (IDs) play a crucial role in ensuring robust corporate governance, strategic oversight, and protection of stakeholder interests. They devote significant time and expertise in Board and Committee activities, including reviewing financials, monitoring compliance, and guiding management on strategic matters. Their involvement aligns with the expectations under the Act and SEBI (LODR) Regulations, which emphasize the independence, oversight responsibilities, and professional contribution of Independent Directors.

In accordance with Section 197 and Section 149(9) of the Act, Independent Directors are eligible to receive sitting fees, reimbursement of expenses, and commission. The law expressly permits such remuneration even in periods of inadequate or no profits. This ensures that compensation remains aligned with the nature and importance of their duties regardless of the company's financial performance.

Further, determination of remuneration has been undertaken considering statutory factors such as the financial position of the Company, remuneration drawn by the directors in other capacities or entities, and market standards for comparable roles. These factors are consistent with the subjective evaluation criteria prescribed under the Act for director remuneration.

Your company has three independent directors with diverse knowledge who play a very vital role in Board's decision-making process through active participation, upholding good governance and ensuring regulatory checks & control etc. Having regard to their contributions, on the recommendation of Nomination and Remuneration Committee, Board meetings held on 23rd February, 2026 recommended the proposal for remuneration payable to independent Directors of the Company by way of commission up to 1% (one percent) of the net profits of the Company calculated in accordance with the provisions of the Act, for three year effective from the financial year 2026.

Accordingly, the Board believes that the proposed remuneration is justified, reasonable, and necessary to compensate Independent Directors for their expertise, accountability, and time commitment, while ensuring continued alignment with regulatory requirements and bestpractice governance norms.

Commission shall be in addition to the payment of sitting fees and reimbursement of expenses incurred for attending the meetings of the Board of Directors of the Company and/or Committee(s) thereof. Board recommends a resolution for the approval of members.

Other than Independent Directors and their relatives may be deemed to be interested in the resolution, to the extent of the remuneration/commission they may receive, none of the other Directors, key managerial personnel, and their relatives, are in anyway concerned or interested, financially or otherwise, in the resolution.

Item No. 5

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee considering nomination from the holding company for his appointment as Director of the Company, appointed Mr. Arnout Otma (DIN: 11521057), aged 44 years, as an Additional Director of the Company under the category of Non-Executive Non-Independent with effect from 10th February, 2026 to holds office up to the date of ensuing Annual General Meeting of the Company. Company has received notice under Section 160 of the Act proposing his candidature for appointment as a Director of the Company in the ensuing AGM.

Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, approval of shareholders for appointment or reappointment of a person on the Board needs to be taken at the next general meeting or within a period of three months from the date of appointment, whichever is earlier.

Mr. Otma holds an Executive Master of Finance & Control (Registered Controller – EMFC-RC) degree from Nyenrode Business Universiteit, the Netherlands, and he is currently the Chief Financial Officer of SPGPrints B.V., the holding company of the Company, and brings with him extensive financial experience in the industrial sector, with a proven track record in supporting growth, transformation, and strategic financial leadership.

He is qualified to be appointed as a Director in terms of Section 164 of the Act and has formally provided his consent to act as a Director of the Company. Further, the Company has received a declaration from him confirming that he is not debarred from holding the office of director by any order of SEBI, the Ministry of Corporate Affairs, or any other statutory authority, as required under applicable laws.

Board is confident that his knowledge and experience will be of immense value to the Company and hence recommends the resolution in the Notice for your approval.

Mr. Otma does not hold any share in the Company either in his individual capacity or on a beneficial basis for any person and he

is not related to any of the Directors or key managerial personnel of the Company.

None of the directors, key managerial personnel and relatives thereof except Mr. Otma, is in any way concerned or interested, financially or otherwise, in the resolution.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st December, 2026.

In accordance with Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014 (as amended), remuneration payable to the Cost Auditors must be ratified by the members of the Company. Accordingly consent of the members is sought by way of an ordinary resolution as set out in the Notice for ratification of the remuneration of ₹ 0.19 million (Rupees One Lakh Ninety Thousand Only) plus applicable taxes and out of pocket expenses, if any, payable to the Cost Auditors for Cost Audit for the financial year ending on 31st December, 2026, in respect of products/ activities of the Company covered under the Companies (Cost Records and Audit) Rules, 2014 (as amended). Board recommends the resolution for the approval of members.

None of the Directors, key managerial personnel, and/or their relatives are in any way concerned or interested, financially or otherwise, in the resolution.

Item No. 7 & 8

Members are aware that the Company is part of the SPGPrints Group, headquartered in the Netherlands. The Company manufactures rotary printing machines and Nova screens under a royalty arrangement with the holding company for the use of its proprietary technology and know-how. As part of a group-wide restructuring of SPGPrints group, the centralized operating model of the group has been transitioned into a business unit-driven structure and in the process of such internal group restructuring, the group has divided into three business verticals viz. (i) Textile, (ii) Laser and (iii) Industrial, and your Company has become the lead business unit for the whole textile division where ownership, speed, and customer focus are placed at the centre. With the Textile Division becoming the lead business unit, it is both logical and strategically appropriate for the Company to acquire the intellectual property rights currently used under the licensing arrangement from SPGPrints B.V. ('**SPGPrints**'). This acquisition will enable the Company to accelerate its business activities and enhance decision-making autonomy. Accordingly, the Company intends to purchase, and SPGPrints has expressed its willingness to sell, the intellectual property rights utilized by the Company for the manufacture and sale of Rotary Screen-Printing Machines and Nova Screens under the existing licensing arrangements. The intellectual property being acquired comprises of technical know-how, designs and drawings, manufacturing processes, registered trademarks, and other associated rights, pertaining to the manufacturing and sale of Rotary Screen-Printing Machines

and Nova Screens ('**IPR**'). Therefore, the intellectual properties are unregistered technical knowhow and Registered trademarks. Upon completion of the acquisition, the Company will become the sole owner of the said IPR and, accordingly, will no longer be required to pay any royalty to SPGPrints in respect of their use.

The objective of this acquisition is to consolidate ownership of said intellectual properties with the Company that enable centralized ownership, management and commercial exploitation of such IPR by the Company. Presently, Company has been using the aforesaid IPR under the licensing arrangement with SPGPrints B.V. since 2015 and valid till 2034 and pay Royalty on annual basis. Upon completion of the proposed acquisition, full ownership of said IPR shall be vested with the Company resultant the said royalty arrangement in respect of these product lines shall cease to stop paying royalty thereafter. With the acquisition of such IPR, Company will also get the licensing rights to receive Royalty approx. ₹ 7.9 million per annum from a group company in China which has been using same technology for producing screens under the licensing arrangement with SPGPrints.

Considering that the proposed acquisition of the IPR is a one-time transaction of significant value, Company has appointed Mr. Harsh Ruparelia,, who is a member of ICMAI, Registered Valuers Organization as the registered valuer for obtaining valuation report for the proposed acquisition of IPR in accordance with the provisions of Section 247 of the Act determining the fair value of the transaction payable for this acquisition of IPR. (*Acquisition of IPR*).

The Company conducts its business, both directly and indirectly, in the ordinary course with its affiliated entities, namely SPGPrints group companies, to serve global end customers. This approach aims to uphold quality standards, achieve economies of scale, ensure ease of customer access, and maintain global representation in the best interests of the Company and its members strengthening the Company's competitive position in both domestic and international markets. Accordingly, transactions such as sale, purchase or supply of goods, materials and services are undertaken in the regular course of business. In line with this established business conduct, the transactions specified in the table are proposed to be entered into with SPGPrints B.V., the Netherlands ('SPGPrints') during FY2026 ('*Regular Business Transactions*'). These transactions are entered in the ordinary course of business on an arm's length basis and considered to be commercially beneficial and in the overall interest of the Company. The Board and Audit Committee have granted their separate approvals for entering into material related party transactions under the category of "Availing and rendering of services" and the overall business transactions to be entered with the SPGPrints.

The aggregate value of both the transaction i.e., Acquisition of IPR and the Regular Business Transactions proposed to be undertaken with SPGPrints during the financial year 2026, exceeds the materiality thresholds prescribed for material-related party transactions under the Act and the SEBI Listing Regulations that require prior approval of the members of the Company.



Material related party transactions are defined under Section 188 transaction category wise while Regulation 23 of SEBI Listing Regulations define a common threshold for materiality of the transaction i.e., in the case of a listed entity having an annual consolidated turnover of up to ₹ 20,000 crore applicable to the Company, transaction that exceeds ten per cent (10%) of the annual consolidated turnover of the Company, as per the last audited consolidated financial statements of the Company, whichever is lower. And the material RPT requires prior approval of members by means of an Ordinary Resolution.

The valuation report is available for inspection on request electronically and physically at the Registered Office of the Company during office hours on all working days (except holiday, Saturdays and Sundays) from the date of dispatch of the notice until the last date for receipt of votes through e-voting.

All the relevant details of the proposed RPTs as may be required have been provided to the Audit Committee and Board. Accordingly, the Audit Committee comprising of all Independent Directors has reviewed the transaction basis of information supplied and granted approval for entering the RPTs between the Company and SPGPrints. These RPTs were also placed before the Board of Directors and the same were approved and recommended to the shareholders.

The details of the proposed transactions, as per the disclosure requirements prescribed under the Industry Standards on Related Party Transactions pursuant to the SEBI Circulars dated 26th June, 2025 and 13th October, 2025, are below:


Sr.	Particulars	Information	
		Item No. 1	Item No. 2
1.	Information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable	The details of the information as per the RPT Industry Standards are provided below in Table A.	
2.	Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT.	As explained above in detail read with information in Table A.	
3.	Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/ Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards.	Managing Director & CFO provided a certificate confirming that the proposed RPTs are in the interest of the Company and the same has been reviewed by the Audit committee.	
4.	Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval.	Audit Committee has duly approved the proposed Material RPTs and the same has been reviewed, approved and recommended by the Board for acquisition of intellectual properties and rights thereon, and Other Business Transactions with SPGPrints B.V. in its meetings held on 30 th January, 2026 and 23 rd February 2026 respectively.	
5.	Provide web-link and QR Code, through which shareholders can access the valuation report or other reports, if any, considered by Audit Committee while approving the RPT.	https://www.spgprints.com/hubfs/Signed%20RV%20Valuation%20Report%20-%20Stovec%20IP.pdf?hsLang=en 	Company is carried out benchmarking study with independent valuation firms at regular intervals. The proposed transactions are on prevailing market rates on an arm's length basis confirming the compliance of international transfer pricing.
6.	Any other information that may be relevant.	All the relevant information pertaining to the transactions are furnished.	

Table-A

(Minimum Information placed before the audit committee & Board for the Material Related Party Transaction)

Sr.	Headings	Particulars	
		Item No. 1	Item No. 2
Basic details of the related party			
1.	Name of the related party	SPGPrints B.V.	
2.	Country of incorporation of the related party	the Netherlands	
3.	Nature of business of the related party	SPGPrints B.V. is global leader in textile and graphic printing market, offering a product portfolio that includes screens, lacquers, ink, engraving technology and a broad range of rotary screens and digital printing systems.	
Relationship and ownership of the related party			
4.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	SPGPrints B.V. is the promoter and holding company of the Company.	SPGPrints B.V. is the promoter and holding company of the Company.
	<ul style="list-style-type: none"> Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. 	Not applicable	Not applicable
	<ul style="list-style-type: none"> Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). 	No	No
	<ul style="list-style-type: none"> Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). 	SPGPrints B.V. holds 14,83,777 equity shares representing 71.06% shareholding in the Company.	
Details of previous transactions with the related party			
5.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	Total amount of all the transactions undertaken by the Company in FY2025 was ₹ 371.41 million.	
6.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Nil, fresh approval of the members of the Company is being sought for all the transactions proposed to entered in FY2026.	
7.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No	No
Amount of the proposed transaction(s)			
8.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Aggregate ₹ 153 million (INR 121 million for Nova Screens; and INR 32 million for Rotary Printing Machine)	Not exceeding in aggregate ₹ 306 million.
9.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes, the proposed transactions are material RPTs. The proposed transactions to be entered into with related party pertains to the current financial year 2026, whose aggregate value is expected to exceed the materiality threshold, for which the Company is seeking prior approval of the members.	
10.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	7.73%	15.45%
11.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not applicable	Not applicable



Sr.	Headings	Particulars	
		Item No. 1	Item No. 2
12.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	4.57%	9.15%
13.	Financial performance of the related party for the immediately preceding financial year.	Particulars	
		FY2025	
		Turnover	₹ 3,345.04 million
		Net profit/loss	₹ (5,234.74) million
	Net worth	₹ 2,809.65 million	

Basic details of the proposed transactions

14.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Acquisition of Intellectual Property and rights thereon	<ul style="list-style-type: none"> • Sale and purchase goods or materials • Availing and/or rendering of services • Purchase of fixed assets
15.	Details of each type of the proposed transaction	Acquisition of technical know-how, and other intellectual properties and rights thereon ("IPR") relating to the manufacturing and sale of Rotary Screen-Printing Machine and Nova Screens for the business operations of the Company.	<p>i) Sale of Rotary printing screen, Ink and spare parts of machine: approx. ₹ 10.00 million (0.51%)</p> <p>ii) Purchase of Ink and chemicals, raw material, components and machinery parts for production purposes: ₹ 62.00 million (3.13%).</p> <p>iii) Purchase of fixed assets ₹ 13.00 million (0.66%)</p> <p>iv) Availing of management and technical services: ₹ 204.00 million (10.30%).</p> <p>v) Rendering of technical & engineering services for the installation and commissioning of machines: ₹ 17.00 million (0.85%).</p> <p>Values shown against various categories of the nature of transactions above are estimated and may vary inter se.</p>
16.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Immediate after getting shareholders' approval	Full financial year 2026 (Jan -Dec 2026)
17.	Whether omnibus approval is being sought?	No	Yes
18.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Not applicable	₹ 306 million approximately (FY 2026) The proposed transactions are to be entered into one or more transactions during the financial year 2026 pursuant to omnibus' approval of members.

Sr.	Headings	Particulars	
		Item No. 1	Item No. 2
19.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed related party transaction is in the interest of the Company as it will result in ownership of critical intellectual property, eliminate recurring royalty outflows and also accelerated depreciation as per Income Tax Act led to positive impact on profitability, and provide greater operational and strategic control over the textile business. The transaction is aligned with the group's restructuring objectives and is expected to strengthen the Company's long-term business and financial position.	In furtherance to the detailed justification of the transactions explained above, the proposed related party transactions are in the ordinary course of business on an arm's length basis and necessary for achieving the Company's business objectives of manufacturing and selling its products in the global market, ensuring continuity and operational efficiency. The item (iv) of point (15) above includes cost of availing various management services viz. Group Management services, the global insurance cost, IT infrastructure on proportionately basis, and the cost of IT engineering services for software development, and Global Project Management services. Management believes that availing these services is ancillary and integral to the Company's business operations, so long as the Company remains part of the SPGPrints Group. Hence, the aforesaid transactions are ancillary or incidental to business and play a significant role in the Company's business operations.
20.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	SPGPrints B.V. is the promoter of the Company, and Mr. Garrett Forde and Mr. Arnout Otma, Non-Executive Directors of the Company are CEO and CFO of the promoter company, respectively.	
	a. Name of the director / KMP	Nil	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Nil	
21.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	The website link of the valuation report obtained from the registered valuer for the acquisition of intellectual properties rights referred to in this explanatory statement is given at sr. no. 5 of first table above.	
Disclosure in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances			
22.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Given the nature of transaction, no bidding or other selection process was undertaken.	Given that the proposed transactions are intra group company in the ordinary course of business, no bidding or other selection process was undertaken.
23.	Basis of determination of price.	The price is determined based on the valuation report of Mr. Harsh Ruparelia, Registered Valuer as mentioned above as fair price of acquisition of IPR.	The price is determined based on the prevailing market rates and on an arm's length basis in compliance with international transfer pricing that ensures the fair pricing of the transactions. Company is carried out benchmarking study with independent valuation firms at regular intervals.



Sr.	Headings	Particulars	
		Item No. 1	Item No. 2
24.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	None	

Basis on the consideration and approval of the Audit Committee, the Ordinary Resolutions forming part of the accompanying Notice is recommended by the Board for members' approval.

SPGPrints B. V. being a related party shall not vote to approve the transaction/Resolutions.

Except Mr. Garrett Forde and Mr. Arnout Otma, none of the other Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the said resolutions.

Brief profile of Director(s) seeking appointment/re-appointment at the Annual General Meeting of the Company pursuant to Regulation 36(3) of SEBI Listing Regulations and SS-2.

Name of Director	Mr. Garrett Forde	Mr. Arnout Otma
Director Identification Number	09040078	11521057
Date of Birth	24 th January, 1963	25 th June, 1982
Nationality	Dutch	Dutch
Date of Appointment	26 th February, 2021	10 th February, 2026
Expertise in specific functional areas	Business Strategy, Sales, Marketing and General Management	Finance & General Management
Qualifications & experience	He holds the degree of MBA from the university of Twente He has rich experience of about two and half decades in Management Level.	He holds degree of Executive Master of Finance & Control from Nyenrode Business Universiteit, the Netherlands. He has extensive financial experience in the industrial sector and a proven track record in supporting growth and transformation
Terms and conditions of appointment/re-appointment	Non-Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.
Remuneration to be paid	Nil	Nil
Remuneration last drawn by the Director	Nil	Nil
Details of relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None
Details of shares held in the Company	Nil	Nil
No. of Board Meetings attended during the financial year 2025	4 (Four)	N.A.
List of listed entities in which directorship held as on 31 st December, 2025	None	None
Listed entities from which the person has resigned in the past three years.	None	None
Chairman/Member of the Committees of other public Companies as on 31 st December, 2025 (includes Audit Committee and Stakeholders' Relationship Committee only)	None	None

Board's Report

To the Members,

Your Company's Board of Directors ("Board") is pleased to present the 52nd (Fifty-Second) Annual Report of Stovec Industries Limited ("Stovec" or "Company") for the financial year ended 31st December, 2025 ("year under review" or "year" or "FY25").

1. FINANCIAL PERFORMANCE

(₹ in millions except EPS)

Particulars	FY25	FY24
Revenue from Operations (net)	1,981.11	2,345.70
Other Income	51.64	34.11
Total Income:	2,032.75	2,379.81
Total Expenditure:	1,883.67	2,139.56
Gross Profit before Depreciation and Amortization exp.	149.08	240.25
Less: Depreciation & Amortization expenses	57.56	65.76
Profit before tax	91.52	174.49
Current Tax	36.76	51.63
Deferred tax	(14.22)	(6.75)
Profit After Tax	68.98	129.61
Add: Profit brought forward from previous year	1,156.74	1,306.62
Dividend on equity shares (Refer Note below)	-	(275.62)
Remeasurement (losses) / gains on defined benefit plans (net of tax)	(0.82)	(5.01)
Transfer from reserve for equity instruments through other comprehensive income	-	1.14
Profit available for appropriation & carried forward to Balance Sheet	1,224.90	1,156.74
EPS	33.04	62.07

During the year under review, the Company recorded net revenue from operations of ₹ 1,981.11 million, as compared to ₹ 2,345.70 million in the previous financial year. The Company reported a net profit of ₹ 68.98 million for the financial year ended 31st December 2025, against a net profit of ₹ 129.61 million in the financial year ended 31st December 2024.

The Company's EBITDA stood at ₹ 132.18 million during the current year, compared to ₹ 222.01 million in the previous year, reflecting a decline of 40.46%. Further details on the operations and financial performance of the Company are provided in the Management Discussion and Analysis Report.

The Company does not have a subsidiary or associate or joint venture, therefore, disclosures regarding the same are not provided in the Report.

The Company operates in-house research and development facility recognised by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India that supports product innovation, quality improvement, and continuous process optimization etc. However, Company does not claim any expenses incurred for research and development under Section 35(2AB) of the Income-tax Act, 1961.

2. DIVIDEND

Committed to the shareholders interest, the Board is pleased to recommend a dividend of ₹ 12 per share (120%) on the fully paid-up equity share of ₹ 10 each of the Company.

Unclaimed dividend of ₹ 1.14 Million pertaining to FY2017 was transferred to the Investor Education and Protection Fund (IEPF) in the reporting year upon completion of seven years in accordance with IEPF Rules.

3. SHARE CAPITAL

During the year under review, there was no change in the paid-up share capital of the Company, and the paid-up equity share capital of the Company stood at ₹ 20.88 Million as on 31st December, 2025. No securities were issued by the Company during the year.

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

Information as required to be given under Section 134(3) (m) of the Companies Act, 2013 (the Act) relating to energy conservation, technology absorption, foreign exchange earnings and outgo, read with Rule 8(3) of the Companies



(Accounts) Rules, 2014 is appended in **Annexure-I** to this Report.

5. DEPOSITS

The Company has not accepted any deposits during the year falls under Chapter V of the Act and rules made thereunder.

6. CORPORATE GOVERNANCE

Report on Corporate Governance pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') is annexed to the Annual Report as **Annexure-II** along with the certificate of Practicing Company Secretary for compliance of the conditions of Corporate Governance.

7. AUDIT COMMITTEE

The Company has in place Audit Committee in terms of requirements of the Act read with rules framed thereunder and the SEBI Listing Regulations, the details thereof are given in the Corporate Governance Report forming part of this report. Board has accepted all the recommendations of the Audit Committee and there was no single incidence of deviation from the recommendations during the year under review.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As date of this report, the Board of Directors comprised of 6 (Six) members, consisting of 1 (One) Executive Director, 2 (two) non-executive non-independent Director and 3 (Three) Independent Directors including 1 (One) Women Independent Director. The Board has an appropriate mix of Executive, Non-Executive Non-Independent and Independent Directors, in compliance with the Act and the SEBI Listing Regulations.

Retirement & Cessation

Mr. Khurshed. M. Thanawalla and Mr. Marco Wadia, former Independent Directors, both have completed their second term and retired from the Board of the Company on 6th May, 2025.

Mr. Eiko Ris resigned from the directorship of the Company with effect from 14th November, 2025, consequent to his superannuation from the employment of SPGPrints B.V., the Holding Company of the Company. The Board acknowledges and appreciates their contributions and valuable services.

Appointment/ reappointment

On recommendation of Nomination and Remuneration Committee, Mr. Bhanubhai Patel (DIN: 00223115) and Mr. Abhay Jadeja (DIN: 03319142) were appointed as Independent Directors of the Company for a first term of three (3) consecutive years with effect from 5th May 2025 in place of retiring directors Mr. Thanawalla and Mr. Wadia. Mrs. Kiran Dhingra (DIN 00425602) was re-appointed by the Board on 12th February, 2025 as an Independent Director of

the Company for her second term of five (5) years with effect from 1st April 2025. The members at their annual general meeting held that year had confirmed above appointments.

On the recommendation of Nomination and Remuneration Committee, the Board has appointed Mr. Arnout Otma (DIN:11521057) as an additional director (Non-Executive) on 10th February, 2026 to hold office up to the date of ensuing Annual General Meeting. Company has received notice under Section 160 of the Act proposing his candidature for the office of Director of the Company. Board recommends his appointment to the members of the Company.

Retirement by Rotation

As per the provisions of the Act and the Articles of Association of the Company, Mr. Garrett Forde (DIN: 09040078) Non-Executive Director is liable to retire by rotation at the ensuing AGM and being eligible, seeks re-appointment. The Board recommend his reappointment to the shareholders at the ensuing AGM seeking their approval on the resolution proposed in the notice of AGM.

None of the directors has been disqualified as specified in section 164 of the Act, nor debarred or disqualified from being appointed or act as director of the Company as specified in Regulation 34(f) of the SEBI Listing Regulation. Company has also obtained certificate from Sandip Sheth and Associates confirming that they are not disqualified to act as Director.

Key Managerial Personnel

Company meets the requirement of section 203 of the Act of having Key Managerial Personnel (KMP). Mr. Shailesh Wani, Managing Director (DIN: 06474766), Mr. Gaurav Amrutiya, Chief Financial Officer and Mr. Sanjeev Singh Sengar, Company Secretary, are the KMP of the Company.

During the year under review, Mr. Paras Mehta, former Chief Financial Officer ("CFO"), resigned from the office of Chief Financial Officer and consequently ceased to be key managerial personnel of the Company with effect from the close of business hours on 23rd May, 2025. In compliance with Regulation 26A(2) of the SEBI Listing Regulations, Mr. Vipul Bhavsar was appointed as the Chief Financial Officer and KMP for the interim period from 26th May, 2025 to 14th November, 2025. Thereafter, Mr. Gaurav Amrutiya was appointed as the Chief Financial Officer of the Company with effect from 14th November, 2025.

The Independent Directors have given requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they complied with Schedule IV of the Act and the Company's Code of Conduct. The Independent Directors of the Company are registered with data bank of the independent directors maintained by the Indian Institute of Corporate Affairs (IICA) and based on their experience and

eligibility criteria prescribed under the said Rules, they are exempt from passing the online proficiency self-assessment test.

Familiarization program

The Board recognizes the importance of familiarization for Independent Directors and ensures that they receive adequate exposure to the Company's business operations, industry landscape, and the overall business model at the time of their induction. Upon joining, Independent Directors are provided with an overview of the Company, its industry, key operational processes, and other relevant aspects to enable them to understand the business environment effectively.

On an ongoing basis, Independent Directors are regularly updated on the Company's performance, business developments, key risks, opportunities, and other strategic matters through detailed presentations made at the meetings of the Board of Directors. Additionally, the Company circulates important regulatory changes and updates to the Independent Directors from time to time as part of their continuous familiarization program.

9. BOARD MEETING

During the financial year, four meetings of the Board were held, details of which are furnished in the Corporate Governance Report section of this report.

Disclosure on the compliance of Secretarial Standards: The Board affirms to the best of their knowledge that the Company has complied with all the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India

10. PERFORMANCE EVALUATION

The performance evaluation of the Directors, the Chairman, the Board as a whole, and the Committees of the Board was carried out during the year in accordance with the provisions of the Act and the SEBI Listing Regulations. Nomination and remuneration committee (NRC) has evaluated the aforesaid performance taking into accounts inter alia feedback of the each of the directors on structured questionnaire made to evaluate the above performance. Independent Directors in their meeting has also evaluated the performance of Chairman and the directors individually. Chairman of NRC has declared the result of such performance evaluation in the meeting of NRC and based on said evaluation, NRC satisfied with the performance of Board, committees and each individual director. The evaluation process has been further elaborated in corporate governance report section of this report

11. CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act and Rules framed thereunder, the Corporate Social Responsibility ("CSR") Committee has been constituted consisting of three members, details whereof are given in the corporate

governance report. The Company has implemented its CSR projects during the year directly and through the implementing agencies approved by the Board. Brief of such CSR projects have been provided elsewhere in this annual report.

The Annual report on CSR activities of the Company in the prescribed format under the Companies (Corporate Social Responsibility Policy) Rules, 2014, has been provided in **Annexure-III** to this report.

12. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ("BRSR")

Business Responsibility and Sustainability Report ("BRSR") is mandatory for top 1000 listed companies based on their market capitalization in terms of Regulation 34(2)(f) of the SEBI Listing Regulations and your company ranked in 1861 of top 2000 companies as on 31st December, 2025. However, we are pleased to disclose our ESG performance through this BRSR framework demonstrating corporate citizenship, business ethics & integrity, and responsibility towards society and the environment in terms of Regulation 3(2A) of SEBI Listing Regulations. The BRSR for the current financial year forms part of this Annual Report as **Annexure-IV** and is also available on the Company's website.

13. NOMINATION AND REMUNERATION POLICY

Essence of the Nomination and Remuneration Policy of the Company is provided in Corporate Governance Report section of this report.

14. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control system commensurate with the size, scale and complexity of its operations and they are well defined. Management and the Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems of the Company with reference to the Financial Statement, its compliance with standard operating procedures, accounting procedures and policies. Internal Auditor's reports are placed before the Audit Committee quarterly for its review. Based on the report of Internal Auditors, process owners undertake corrective actions in their respective areas and thereby strengthening the controls continuously. Significant audit observations, if any, and corrective actions suggested and taken are presented to the Audit Committee.

Our internal control system, supports orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. During the year under review, no material weakness is reported and observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.



15. ANNUAL RETURN

Annual Return for FY2024 filed during the year is available on the Company's website at www.stovec.com as required by section 92 of the Act.

16. CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

Company conducts its business across SPGPrints Group companies in the ordinary course of its business on an arm's length basis to serve global customers, maintain quality, economies of scale, and maintain international presence etc. And such transactions entered by the Company are related party transactions within the meaning of Act and SEBI Listing Regulations.

During the year, the related party transactions and subsequent material modifications, if any, were placed before the audit committee for its prior approval in accordance with the Companies Act, 2013 and the SEBI Listing Regulations and the Committee had granted its prior approval for all such RPTs except a transaction in which committee had granted its post facto approval, details of which provided in the audit's report heading of this report. All the RPTs, including omnibus approvals, were reviewed by the audit committee on a quarterly basis.

All transactions entered during the year were in the ordinary course of business of the Company at the arms' length pricing. Particulars of related party transactions that are required to be reported in Form AOC-2 under section 134 read with section 188 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014 is reported by way of **Annexure-V** to this report, however, the transactions reported are not material during the year.

The policy on Related Party Transactions is hosted on the Company's website at www.stovec.com. The related party disclosures are made in note no. 32 of notes to financial statements.

17. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

As of 31st December 2025, the Company had no inter-corporate loans, investments, guarantees, or securities falling within the scope of Section 186 of the Companies Act, 2013.

18. VIGIL MECHANISM

Your Company believes in doing business with integrity and displays zero tolerance for any form of unethical behavior. In terms of Section 177(9) of the Act, vigil mechanism for the Directors and employees has been framed to report the unethical behavior, malpractices, wrongful conduct, frauds, violations of the Company's code of conduct, which also provides adequate safeguards against victimization of whistle blower and also provide for direct access to the Chairman of the Audit Committee in exceptional circumstances. Audit Committee oversees and review the functioning of policy from time to time at least annual intervals.

The whistleblower policy of the company is available on the Company's website at www.stovec.com at [https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20\(website\)/Stovec%20investor%20relations/6.%20Policies/Whistle%20Blower%20Policy.pdf](https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20(website)/Stovec%20investor%20relations/6.%20Policies/Whistle%20Blower%20Policy.pdf)

19. RISK MANAGEMENT

Your company has a risk management policy pursuant to Section 134(3)(n) of the Act read with Companies (Accounts) Rules, 2014, which guides identification of risk, that may threaten to the existence of the Business of the Company, assess them and mitigation plan.

The risk management process is designed to safeguard the organization from various risks through adequate and timely action. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The risk management framework of the Company is appropriate compared to the size of the Company and the environment under which the Company operates. The Audit Committee oversees the risk management system and its adequacy.

20. CYBER SECURITY

In view of the evolving cyber security threat landscape, the Company organizes for its employees online cyber security awareness training programs and maintains appropriate security controls with real-time monitoring across its IT environment. During the year under review, no material cyber security incidents, data breaches, or loss of information were reported.

21. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3)(c) and 134 (5) of the Act, your directors confirm, to the best of their knowledge and belief:

- a) that in the preparation of the annual financial statements for the year ended 31st December, 2025, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as of 31st December, 2025 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements for the year ended 31st December, 2025, have been prepared on a going concern basis;

- e) that proper internal financial controls are in place in the Company and that such internal financial controls are adequate and are operating effectively; and
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

22. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment of Women at Workplace, which aims to provide protection to women employees, prevent occurrences of sexual harassment, and ensure effective redressal of complaints, along with matters connected or incidental thereto. The policy is designed to promote a safe and secure working environment where all employees feel respected and protected. In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee (ICC) to address and resolve complaints related to sexual harassment in a timely and impartial manner.

Pursuant to Sections 21 and 22 of the said Act, the details of complaints received and disposed of during the year are as follows:

Sr.	Particulars	No. of cases
1	Number of complaints/cases pending beginning of year	–
2	Number of complaints/ cases filed during the year	–
3	Number of complaints/ cases disposed of during the year -	–
4	Number of complaints/ cases pending at the end of year	–

23. AUDITORS AND AUDITORS REPORT

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP, (FRN 012754N/N500016), is the statutory auditor of the Company and who shall hold office till the conclusion of the 56th Annual General Meeting to be held on in the year 2030 in accordance with the provisions of Section 139 of the Act read with the Companies (Audit and Auditor's) Rules, 2014. He was appointed at the Annual General Meeting of the Company held on 5th May, 2025 to hold office for 5 (five) consecutive years.

INTERNAL AUDITOR

M/s. Shah & Shah Associates, firm of chartered accountants, having Firm Registration No. 113742W is the Internal Auditor of the Company and it was re-appointed by the Board on the recommendation of audit committee for FY2026 for maintaining proper and adequate internal financial controls.

COST RECORDS AND COST AUDITORS

As per Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, your Company maintains the cost accounts and records.

Board on the recommendation of the audit committee, has reappointed M/s Dalwadi and Associates, Cost Accountants (Firm Registration No.000338) as its Cost Auditors to audit the cost records of the Company for the financial year 2026. The Audit report on the cost records of the Company will be submitted to the Central Government in due course. A certificate has been received from the Cost Auditors to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limit as specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking members' approval for the remuneration payable to Cost Auditors forms part of the Notice convening AGM and the same is recommended to the members.

SECRETARIAL AUDIT

M/s Sandip Sheth & Associates, firm of Practising Company Secretaries in Ahmedabad having firm unique code P2001GJ041000 was appointed secretarial auditor of the Company for five years from FY2025 to FY2029 in accordance with Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, and the appointment was approved by the members at their last Annual General Meeting held on 5th May, 2025. The secretarial audit report for FY2025 is annexed to this report as **Annexure-VI**.

AUDITORS REPORT

The report of the statutory auditor for the year under review does not contain any qualifications or reservations or adverse remarks and does not call for any explanation of the management. However, there is a remark in the secretarial audit report and secretarial compliance report that the Company has entered into a related party transaction for sale of product to one of its fellow subsidiary Company in excess of the preapproved limit without prior approval of the audit committee.

In response to the observation of the secretarial auditor in its report, management offered its explanation pursuant to section 134(3)(f) of the Act that management has taken corrective action to place the transaction before the audit committee for its approval with the justification of accidental omission. At the outset, audit committee had granted its prior approval for entering into the transaction for sale of goods with one of the fellow subsidiaries SPGPrints Brasil Ltda. for ₹ 1.00 crore at the beginning of the year. Until the first three quarters the limit was consumed to ₹ 32.95 Lacs only against the sanctioned limit of ₹ 1.00 crore. But in the last quarter, the Company has made the transaction of ₹ 2.95 Crore (Rupees two crores ninety-five lacs only) to meet unexpected and



sudden demand for the product without the prior approval of the audit committee that crossed the sanctioned limit by ₹ 2.29 Crore (Rupees two crore and twenty-nine lacs only). The variation was of material modification in nature which should be approved in advance. However, considering the necessity and urgency of the transaction, audit committee has granted its post facto approval in its subsequent meeting considering that the transaction was entered in the ordinary course at arm's length price and it generated revenue for the Company.

There have been no instances of fraud reported by any of the auditors under Section 143(12) of the Act and Rules made thereunder, either to the Company or to the Central Government.

24. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments have occurred between the end of the financial year to which the Financial Statements relate and the date of this Report, which affects the financial position of the Company.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

As on date of this report, there are no orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in future.

26. PARTICULARS OF EMPLOYEES

The statement related to the remuneration pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) is provided as **Annexure-VII** to this Report

The employees' particulars as required by Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. The full Annual Report is being sent to the eligible members excluding such information as per Section 136 of the Act. The said information shall be open for inspection by the Members in the manner provided under Note No. 10 of the Instructions to the AGM Notice. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

27. ENVIRONMENT, HEALTH AND SAFETY

The Company is committed to health and safety of its employees, contractors and visitors. We are pleased to say

that we are all compliant with the Environmental Health & Safety (EHS) Regulations stipulated under the Water (Prevention and Control of Pollution) Act, The Air (Prevention and Control of Pollution) Act, The Environment Protection Act and other applicable Industrial Laws. Our endeavor is not to comply but to go beyond compliance standards, and we are progressive in this direction.

The health and safety of our people is paramount. We prepare our people as much as possible for the potential risks in our facilities. This preparation includes adherence to clear standards, education, training, auditing and follow-up to reinforce accountability.

28. HUMAN RESOURCE & INDUSTRIAL RELATIONS

Your directors believe that the key to the success of any Company is its employees. Industrial Relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation for the co-operation extended by all employees in maintaining cordial relations and their commitment towards the growth of the Company.

29. GENERAL

- a. There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- b. The Company is debt free and has no loan. Hence, there has been no such instance of valuation done for settlement or for taking loan from the Banks or Financial Institutions.
- c. There has been no change in the nature of business of the Company.
- d. Company ensures compliance under the Maternity Benefit Act, 1961 as may be applicable. There were, however, no such cases reported during the year under review.

30. ACKNOWLEDGEMENT

The Board expresses its sincere gratitude and appreciation for the continued support, cooperation, and confidence reposed by SPG Prints B.V., the holding company; the Central and State Government ministries and departments; our shareholders, customers, suppliers, business associates, bankers, employees, value-chain partners, and all other stakeholders. The Board looks forward to their sustained cooperation and support in the years ahead.

For and on behalf of Board

GARRETT FORDE

Chairman

DIN: 09040078

Date: 23rd February, 2026

Place: Boxmeer, The Netherlands

Annexure – I
Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

(Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014).

A. CONSERVATION OF ENERGY

(i)	The steps taken or impact on conservation of energy	<ul style="list-style-type: none"> Adopted a regular procedure of swapping outdated, inefficient lighting fixtures for LED fixtures and outdated industrial fans with BLDC fans Adoption of variable frequency drives in Hot Water Generators to enhance operational efficiency and reduce energy consumption. Maintaining a near-unity power factor on an ongoing basis with the support of APFC System. Optimization of rotary screen electroplating baths to achieve better performance, reduced energy use, and improved sustainability Implemented a structured maintenance schedule designed to maintain consistent performance and operational efficiency across all plant equipment.
(ii)	The steps taken by the company for utilizing alternate sources of energy.	Company regularly assesses the feasibility of utilizing various available options for alternative energy in the market.
(iii)	The capital investment on energy conservation equipment's	<ul style="list-style-type: none"> Planning to implement VFD drives for electroplating Bath exhaust fan. Outdated and inefficient air conditioners are being replaced by modern, inverter-based air conditioners that offer improved energy efficiency. Older rectifier systems are being upgraded to modern, energy-efficient models to optimize performance and minimize energy usage.

B. TECHNOLOGY ABSORPTION

(i)	The efforts made towards technology absorption	Company constantly strives to improve product quality and process improvement to achieve the maximum degree of efficiency in order to acquire customer satisfaction, and R&D activities have become an essential component of our corporate culture.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	<p>New product development</p> <ul style="list-style-type: none"> Textile rotary sample printing machine. Development of coated screen rod to reduce Ni release. Development of Archer functionality in digital printing machine. <p>Product improvements</p> <ul style="list-style-type: none"> Reliability, performance, and aesthetics improvements in TEAK model of rotary printing machine. <p>Product cost optimization</p> <ul style="list-style-type: none"> Value engineering of various rotary printing system / component to optimise the cost price. <p>Process improvement</p> <ul style="list-style-type: none"> Implemented Product Data Management system that centralizes and manages product-related data and processes, including design and engineering files, technical specifications, to improve collaboration and efficiency. Promoted paperless communication by embracing digital communications, one of the steps towards sustainability.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
iv)	The expenditure incurred on Research and Development.	₹ 3.86 million

FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	(₹ in Million)
Earnings in foreign exchange from Goods and Services exported, Commission etc.	₹ 554.93 million
Value of imports of raw materials, components, stores, spares, Commission, technical know-how fees, royalty etc.	₹ 854.46 million

For and on behalf of Board of Directors
Garrett Forde

Chairman

DIN: 09040078

 Date: 23rd February, 2026
 Place: Boxmeer, The Netherlands



Annexure – II

Corporate Governance Report

This report is prepared in accordance with the provisions of Regulation 34(3) Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the report contains details of Corporate Governance systems and processes at **Stovec Industries Limited** (“the **Company**”).

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is based on the principles of integrity, transparency, accountability and commitment to values. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably.

Stovec firmly believes in transparency and has immense value for the principles of corporate governance. Stovec understands that accountability, equity and total transparency in its interaction with all stakeholders is its responsibility while conducting its business and hence is totally committed to achieving highest level of standards in corporate governance practice. It is a well-accepted fact, both in India and world over that a good, governed organization results in maximizing its stakeholders’ value in long run. Stovec always seeks to ensure that it attains performance goals with integrity. Corporate Governance has indeed been an integral part of the way Stovec has done business. This emanates from our strong belief that strong

governance is essential in creating value on a sustainable basis. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The Company has complied with all the requirements stipulated under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“SEBI Listing Regulations”), as applicable, with regard to Corporate Governance and listed below is the status with regard to same

2. BOARD OF DIRECTORS

The Board, being the trustee of the Company, is responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable, and committed professionals. At the helm of the Company’s Corporate Governance practice is its Board. The Board provides strategic guidance and independent views to the Company’s senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders’ aspirations.

The composition of the Board with reference to the number of Executive, Non-Executive Directors and Woman Directors, meets the requirement of Regulation 17(1) of SEBI Listing Regulations and it consists of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience.

Name & category	*Outside Directorship	**No. of Committee positions held outside	
		Member	Chairman
Mr. Garrett Forde, Non-Executive Director (Chairman) (DIN: 09040078)	-	-	-
^Mr. Bhanubhai Patel, Independent Director (DIN: 00223115)	8	-	-
^Mr. Abhay Jadeja, Independent Director (DIN: 03319142)	3	3	1
Mr. Shailesh Wani, Managing Director (DIN: 06474766)	1	-	-
Mrs. Kiran Dhingra, Independent Director (DIN: 00425602)	1	1	1
§Mr. Khurshed M Thanawalla, Independent Director (DIN: 00201749)	11	3	2
§Mr. Marco Wadia, Independent Director (DIN: 00244357)	7	1	1
#Mr. Eiko Ris, Non-Executive Director (DIN: 07428696)	-	-	-
©Mr. Arnout Otma, Non-Executive Director (DIN:11521057)	-	-	-

*Excluding companies incorporated under Section 8 of the Act and Companies incorporated outside India

**Includes Audit and Stakeholders Relationship Committee of all other listed and unlisted public limited companies

^Appointed on 5th May, 2025.

‡Ceased to be Independent Director w.e.f. close of business hours of 6th May, 2025 on completion of 2nd term

*Ceased to be Director w.e.f. close of business hours of 14th November, 2025 due to resignation

®Appointed as an Additional Director (Non-Executive) w.e.f. 10th February, 2026

Directorship in other Listed Entities:

None of the directors of the Company hold Directorship in other listed entities except following:

Name of the Director	Names of Listed Entities	Category of Directorship
Mr. Abhay Jadeja	Mafatal Industries Limited	Independent Director
	Nilkamal Limited	Independent Director
Mrs. Kiran Dhingra	Indian Metals & Ferro Alloys Limited	Independent Director

Based on the declarations submitted by the Independent Directors, the Board is of the view that they meet the criteria of independence prescribed under the SEBI Listing Regulations and the Act and that they remain independent of the management. The Board further confirms that in its opinion, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management, and that none of the Company's directors are related to one another.

The four meetings of the board were held during the year on 12th February, 2025, 5th May, 2025, 12th August, 2025, and 14th November, 2025 within the permissible time gap between any two consecutive meetings. None of the Directors is a director in more than 20 Companies or more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. None of the Executive Directors act as Independent Director of more than 3 listed entities. None of the Directors is a member in more than 10 Committees or is Chairperson of more than 5 Committees amongst the Companies in which he/she holds directorships. The attendance record of the Directors at the Board as well as Annual General Meeting are as follows-

DETAILS OF THE BOARD MEETINGS, ATTENDANCE AND SHAREHOLDING

Directors	Board Meetings held	Board Meetings attended	Attendance at the last AGM	No. of Shares held	% of total shares held in the company
Mr. Garret Forde (GF)	04	04	Yes	Nil	-
Mr. Bhanubhai Patel (BP)	04	03	Yes	Nil	-
Mr. Abhay Jadeja (AJ)	04	03	Yes	Nil	-
Mrs. Kiran Dhingra (KD)	04	04	Yes	Nil	-
Mr. Shailesh Wani (SW)	04	04	Yes	Nil	-
Mr. Eiko Ris (ER)	04	03	Yes	Nil	-
Mr. Khurshed M Thanawalla (KMT)	04	02	Yes	Nil	-
Mr. Marco Wadia (MW)	04	02	Yes	4,160	0.20
Mr. Arnout Otma (AO)	N.A.	N.A.	N.A.	Nil	-

DISCLOSURE OF EXPERTISE OR SKILLS OF DIRECTORS

The Board recognizes the skill set identified below with reference to its business and industry, and also available with the Board and individual directors:

Sr.	List of core skills/expertise/ competence	GF	KD	SW	BP	AJ	AO
a)	Knowledge of the manufacturing sector particularly in Textile printing Industry	✓	✓	✓	-	-	-
b)	General business understanding, administration and management	✓	✓	✓	✓	✓	✓
c)	Sales and Marketing Functions	✓	-	✓	-	-	✓
d)	Business Strategy Formation	✓	✓	✓	✓	✓	✓
e)	Corporate Strategy/Restructuring	✓	✓	✓	✓	✓	✓
f)	Finance, Cost & Accounting	✓	✓	✓	✓	-	✓
g)	Legal, Regulatory Compliance	-	-	✓	✓	✓	-
h)	Corporate Governance	✓	✓	✓	✓	✓	✓
i)	Human Resource Management	✓	-	✓	✓	-	✓
j)	Risk Management and Mitigation Planning	✓	-	✓	✓	-	✓

APPOINTMENT / RE-APPOINTMENT

Disclosure pertaining to the appointment or re-appointment of directors is included in the Directors' Report.



ANNUAL PERFORMANCE EVALUATION

The annual performance evaluations of the Board, committees of the Board, individual directors including Chairman of the Board was carried out by the Company itself through a structured questionnaire, which was circulated to each of the board members for evaluating the said performances. The directors have sent their feedback directly to the Chairman of NRC. Based on feedback so received, NRC has carried out performance evaluation and expressed its satisfaction to the optimum level. Evaluation criteria encompass various parameters for evaluating the performance such as leadership qualities, understating with critical matters, individual contribution to the company performance, maintaining confidentiality wherever required, effective and efficient participation, independence in judgment, vis a vis understanding of the Company's business and strategy, guidance on corporate strategy etc. Board has taken note of evaluation done by NRC.

Based on the evaluations performed, it was determined that the term of the independent directors shall be continued.

The Independent Directors in their meeting also assessed the performance and the quality, sufficiency and timeliness of flow of information from the Company's management, which they found effective and reasonable to perform their duties. Board acknowledged and endorsed above evaluations.

FAMILIARIZATION PROGRAM

Company believes that the directors' familiarization with the industry, its core values, principles, business, its market area etc. are very vital in performance of their roles and assumes it's an ongoing activity. The Independent Directors are familiarized by the management with respect to their roles and responsibilities, industry behavior, Company's business model, risks, threats and opportunities initially at the time of joining the Board and thereafter from time to time through various business presentations at meeting of the board of directors and that they are also kept abreast with regulatory updates time to time under the familiarization program. The details of familiarization program is available at the website of the Company at www.stovec.com at https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media/Stovec%20investor%20relations/4.%20Shareholder%20Information%20and%20Disclosures/Familiarization_Programme.pdf

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During the year under review, a separate meeting of Independent Directors was held in accordance with the provisions of Section 149(8) read with Schedule IV of the Act, Regulations 25(3) and (4) of the SEBI Listing Regulations and Secretarial Standards, on 12th February, 2025 without presence of any of the non-independent directors, wherein all Independent Directors were present. At the meeting, the

Independent Directors had evaluated the followings and expressed their satisfaction:

- i. Performance of Non-Independent Directors and the Board as a whole;
- ii. Performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board, which they found effective and appropriate to perform their duties.

3. COMMITTEES OF THE BOARD

The following Committees have been constituted by the Board and the same were in force during the year under review.

- 1) Audit committee ("AC");
- 2) Nomination and remuneration committee ("NRC");
- 3) Stakeholders' relationship committee ("SRC");
- 4) Corporate Social Responsibility committee ("CSR");

The constitution and composition of the above Committees is in accordance with the provisions of the SEBI Listing Regulations and the the Act. Provision of risk management committee is not applicable to the Company.

3.1 AUDIT COMMITTEE

The Audit Committee is comprised of 4 (four) Directors of which 3 (three) are Independent and 1 (one) is Executive Director of the Company. All the members are well versed with finance, accounts, corporate laws and general business practices. The composition, terms of reference, role and power of the Audit Committee are in line with Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act and Rules framed thereunder. The Committee acts as a link between the Statutory and Internal Auditors and the Board of the Company.

Terms of reference

- (i) Review Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and also to examine the financial statement and the auditors' report thereon;
- (ii) Review with the management of the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement forming part of the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the the Act or any amendment or re-enactment thereof;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;

- c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
- (iii) Review with the management of the quarterly financial statements before submission to the Board for approval.
 - (iv) Recommending to the Board, the appointment, re-appointment, terms of appointment/ re-appointment, fixation of audit fees and, if required, the replacement or removal of the Auditor;
 - (v) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
 - (vi) Review and monitor the auditor's independence and performance and effectiveness of audit process;
 - (vii) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (viii) May call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the Internal and Statutory Auditors and the Management of the Company;
 - (ix) Reviewing with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
 - (x) Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (xi) Discussion with Internal Auditors of any significant findings and follow up there on;
 - (xii) Evaluation of internal financial controls and risk management systems;
 - (xiii) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - (xiv) Review of information relating to:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - c) Internal Audit reports relating to internal control weaknesses;
 - d) The appointment, removal and terms of remuneration of the Chief internal auditor
 - e) quarterly statement of deviation(s) including report of monitoring agency, if applicable, and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice.
 - (xv) Approval or any subsequent modification of transactions of the Company with related parties;
 - (xvi) Scrutiny of inter-corporate loans and investments;
 - (xvii) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), The statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - (xviii) Valuation of undertakings or assets of the Company, wherever it is necessary;
 - (xix) To look into the reasons for substantial defaults in the payment to the depositors, if any, debenture holders, if any, shareholders (in case of non-payment of declared dividends) and creditors;
 - (xx) To review the functioning of the Whistle Blower/ Vigil Mechanism; Details of establishing the Vigil Mechanism have been disclosed on the Company's website and in the Director's Report;
 - (xxi) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - (xxii) To review the financial investments, in particular, the investments made by the unlisted subsidiary company;
 - (xxiii) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees one hundred crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;



- (xxiv) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder;
- (xxv) Other matters as may be prescribed from time to time to be dealt with or handled by the Audit Committee pursuant to provisions of the the Act, the Rules framed thereunder, the Listing Regulation and the guidelines, circulars and notifications issued by Securities and Exchange Board of India (“SEBI”)/Ministry of Corporate Affairs (“MCA”) from time to time;
- (xxvi) Carrying out any other function as may be assigned to it by the Board from time to time.

Composition & attendance at the meeting

Name	Category	No of Meetings	
		Held	Attended
Mr. Bhanubhai Patel, Chairman*	Independent Director	04	02
Mr. Abhay Jadeja*	Independent Director	04	02
Mr. Shailesh Wani	Managing Director	04	04
Mrs. Kiran Dhingra*	Independent Director	04	02
Mr. Khurshed M Thanawalla*	Independent Director	04	02
Mr. Marco Wadia*	Independent Director	04	02

*The audit committee was re-constituted on 6th May 2025 in which Mr. Patel, Mr. Jadeja and Mrs. Dhingra were appointed after retirement of Mr. Thanawalla and Mr. Wadia.

The Committee met 4 (four) times during the year i.e., 12th February, 2025, 5th May, 2025, 12th August, 2025, and 14th November, 2025, and time gap between any two consecutive meetings of the committee did not exceed 120 days. Representatives of the statutory auditors are generally invited to attend the meetings of the Committee. Chief Financial Officer (“CFO”) of the Company is a permanent invitee to the Committee Meetings.

Company Secretary act as the secretary to the Committee. The former Chairman of the Audit Committee was present in the last Annual General Meeting to answer the shareholders queries.

3.2 NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee (“NRC”) comprised of 3 (three) members of which 2 (two) are Non-Executive Independent Directors and 1 (one) Non-Executive Non-Independent Director of the Company. The role of the NRC is in line with Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act. The Company Secretary of the Company acts as a Secretary to the Committee.

Terms of reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Evaluation of the balance of skills, knowledge and experience on the Board for every appointment of an Independent Director on the basis of such evaluation, to prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- To evaluate the performance of the board, committees and the individual directors.
- Whether to extend or continue the term of appointment of the independent director.
- Recommend to the board all remuneration, in whatever form, payable to senior management.
- Carrying out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Composition & attendance at the meeting

Name	Category	No. of Meetings	
		Held	Attended
Mr. Bhanubhai Patel, Chairman	Independent Director	04	02
Mr. Abhay Jadeja	Independent Director	04	02
Mr. Arnout Otma	Non-executive non independent	N.A.	N.A.
Mr. Khurshed M Thanawalla	Independent Director	04	02
Mr. Marco Wadia	Independent Director	04	02

The NRC was re-constituted on 6th May 2025 in which Mr. Patel, and Mr. Jadeja were appointed and Mr. Thanawalla and Mr. Wadia ceased to be members of the Committee due to their retirement. Subsequently, Mr. Arnout Otma was appointed as a member of the Committee on 10th Feb 2026 in place of Mr. Eiko Ris, who ceased to be a member pursuant to his resignation from the Board.

The NRC met 4 (four) times during the year on 12th February, 2025, 5th May, 2025, 12th August, 2025, and 14th November, 2025. Company Secretary acts as the Secretary to the Committee. Chairman of the NRC was present in the last Annual General Meeting to answer to the shareholders queries.

Nomination and Remuneration policy

The Nomination and Remuneration policy of the Company (**NRC Policy**) is performance driven and designed to motivate employees, recognize their merits and achievements, to retain talent in the Company and stimulate excellence in their performance.

NRC Policy is available on the website of the Company at www.stovec.com and gist of the same are reproduced below:

Appointment criteria and qualification

- NRC considers, inter alia, following attributes/criteria, whilst recommending to the Board the candidature for appointment as director or key managerial person or senior management in line with corporate HR policy of the Company:
 - o Qualification, expertise and experience of the persons in their respective fields;
 - o Personal, Professional or business standing;
 - o Diversity of the Board etc.
- NRC shall, based on the criteria laid down in Corporate HR Policy, identify person for appointment or removal of KMP or Senior Management level and recommend to the Board.
- Independent Director shall fulfil the criteria of independence as provided in Section 149(6) of the Act, as amended from time to time.
- In case of appointment of Independent Directors, the NRC satisfies itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively; disqualifications as prescribed under Section 164 of the Act; balance of skills, knowledge, backgrounds, board diversity, time commitment and experience on the Board, performance evaluation etc. Person recommended to the Board for appointment as an independent director shall have the capabilities identified by the committee.

- Term of appointment/re-appointment of any person as Managing Director or Whole-time Director or Executive Director shall not exceed five years at a time.

Remuneration:

The remuneration is divided into fixed component comprising of salary, perquisites and retirement benefits, and variable component. Variable pay is paid based on the financial performance of the company. Remuneration is determined keeping in view the industry benchmark, performance of the Company vis a vis industry performance and prevailing market trend. Variable pay of the Executive/Managing Director shall be as per the scheme applicable to Managing Directors of SPGPrints Operating Companies. Remuneration to other Directors and KMPs are determined as per Act and the SEBI Listing Regulations.

(i) Remuneration to Managing/Whole-time/ Executive Director:

The NRC shall consider and recommend to the board remuneration and annual increment payable to the Managing/ Whole-time/Executive Director and in case the approval of shareholders is required, the board recommend the same to the shareholders for their approval.

The Board, on the recommendation of NRC, decides the remuneration of the Managing Director/Executive Director's, subject to the approval of the members. Remuneration comprises of fixed components viz. salary, perquisites, allowances and variable pay not exceeding 50% of the remuneration (as per the scheme applicable to Managing Directors' of SPGPrints Group Companies) based on the targets achieved. The Managing Director will be entitled to bonus provided the conditions for awarding bonus have been met.

MD/WTD/ED are not being paid sitting fees for attending meetings of the Board and of its committees.

(ii) Remuneration to Non-executive/ Independent Director:

A Non-Executive Director (Independent Director) shall be entitled to receive sitting fees for each meeting of Board or Committees of the Board attended by him/ her as approved by the Board of Directors within the prescribed limit under the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A Non-Executive Director (Independent Director) may be paid commission of such sum as may be approved by the Board on the recommendation



of the NRC and members approval is sought wherever necessary.

Independent Directors shall not be entitled to participate in the Stock Option Scheme of the Company, if any, pursuant to the provisions of the Act and SEBI Listing Regulations.

No sitting fee and/or commission are payable to non-executive non-independent directors.

(iii) Remuneration of KMPs and Senior Management Employees:

Remuneration and annual increments of KMPs (other than ED/MD) and senior management persons shall be determined as per corporate HR

policy of the Company. In case of remuneration of such KMPs, NRC recommend remuneration or annual increments to the Board.

Performance Evaluations:

- Performance evaluation of Directors of the Company is done annually by the NRC or any external agency, as the Company may think appropriate in accordance with the prevailing provisions of the Act and SEBI Listing Regulations.
- Performance evaluation of senior management persons is done annually as per corporate HR policy of the Company.

Remuneration and sitting fees paid/payable in the previous financial year are as follows:

(A) MANAGING DIRECTOR:

₹ in Million)

Name	Salary & Allowances	Perquisites & Benefits	Contribution to Provident and other Funds	Total
Mr. Shailesh Wani	20.15	1.70	1.08	22.93

Service Contract and Notice Period

Mr. Shailesh Wani was appointed Managing Director of the Company for a further period of 5 years with effect from 1st October, 2022 and the same was approved by the shareholders of the Company at their annual general meeting held on 6th May, 2022. A contract was entered into with him containing the terms of appointment, remuneration and other matters which is terminable by six months' notice by either party or in lieu of six months' salary.

Directors up to 1% (one percent) or such other percentage as may be prescribed in the Act from time to time, of the net profits of the Company as computed under the applicable provisions of the Act for three financial years commencing from 1st January, 2023 with powers to the Board/Committee thereof to decide commission payable to each such independent directors within the overall limits.

The remuneration by way of commission to the Non-Executive Directors is decided by the Board based on recommendation of NRC. NRC takes into account, inter alia, their participation, attendance, contribution, role and responsibility as a Chairman/ Member of the Board/Committee, performance evaluation etc. as well as time spent on matters other than at meetings. The Company has no pecuniary relationships/transactions with any of the Non-Executive Directors of the company. The sitting fee and commission paid to the Independent Directors during the reporting period were as under.

(B) NON-EXECUTIVE DIRECTORS:

The sitting fees is paid to the independent directors only for attending meetings of the Board and Committees as may be decided by the Board from time to time. The commission is also paid to the Independent Directors.

Commission

The Members at the 49th annual general meeting held on 9th May, 2023, approved the payment of commission to the Non-Executive Independent

(₹ in Million)

Name	#Sitting Fees	Commission	Total
Mr. Khurshed M Thanawalla	0.21	0.74	0.95
Mr. Marco Wadia	0.20	0.26	0.46
Mrs. Kiran Dhingra	0.31	0.26	0.57
Mr. Bhanubhai Patel	0.27	0.00	0.27
Mr. Abhay Jadeja	0.27	0.00	0.27

#exclusive of GST (as applicable).

Besides above, Company does not pay any other remuneration to its Non-Executive Directors.

3.3 STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee ('SRC') is comprised of 3 (three) Directors of which 1 (one) Independent Director, 1 (one) Non-Executive Non-Independent Director and 1 (one) Executive Director. The composition and role of the Stakeholders Relationship Committee are in line with Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act. The Company Secretary of the Company acts as a Secretary to the Committee.

Terms of Reference

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Carrying out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Composition & attendance at the meeting

Name	Category	No. of Meetings	
		Held	Attended
Mrs. Kiran Dhingra, Chairperson	Independent Director	1	0
Mr. Shailesh Wani	Managing Director	1	1
Mr. Arnout Otma	Non-executive non independent	N.A.	N.A.
Mr. Khurshed M Thanawalla	Independent Director	1	1

The Committee was re-constituted on 6th May 2025 in which Mrs. Dhingra was appointed, and Mr. Thanawalla ceased to be members of the Committee due to their retirement. Subsequently, Mr. Arnout Otma was appointed as a member of the Committee on 10th February 2026 in place of Mr. Eiko Ris, who ceased to be a member pursuant to his resignation from the Board on 14th November, 2025.

During the year, committee met on 12th February, 2025 and then existing members were present at the meeting. Mr. Thanawalla, former Chairman of the Committee was present in the last Annual General Meeting.

Compliance officer:

Mr. Sanjeev Singh Sengar, GM-Legal & Company Secretary, is the Compliance Officer of the Company and he can be contacted at:-

Stovec Industries Limited

N.I.D.C., Nr. Lambha Village, Post: Narol, Ahmedabad, Gujarat – 382 405, India.

Tel: +91 79 6157 2300 Email: secretarial@stovec.com

Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Transfer Agents 'M/s MUFG Intime India Private Limited (earlier know as Link Intime India Private Limited) at investor.helpdesk@in.mpms.mufg.com The Compliance officer has been regularly interacting with the Share Transfer Agents to ensure that shares related complaints of the investors are attended to without undue delay and where deemed expedient the complaints are referred to the committee or discussed at the meetings.

The status of complaints received during the year are as follows: -

Complaint received	Resolved during the year	Pending as on 31 st December, 2025
1	1	0

3.4 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility ("CSR") Committee comprised of 3 (three) Directors, of which 1 (one) Executive Director, 1 (one) Non-Executive Director and 1(one) Independent Director of the Company. The composition and role of the Corporate Social Responsibility Committee are in line with Section 135 of the Act and Rules framed thereunder. The Company Secretary of the Company acts as Secretary to the Committee.

**Terms of reference:**

- i. Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- ii. Formulate and recommend to the Board, an annual action plan which shall include the list of CSR Projects or Programs that are approved to be undertaken in the areas or subjects as specified in Schedule VII of the Act, the manner of execution of such projects or programs, the modalities of utilization of funds and implementation schedules, monitoring and reporting mechanism for the projects or programs, details of need and impact assessment, if any, for the projects undertaken by the company and recommend any alteration in such annual action plan.
- iii. Recommend the amount of expenditure to be incurred on the CSR activities as per limits prescribed under the Act.
- iv. Review the CSR projects and program or activities undertaken by the Company and recommend suitable changes as deem fit or necessary.
- v. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- vi. Select, engage and approve fees for professional advisors/ consultants that the Committee may require to carry out their duties.
- vii. Oversee various aspects such as statutory compliances in respect of CSR, admin expenditure etc. and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

Composition & attendance

Name	Category	No. of meetings	
		Held	Attended
Mr. Shailesh Wani, Chairman	Executive	2	2
Mr. Khurshed M Thanawalla	Independent Director	2	1
Mr. Eiko Ris	Independent Director	2	1
Mrs. Kiran Dhingra	Independent Director	2	1
Mr. Arnout Otma	Non-executive non independent	N.A.	N.A.

The Committee was re-constituted on 6th May 2025, in which Mrs. Dhingra was appointed, and Mr. Thanawalla ceased to be members of the Committee due to his retirement. Subsequently, Mr. Arnout Otma was appointed as a member of the Committee on 10th February 2026 in place of Mr. Eiko Ris, who ceased to be a member pursuant to his resignation from the Board on 14th November, 2025.

CSR Committee met 2 (two) times during year on 12th February, 2025 and 14th November, 2025.

CSR Policy is available at the website of the Company at [https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20\(website\)/Stovec%20investor%20relations/6.%20Policies/CSR%20Policy.pdf](https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20(website)/Stovec%20investor%20relations/6.%20Policies/CSR%20Policy.pdf). The details of the CSR activities carried out by the Company during the year and the amount spent thereon has been reported in this report separately.

4. SENIOR MANAGEMENT

Details of the Senior Management as on 31st December 2025, as required under the SEBI Listing Regulations, are as follows:

Sr. No.	Name	Designation
1.	Mr. Gaurav Amrutiya	Chief Financial Officer (appointed on 14 th November, 2025)
2.	Mr. K. Prabhakaran	General Manager (Capital Sales & Digital Portfolio)
3.	Mr. Pankaj Chadda	General Manager (Consumable Sales)
4.	Mr. Amit Patel	General Manager (Operation)
5.	Mr. Sandesh Kale	General Manager (Eng. and Quality Assurance)
6.	Mr. Paulesh Shah	General Manager (HR & Admin)
7.	Mr. Devang Dave	General Manager -Service & Spares
8.	Mr. Sanjeev S. Sengar	General Manager (Legal) & Company Secretary

Changes in Senior Management since the close of the previous financial year:

Mr. Paras Mehta cease to be Chief Financial Officer from 23rd May, 2025 due to his resignation, and Mr. Vipul Bhavsar was appointed as Interim Chief Financial Officer from 26th May, 2025 to 14th November, 2025. Thereafter, the Board appointed Mr. Gaurav Amrutiya as Chief Financial Officer effective from 14th November, 2025.

5. CODE OF CONDUCT AND ETHICS:

The Company has in place a Code of Business Conduct and Ethics applicable to its Board members, senior management and employees. The Board and senior management affirm their annual compliance with the same.

The Company has received confirmation from all Directors, Senior Management Personnel as well as other employees regarding compliance with the Code of Conduct during the year under review as required under Regulation 26(3) of the SEBI Listing Regulations. Pursuant to Schedule V(D) of the SEBI Listing Regulations, a declaration signed by the Managing Director of the Company to this effect is enclosed at the end of this Report.

6. GENERAL BODY MEETINGS' DISCLOSURES:

Location and time of Annual General Meetings in the past three financial years and the special resolutions passed in the said AGMs:

AGM	Date, date, time & location	Special resolutions passed
51 st AGM	5 th May, 2025 at 11:30 am through video conferencing	<ul style="list-style-type: none"> - Payment of commission to Mr. K. M. Thanawalla for the financial year 2024, in excess of the limit prescribed under the SEBI Listing Regulations. - Re-appointment of Mrs. Kiran Dhingra (DIN 00425602), as an Independent Director of the Company - Appointment of Mr. Bhanu Bhai Patel (DIN: 00223115) as an Independent Director of the Company - Appointment of Mr. Abhay Jadeja (DIN: 03319142) as an Independent Director of the Company.
50 th AGM	25 th April, 2024 at 3:00 pm through video conferencing	<ul style="list-style-type: none"> - Payment of commission to Mr. K. M. Thanawalla for the financial year 2023, in excess of the limit prescribed under the SEBI Listing Regulations.
49 th AGM	9 th May, 2023 at 2:15 pm through video conferencing	<ul style="list-style-type: none"> - Payment of commission to Mr. K. M. Thanawalla for the financial year 2022, in excess of the limit prescribed under the SEBI Listing Regulations.

Postal Ballot:

No special resolution passed through postal ballot during the year, nor any special resolution proposed to be passed through Postal Ballot as on the date of this report.

7. MEANS OF COMMUNICATION

The quarterly results are published in Business Standard (English) and Jaihind (Gujrati) and also placed on the Company's website at www.stovec.com and submitted with the BSE Limited (BSE). All the required disclosures and information are available on the Company's website for the benefit of the shareholders. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

8. GENERAL INFORMATION FOR MEMBERS

8.1 Annual General Meeting:

Day, Date and Time	Thursday, 7 th May, 2026 at 2:30 pm
Venue	Through VC/OAVM from the registered office of the Company

8.2 Financial Calendar:

Financial Year	FY2025
Record date/Book Closure	1 st May, 2026 to 7 th May, 2026 (both days inclusive)
Dividend Payment Date	On or before due date

8.3 Listing:

The Company's equity shares are listed on BSE Limited (BSE), and the Company has paid annual listing fees to BSE for the year 2025. Company's equity shares were also listed with Ahmedabad Stock Exchange (ASE), which had communicated vide its letter dated 11th January, 2017 that it is non-functional under exit policy, thereby no need to make any compliance with ASE.

8.4 Registrar and Transfer Agents: -

For transfer lodgment, delivery and correspondence related to Shares, Members are requested to do correspondence with the Company's Registrar and Share Transfer Agents - M/s MUFUG Intime India Private Limited quoting their folio no. at the following address: -

**M/s MUFG Intime India Private Limited,**

5th Floor, 506 to 508, Amarnath Business Center –I (ABC-I), Besides Gala Business Center, Nr. St. Xavier's College Corner, Off. C.G. Road, Navrangpura, Ahmedabad – 380 009, Gujarat.

Tel: +91(0) 79 - 2646 5179/86/87, Fax: +91(0) 79 - 2646 5179.

E-mail: investor.helpdesk@in.mpms.mufg.com

8.5 Share Transfer System:

The Board has authorized Registrar and Share Transfer Agent, M/s. MUFG Intime India Private Limited to approve transfer of shares.

8.6 Shareholding Pattern of the Company:

Category	As on 31 st Dec., 2025		As on 31 st Dec., 2024	
	No. of Shares	%age	No. of Shares	%age
Promoters & Promoter Group	14,83,777	71.06	14,83,777	71.06
IEPF	39,762	1.90	38,782	1.86
Financial Institutions/Banks	965	0.05	965	0.05
Bodies Corporate	19,372	0.91	21,447	1.03
NRIs	19,242	0.92	19,056	0.91
Clearing Members	3,498	0.17	110	0.00
Directors & their Relatives	0	0.00	5,864	0.28
Individuals/HUF	5,18,622	24.85	5,14,918	24.66
Unclaimed Suspense Account	2,726	0.13	2,998	0.14
Unclaimed Escrow Account	52	0.00	99	0.00
TOTAL	20,88,016	100	20,88,016	100

Distribution of Shareholding as on 31st December, 2025.

Range of Shares	No. of Shareholders	%	No. of Shares	%
1 - 500	7,391	98.12	2,99,384	14.34
501 - 1000	71	0.94	50,604	2.42
1001 - 2000	34	0.45	45,668	2.19
2001 - 3000	12	0.16	31,670	1.52
3001 - 4000	10	0.13	34,594	1.66
4001 - 5000	2	0.03	9,296	0.45
5001 - 10000	9	0.12	59,238	2.84
10001 or more	4	0.05	15,57,562	74.60
TOTAL	7,533	100	20,88,016	100

8.7 Dematerialization of Shares & Liquidity:

As on 31st December, 2025, 20,54,878 equity shares representing 98.41 % of the Company's paid-up equity share capital are in demat form.

8.8 The company do not have any outstanding GDRs or ADRs or warrants or any convertible instruments during the reporting period.

8.9 Plant Location:

1. N.I.D.C, Nr. Lambha Village, Post: Narol, Ahmedabad Gujarat-32 402
2. 296, G.V.M.S.A.V Limited, Odhav Road, Odhav, Ahmedabad-382415

Correspondence address	N.I.D.C., Nr. Lambha Village, Post: Narol, Ahmedabad, Gujarat – 382 405, India.
CIN	L45200GJ1973PLC050790
Tel	+91 79- 6157 2300
Facsimile No	+91 79- 2571 0406
Website	www.stovec.com

8.10 Credit Rating

The Company has not issued any debt securities or any fixed deposit program or any scheme or proposal involving mobilization of funds, thus, the requirement of disclosure of credit ratings is not applicable.

9. OTHER DISCLOSURES

9.1 There were no materially significant related party transactions entered during the year that may have potential conflict with the interest of the Company.

9.2 The Company has complied with various rules and regulations prescribed by Stock Exchange, Securities and Exchange Board of India or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed by any of them on the Company during the last three years.

9.3 The Company has in place a Whistle Blower Policy for Directors and Employees to report their genuine concerns or grievances. The Whistle Blower Policy of the Company has been disclosed on the website of the Company. No personnel have been denied access to the Audit Committee to report its genuine concerns or grievances in exceptional cases.

9.4 During the year under review, the Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of SEBI Listing Regulations except Regulation 23(2) that require prior audit committee approval for the transaction or material modification thereof that such incidence has been reported and explained in the Board report forming part of this annual report.

9.5 Adoption of discretionary requirements of SEBI Listing Regulations

- i) The Company has separate persons for the position of Chairman and Managing Director. Mr. Garrett Forde is a Chairman (Non-Independent & Non - Executive) and Mr. Shailesh Wani is the Managing Director of the Company.
- ii) The audit report on the Company's Financial Statements for the year ended 31st December, 2025 is unmodified.
- iii) The Internal Auditor reports directly to the Audit Committee.
- iv) Mrs. Kiran Dhingra is non-executive independent women director on the Board of the Company.
- v) Company has risk management core group comprising of functional head and managing director of the Company with the roles and responsibilities as specified in the SEBI Listing Regulations.

9.6 Policy for determining Material Subsidiaries

The Company has formulated policy for determining material subsidiary/ries and the same is available at the website of the Company at [https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20\(website\)/Stovec%20investor%20relations/6.%20Policies/Policy%20for%20determining%20Material%20Subsidiaries.pdf](https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20(website)/Stovec%20investor%20relations/6.%20Policies/Policy%20for%20determining%20Material%20Subsidiaries.pdf)

9.7 Related Party Transactions Policy

Related Party Transaction Policy has been formulated in order to regulate the transactions between Company and Related Parties. RPT Policy is available at the website of the Company at <https://www.spgprints.com/hubfs/Media/Stovec%20investor%20relations/6.%20Policies/Related%20Party%20transaction%20policy.pdf?hslang=en>

9.8 Disclosure of Commodity Price Risks, Foreign Exchange Risk and Commodity Hedging Activities

High quality Nickel is the principal raw material for the Company, and it is imported regularly, as per purchase guidelines of the Company. The Company's performance may impacted in case of substantial change in prices of Nickel or Foreign Exchange rate fluctuations. However, Company takes forward cover as per its forex risk coverage policy. The Company does not undertake commodity hedging activities.

The risk management policy has been putting place to address the risks associated with the business of the Company including commodity price risk and mechanism to continuously monitor the movement in commodity prices and take appropriate action to ensure better cost control. During the year, the Company has no material price risk exposure.

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

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

9.10 Certificate from a company secretary in practice regarding disqualification of Directors

Sandip Sheth & Associates, practicing company secretary has provided a certificate confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate so obtained is appended to this Report.

9.11 Regarding non-acceptance of recommendation of any committee of the Board

The Board has accepted all recommendations of the committees.

9.12 Fees paid to the statutory auditor – Please refer Note 25 of Notes to the Financial Statements.

9.13 Disclosure in relation to Sexual Harassment of Women at Workplace is given at Sr. No. 22 to the Director's Report.



9.14 The company has not granted any loans and advances in the nature of loans to firms/companies in which directors are interested.

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

9.16 Pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, the Managing Director and

the Chief Financial Officer have issued a certificate to the Board for the financial year ended 31st December, 2025.

9.17 Compliance certificate from Mr. Sandip Sheth, practicing company secretary, regarding compliance of conditions of corporate governance is annexed with this report.

9.18 Disclosures with respect to Unclaimed Suspense Account

In terms of Regulation 39(4) of the SEBI Listing Regulations, the Company reports the following details in respect of equity shares transferred from the "STOVEC INDUSTRIES LIMITED - UNCLAIMED SUSPENSE ACCOUNT" during the year and the balance in the same at the beginning and at the end of the year:

Particulars	Number of shareholders	Number of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e., 1 st January, 2025	202	2,998
Number of shareholders who approached the Company for transfer of shares from suspense account during the year ended 31 st December, 2025	0	0
Shareholders to whom shares were transferred from the suspense account during the year ended 31 st December, 2025	0	0
Number of shares transferred to IEPF authority from Unclaimed Suspense Account during the year ended 31 st December, 2025	21	272
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 31 st December, 2025	181	2726

The voting rights on the shares outstanding in the suspense account as on 31st December, 2025 shall remain frozen till the rightful owner of such shares claims the shares.

9.19 Risk Management

The company forms part of top 2000 listed entities on the BSE as on 31st December, 2025; accordingly, the constitution of Risk Management Committee is not mandatory for the Company. However, Company has setup a risk management committee comprising of all functional head and Managing Director and framed a risk management policy and the same is available at the website of the Company at www.stovec.com.

9.20 Policy for Prohibition of Insider Trading and Code of Conduct for Fair Disclosures

The Company has adopted a code of conduct for regulating, monitoring and reporting of trading by insiders and code of conduct for fair disclosures pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

9.21 Policy for determining Material Information

As required by Regulation 30 of SEBI Listing Regulations, the Board of Directors have approved the Policy for determining Material Information and is available at the website of the Company at

<https://www.spgprints.com/hubfs/Media/Stovec%20investor%20relations/6.%20Policies/Policy%20for%20Determining%20Material%20Information.pdf?hslang=en>

9.22 Policy for preservation of documents and archival policy

As required by Regulation 9 of SEBI Listing Regulations, the Board of Directors have approved the Policy for Preservation of Documents and Archival Policy and the same is available at the website of the Company at www.stovec.com at [https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20\(website\)/Stovec%20investor%20relations/6.%20Policies/Policy%20for%20Preservation%20of%20Documents%20Archival%20Policy.pdf](https://2131785.fs1.hubspotusercontent-na1.net/hubfs/2131785/Media%20(website)/Stovec%20investor%20relations/6.%20Policies/Policy%20for%20Preservation%20of%20Documents%20Archival%20Policy.pdf)

9.23 Disclosure of accounting treatment

In preparation of Financial Statements, the Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India and that there are no audit qualifications in the Company's financial statements for the year under review.

9.24 There has been no binding agreements reported to us that are referred to in clause 5A of Paragraph A of Part A of Schedule III of the SEBI Listing Regulations, hence not applicable.

Declaration by the Managing Director under Part D of Schedule V of SEBI Listing Regulations regarding adherence to the **Code of Conduct**

In accordance with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics for Board of Directors, Senior Management & Employees, as applicable to them, for the financial year ended 31st December, 2025.

For **Stovec Industries Limited**

Shailesh Wani

Managing Director
(DIN: 06474766)

Date: 23rd February, 2026

Place: Ahmedabad

CIN: -L45200GJ1973PLC050790

Nominal Capital: - 3,00,00,000/-

Paid-up Capital: - 2,08,80,160/-

Corporate Governance **Compliance Certificate**

To,
The Members,
Stovec Industries Ltd.
N.I.D.C. Nr. Lambha Village,
Post: Narol, Ahmedabad.

We have examined all relevant records of **Stovec Industries Limited** for the purpose of certifying compliance of conditions of Corporate Governance under para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended on 31st December, 2025. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanation and information furnished, we certify that the Company has complied with all the mandatory conditions of the para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, except as reported under Annual Secretarial Compliance Report by Secretarial Auditor.

Sandip Sheth & Associates

Company Secretaries
Firm Unique Code: P2001GJ041000

Sandip Sheth

Partner
FCS: 5467, CP No.: 4354
UDIN: F005467G003983144

Place: Ahmedabad

Date: 23rd February, 2026



CIN: -L45200GJ1973PLC050790

Nominal Capital: - 3,00,00,000/-
Paid-up Capital: - 2,08,80,160/-

Certificate of Non-Disqualification of Directors

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

To,

The Members,

Stovec Industries Limited

CIN: L45200GJ1973PLC050790

N.I.D.C, Near Lambha Village,

Post: Narol, Ahmedabad – 382 405, Gujarat, India.

We have examined all relevant registers, records, forms and disclosures received from the directors of **Stovec Industries Limited**, produced before us by the Company for the purpose of certifying compliance of conditions of clause 10 (i) of para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended on 31st December, 2025. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification. During the course of such certification, we have relied on various information and declaration furnished by each director of the Company as at and relied on the online information available with Ministry of Corporate Affairs Portal, its filling position and other web pages.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st December, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr No.	Name of Director	Director Identification Number (DIN)	Date of appointment in the Company
1	BHANUBHAI RAMJIBHAI PATEL	00223115	05/05/2025
2	MR. SHAILESH CHANDRAKRISHNA WANI	06474766	01/10/2013
3	MR. GARRETT FORDE	09040078	26/02/2021
4	MR. ABHAY ROHIT JADEJA	03319142	05/05/2025
5	MS. KIRAN DHINGRA	00425602	01/04/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the clause 10 (i) of para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended on 31st December, 2025.

Sandip Sheth & Associates

Company Secretaries

Firm Unique Code: P2001GJ041000

Sandip Sheth

Partner

FCS: 5467, CP No.: 4354

UDIN: F005467G003983111

Place: Ahmedabad

Date: 23rd February, 2026

Annexure-III
Annual Report on Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 for FY 2025
1. Brief outline on CSR policy of the company:

Stovec's Corporate Social Responsibility (CSR) builds a dynamic relationship between Stovec on one hand and the society and environment on the other. As a responsible Corporate Citizen, Stovec believes that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, customers and society in which it operates and accordingly Stovec has formulated CSR Policy.

The CSR policy, which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

2. Composition of CSR committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shailesh Wani	Chairman	2	2
2.	Mr. Khurshed M. Thanawalla*	Member	2	1
3.	Mrs. Kiran Dhingra*	Member	2	1
4.	Mr. Eiko Ris*	Member	2	1
5.	Mr. Arnout Otma*	Member	NA	NA

*The Committee was re-constituted on 6th May 2025 in which Mrs. Dhingra was appointed, and Mr. Thanawalla ceased to be member of the Committee due to their retirement. Subsequently, Mr. Arnout Otma was appointed as a member of the Committee on 10th February 2026 in place of Mr. Eiko Ris, who ceased to be a member pursuant to his resignation from the Board.

3. Provide the web-link where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company:
a. Composition of CSR Committee:

<https://www.spgpriints.com/hubfs/Compostion%20of%20Board%20and%20Committees.pdf?hsLang=en>

b. CSR Policy:

[https://www.spgpriints.com/hubfs/Media%20\(website\)/Stovec%20investor%20relations/6.%20Policies/CSR%20Policy.pdf?hsLang=en](https://www.spgpriints.com/hubfs/Media%20(website)/Stovec%20investor%20relations/6.%20Policies/CSR%20Policy.pdf?hsLang=en)

c. CSR projects approved by the board:

<https://www.spgpriints.com/hubfs/Approved%20CSR%20Project%202025.pdf?hsLang=en>

4. Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8, if applicable:

Not applicable

5. (a) Average net profit of the company as per section 135(5): ₹ 207.48 million
- (b) Two percent of average net profit of the company as per section 135(5): ₹ 4.15 million
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year 2025(5b+5c- 5d): ₹ 4.15 million.
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 4.59 million
- (b) Amount spent in Administrative Overheads: ₹ 0.02 million
- (c) Amount spent on Impact Assessment, if applicable: NA
- (d) Total amount spent for the Financial Year 2025 (6a+6b+6c): ₹ 4.61 million.

**(e) CSR amount spent or unspent for the Financial Year 2025:**

Total Amount Spent for the Financial Year. (INR in Million)	Amount Unspent (₹ in Million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	(INR in million)	Date of Transfer	Name of the Fund	(INR in million)	Date of Transfer
₹ 4.61*	₹ 1.03	30-01-2026		NA	

* Including ₹ 1.49 million spent from the unspent account of previous years in relation to ongoing projects.

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

Sr. No.	Particulars	(Amount in INR million)
(i)	Two percent of the average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the financial year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (INR in Million)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (INR in Million)	Amount spent in the Financial Year (INR in Million)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (INR in Million)	Deficiency, if any
					Amount (INR in Million)	Date of Transfer		
1	FY2024	₹ 1.18	₹ 0.32	₹ 0.86	Nil	NA	₹ 0.32	--
2	FY2023	₹ 2.56	₹ 0.09	₹ 2.47	Nil	NA	₹ 0.09	--
3	FY2022	₹ 2.81	Nil	₹ 2.81	Nil	NA	Nil	--

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not applicable

For and on behalf of the Board of Directors & CSR Committee

Shailesh Wani

Managing Director & Chairman of CSR Committee
(DIN: 06474766)

Date: 23rd February, 2026
Place: Ahmedabad

Annexure-IV

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES
I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L45200GJ1973PLC050790
2.	Name of the Listed Entity	Stovec Industries Limited
3.	Year of incorporation	1973
4.	Registered office address	N.I.D.C., Near Lambha Village, Post: Narol, Ahmedabad -382 405 India
5.	Corporate address	Same as above
6.	E-mail	secretarial@stovec.com
7.	Telephone	07961572300
8.	Website	www.stovec.com
9.	Financial year for which reporting is being done	1 st January, 2025 to 31 st December, 2025
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited
11.	Paid-up Capital	₹ 20,880,160.00
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sanjeev Singh Sengar Contact No.: 079-6157 2300 Email: Sanjeev_sengar@stovec.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Yes, standalone basis

II. Products/services
14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of turnover of the entity
1	Manufacturing	Manufacturer of Rotary and digital printing machines, engravers, perforated nickel screens for textile & graphic industry, and other textile & graphic consumables and spare parts.	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Textile Consumables and Graphics Products	32909	83.30%
2.	Textile Machineries	28262	16.70%

III. Operations
16. Number of locations where plants and/or operations/offices of the entity are situated: Company's registered cum corporate office and factory are located in the same premises.

Location	Number of plants	Number of offices	Total
National	2	1	3
International	0	0	0

**17. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	Global presence

b. What is the contribution of exports as a percentage of the total turnover of the entity- 27.44%**c. A brief on types of customers:**

The company specializes in the manufacturing and supply of equipment and consumables tailored for the textile printing and graphic printing industries. Our primary clientele consists of processing companies and mills within the textile and graphics printing sector.

IV. Employees**18. Details as at the end of Financial Year: 31st December, 2025****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	104	101	97.12%	3	2.88%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total employees (D + E)	104	101	97.12%	3	2.88%
WORKERS						
4.	Permanent (F)	140	140	100%	0	0%
5.	Other than Permanent (G)	35	35	100%	0	0%
6.	Total workers (F + G)	175	175	100%	0	0%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0.00%	0	0%
2.	Other than Permanent (E)	0	0	0.00%	0	0%
3.	Total differently abled employees (D + E)	0	0	0.00%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	1	1	100%	0	0%
6.	Total differently abled workers (F + G)	1	1	100%	0	0%

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	5	1	20.00
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers

	FY 2025 (Turnover rate)			FY 2024 (Turnover rate)			FY 2023 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.76%	0.00%	9.48%	12.75%	0.00%	12.38%	16.59%	28.57%	16.98%
Permanent Workers	5.59%	0.00%	5.59%	4.24%	0.00%	4.24%	9.96%	0.00%	9.96%

V. Holding, Subsidiary and Associate Companies (including joint ventures)
21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	SPGPrints B.V., the Netherlands	Holding Company	71.06%	Yes, but no direct participation

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
 (ii) Turnover : ₹ 1,981.11 Million
 (iii) Net worth : ₹ 1,317.79 Million

VII. Transparency and Disclosures Compliances
23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025			FY 2024		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders	Yes (See note 1)	1	0	-	2	0	-
Employees and workers	Yes (See note 2)	-	-	-	-	-	-
Customers	Yes (See note 3)	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-

The Whistle Blower policy of the Company encompass all the stakeholders to raise their concern or complaint, and the policy is available on the website of the Company, weblink of which is given in this annual report.

Note:

- Shareholders complaints are dealt with by the Secretarial team and reported to SRC and Stock Exchange.
- Employees may report their complaints or concerned to the respective HOD and escalated to HR/MD level in case of no satisfactory redressal.
- Customer complaints with respect to the Company's goods have been taken care of by a separate team and resolved within the committed timelines.

**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Well-being of employees	Risk cum Opportunity	The company places the highest priority on the health and well-being of its employees and workers.	Conducting health check-ups at a reputed hospital every two years, and annually for employees over 50; providing a group Medclaim policy for all employees.	Expenses related to health checkups and group Medclaim policy.
2	Adoption of Renewable Energy – Solar Panel Installation	Opportunity	Reduction of carbon footprint.	-	Capital investment required for installation.
3	Use of natural light in production facility & Uses of LED lights	Opportunity	Promoting energy efficiency through reduced power consumption	-	Costs for replacing existing lighting with energy-efficient options
4	CSR	Opportunity	Upholding the company's commitment to social responsibility.	-	None, Statutory Obligations.
5	Continuous development of employees	Opportunity	A highly skilled and motivated workforce enhances operational efficiency and fosters innovation	-	Costs associated with training and development programs.
6	Strengthening Supply Chain Resilience	Risk & Opportunity	Reducing dependency on single supplier that could reduce risk of operational delays and disruptions.	Building strategic partnerships, and implementing risk management strategies for the supply chain.	Associated cost for optimising SCM network.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**National Guidelines on Responsible Business Conduct (NGRBC) Principles:**

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
Policy and management processes																		
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)- (refer note-1)	Y	Y	Y	Y	Y	Y	N	Y	Y									
b. Has the policy been approved by the Board? (Yes/No)- (refer note-2)	Y	Y	Y	Y	Y	Y	-	Y	Y									
c. Web Link of the Policies, if available	All policies placed on the Company's website at www.stovec.com																	
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	-	Y	Y									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y									
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 for Quality Management System																	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> • Reuse of wood packing material • Use of alternate packaging (corrugated in place of wood) • Use of LED & most Energy efficient equipment • Energy saving initiatives in electroforming • Remaining cost competitive through various initiatives • Power purchase through Open Access • recycling of 100% hazardous /non-hazardous waste • use of clean fuel 																	
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Ongoing activity																	
Governance, leadership and oversight																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>We always strive to enhance our strategies and commitments towards being a responsible business while we continue to transparently share our sustainability performance and goals moving forward. In our efforts we maintain an honest accountability towards our communities, stakeholders, and shareholders.</p> <p>Transparency is key, as we openly share our sustainability performance and goals. We maintain honest accountability to our communities, stakeholders, and shareholders, fostering a responsible business ethos.</p>																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Shailesh Wani, Managing Director																	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Shailesh Wani, Managing Director																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The Board of Directors of the Company through its Managing Director or internal committee, assesses the performance of the referred policies.									On need basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company adhere to the compliance of all applicable laws and the same are confirmed by the respective functional heads to be Managing Director and he in turn confirm to the Board at its meeting by way of certificate on quarterly basis.									quarterly								

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. (Refer note 3)**

P1	P2	P3	P4	P5	P6	P7	P8	P9
N	N	-	N	N	N	N	N	N

12. If answer to question (1) above is "No", reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	Y	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	Company do not feel immediate need to formulate it.								

Notes:

- The Company's Code of Business Conduct & Ethics broadly covers the above principles. Other statutory policies such as insider trading policy and code of fair disclosure, policy on related party transactions and material subsidiary, whistle blower policy, familiarization program, CSR policy, policy on prevention of documents and archival policy, policy for determining material information, policy on prevention of sexual harassment of women at workplace etc. are supportive to cover the principles.
- As a process, all policies have been considered and noted by the Board/Committee/s of the Board and authenticated by Managing Director of the Company.
- No independent audit of the policies has been carried out, however, Internal Audit Function periodically looks at the implementation thereof.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**Essential Indicators****1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	Industry overview and business updates are given by the Managing Director during the board meeting while considering financial results of the Company. Regulatory updates under familiarization program are circulated from time to time.		100%
Employees other than BoD and KMPs Workers	Awareness program on insider trading regulations, whistle blower mechanism and code of business conduct and ethics are conducted, from time to time. Safety training, soft skill training and technical training are also arranged from time to time.		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): None**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy?** If yes, provide details in brief and if available, provide a web-link to the policy- Stovec, while not having a specific anti-corruption policy separately, upholds ethical standards through the Code of Business Conduct & Ethics. This code fosters positivity by encouraging all stakeholders to embrace accountability, transparency, and ethical behaviour in their daily work, addressing a range of issues beyond corruption and bribery. The Company has also incorporated this clause in its commercial agreements.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025	FY 2024
Directors	None	
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2025		FY 2024	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	None	the Directors make disclosure of interest quarterly.		
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest-**Not Applicable

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2025	FY 2024	Details of improvements in environmental and social impacts
R&D	Nil	Nil	--
Capex	Nil	Nil	--

2. a. Does the entity have procedures in place for sustainable sourcing - No
b. If yes, what percentage of inputs were sourced sustainably-Not applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:** The Company does not have any specific product to reclaim at the end of life, but we have waste management systems in place at our facilities. We dispose plastic waste, E-waste, Hazardous waste, and other waste to Gujrat Pollution Control Board (GPCB) authorized recycler or vendor with the appropriate documentation as per Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same-** Yes, we work in compliance of Plastic Waste Management Rules, 2015 and the Extended Producer Responsibility (EPR) guidelines and we are registered under the Extended Producer Responsibility as a brand owner & importer.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains****Essential Indicators****1. a. Details of measures for the well-being of employees (office staff):**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	101	101	100%	101	100%	-	-	-	-	101	100%
Female	3	3	100%	3	100%	3	100%	-	-	3	100%
Total	104	104	100%	104	100%	3	100%	0	0	104	100%
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	140	140	100%	140	100%	-	-	-	-	140	100%
Female	0	0	0	0	0	-	-	-	-	-	-
Total	140	140	100%	140	100%	-	-	-	-	140	100%
Other than Permanent workers											
Male	35	35	100%	35	100%	-	-	0	0	35	100%
Female	-	-	-	-	-	-	-	-	-	-	-
Total	35	35	100%	35	100%	-	-	0	0	35	100%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 2025			FY 2024		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	0.00%	7.14%	Y	0.00%	13.70%	Y
Leave Benefits	100%	100%	N.A.	100%	100%	N.A.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard- Yes, Company has made appropriate arrangements for disabled persons to access the company offices or factory premises.

- 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy-** There have been no separate policy to this effect, we believe in equal opportunity and inclusion for all those associated with the company. A mix of backgrounds, opinions, and talents enriches the organisation and helps in the achievement of success. Company rejoices importance of diversity in workplaces. Company recognizes the importance of maintaining and promoting fundamental human rights in all operations and provides and promotes the grant of fair and equitable wages, benefits, and other conditions of employment. Everyone is valued and respected for their unique contributions in the group. Company understands and respects the different roles that each person representing it plays in the success and growth of its business. The principles of mutual trust, teamwork and spirit are core values that the Company abides by and strives to maintain.

5. Return to work and Retentions rates of permanent employees and workers that took parental leave.- None

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief-

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

The organization believe in open and transparent communication. Employees are encouraged to share their concerns with their business heads, HR or the members of the senior management. The Company follows an open door policy, wherein any employee irrespective of hierarchy has access to the senior management. In addition, the Whistle-blower Initiative provides a formal platform to share grievances. New recruits are also educated on the whistle blower mechanism and forms part of the employee induction programme. The Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and set up an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 who is responsible for conducting inquiries on receipts of such complaints.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: We recognize the right to freedom of our employees and workers and company has a workers union.

Category	FY 2025			FY 2024		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	104	0	0.00%	107	-	-
- Male	101	0	0.00%	104	-	-
- Female	3	0	0.00%	3	-	-
Total Permanent Workers	140	140	100%	146	146	100%
- Male	140	140	100%	146	146	100%
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers

Category	FY 2025					FY 2024				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (F / D)
Employees										
Male	101	101	100%	101	100%	104	104	100%	104	100%
Female	3	3	100%	3	100%	3	3	100%	3	100%
Total	104	104	100%	104	100%	107	107	100%	100%	100%
Workers										
Male	175	175	100%	175	100%	183	183	100%	183	100%
Female	0	0	0	0	0	0	0	0	0	0
Total	175	175	100%	175	100%	183	183	100%	183	100%

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2025			FY 2024		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
- Male	101	92	91.09%	104	82	78.85%
- Female	3	3	100%	3	3	100%
Total	104	95	91.34%	107	85	79.44%
Workers						
- Male	All the workers are member of union, and their performance, are reviewed in 3 years interval under the wage settlement agreement.					
- Female						
Total						

The performance management system aims to promote a fair and transparent system of appraisal, which ensures a method of evaluating each employee's performance and potential, while recognizing their accomplishments.

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system-**

Yes, it is. It covers through the 1) Training & Education, 2) Personal Protection Equipment (PPE) procurement 3) Work Permit System, 4) LOTO System, 5) Third Party Safety Audit. The general medical examination of employees and workers is also being conducted by the company once in every two years. For 50 plus, it done once in a year.

The Company has a policy on health and safety for its employees called EHS Policy. Periodic internal communication and awareness sessions are conducted on safety related aspects. Employees are given training on basic and advanced fire safety, including evacuation drills periodically.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity- 1) Plant Inspection/Check List by area manager, 2) Quarterly safety audit by area manager, 3) Daily safety round.**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)-** Worker may approach to safety department or operational head to report such hazards and the safety meetings have also been conducted to assess the risk and mitigate them. Safety display boards have also been installed where the risk is prime so that worker can keep themselves out of danger.**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)-** Yes, the first aid box kept for the purpose is accessible to all the employees /workers for the quick or instant relief. For all emergency, the company has ambulance facility to take the patient to the nearby hospitals, the company has arrangement with it.**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2025	FY 2024
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	3.82	3.69
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	1
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace- 1) Training & Education, 2) PPE Procurement, 3) Maintain a health centre at the company premises providing first aid, 4) Carry out air quality checks in chemical zones, 5) Good House keeping 6) Maintenance of adequate greenery around the factory premises, 7) Keep the canteen and factory premises clean and hygienic 8) Maintain cleanliness in public utility areas.**13. Number of Complaints on the following made by employees and workers:**

	FY 2025			FY 2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil					
Health & Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

- 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions-** The Company has Installed CO2 flooding system in electrical panels for prevention of fire risk as suggested by Director Industrial Safety and Health (DISH) remarks.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders
Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity-** Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. Stovec has recognized both, internal stakeholder which includes employees, workers and external stakeholder which includes external channels such as regulators, investors, auditors, advisors, consultants, shareholders and community.
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group-**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Company's website, communications and disclosures to SEBI and stock exchange, newspapers.	Event based and quarterly.	Quarterly financial performance of the Company and all other necessary disclosures in due time.
Employees/ Workers	Mixed	Company's policies, emails and interactive meetings	Need basis	Safe, fair and conducive work environment, Career development and growth opportunities, Grievance mechanisms
Society	Mixed	Email, websites, magazines and NGOs.	Event base	Career opportunities and employment, skill development, livelihood and educational support through CSR activities. Business Information
Suppliers/ Partners/ Consultants	No	Personal meetings and email correspondences	Ongoing	Raw material procurements and for availing various other services
Customers	No	Emails, personal meetings, telephonic calls	Ongoing	Product information, sales and dispatch matters, bills receivables etc.

PRINCIPLE 5 Businesses should respect and promote human rights
Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:** None

Category	FY 2025			FY 2024		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total €	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-



2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025					FY 2024				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	104	0	0.00%	104	100%	107	0	0%	107	100%
Male	101	0	0.00%	101	100%	104	0	0%	104	100%
Female	3	0	0.00%	3	100%	3	0	0%	3	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	140	0	0.00%	140	100%	146	0	0%	146	100%
Male	140	0	0.00%	140	100%	146	0	0%	146	100%
Female	0	0	0.00%	0	0.00%	-	-	-	-	-
Other than Permanent	35	0	0.00%	35	100%	37	0	0%	37	100%
Male	35	0	0.00%	35	100%	37	0	0%	37	100%
Female	0	0	0.00%	0	0.00%	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

(₹ in Mn)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	04	0.27	01	0.57
Key Managerial Personnel	03	3.73	0	-
Employees other than BoD and KMP	98	1.22	3	1.85
Workers	140	0.55	0	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)- No

5. Describe the internal mechanisms in place to redress grievances related to human rights issues- All employees and workers grievance related matters are handled by HR department.

6. Number of Complaints on the following made by employees and workers:

	FY 2025			FY 2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases-

Neither Company promote nor tolerate any discrimination and /or harassment in its working, hence we follow no discrimination no harassment policy but believe in equal treatment.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)- Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above- No significant risk were identified/assessed.
PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025	FY 2024
Total electricity consumption (A)	45068.8536 Gigajoule	50079.600 Gigajoule
Total fuel consumption (B)	14100.159 Gigajoule	14522.536 Gigajoule
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	59169.012 Giga joule	64602.136 Gigajoule
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0030	0.0028
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. -No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any- Not Applicable
3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025	FY 2024
Water withdrawal by source (in kiloliters)		
(i) Surface water	0.00	0.00
(ii) Groundwater	22014.15	22098.41
(iii) Third party water	23530.82	30594.10
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	45544.97	52692.51
Total volume of water consumption (in kiloliters)	26619.97	32587.51
Water intensity per rupee of turnover (Water consumed / turnover)	0.0013	0.0014
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation- No



5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025	FY 2024
NOx	Mg/Nm ³	4.30	3.61
SOx	PPM	2.50	4.75
Particulate matter (PM)	PPM	10.40	10.52
Persistent organic pollutants (POP)	Not applicable	Not applicable	Not applicable
Volatile organic compounds (VOC)	Not applicable	Not applicable	Not applicable
Hazardous air pollutants (HAP)	Not applicable	Not applicable	Not applicable

We monitor air emissions on quarterly basis as per Gujarat Pollution Control Board (GPCB) rules, above are the air emissions data from the stack attached in Hot water Generator.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, assessment has been carried out by the Metro Enviro Chem Association which is authorized environment agency under the schedule II auditors approved by the Gujarat pollution control board.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025	FY 2024
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	650MT	687MT
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7188MT	7963MT
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent	0.0004	0.0003
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details- No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025	FY 2024
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1.72	4.31
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	75.98 MT	88.11 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	78.50 MT	124.59 MT
Total (A+B + C + D + E + F + G + H)	156.2	217.01 MT
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	-	-
(i) Recycled		
Non-Hazardous	80.22	128.90
Hazardous	75.98	88.11
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	156.2	217.01 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		-
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
Total	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes-** We have waste management systems in place at our facilities. We segregate waste into Hazardous and non-hazardous like plastic, wooden, glass, MS scrape, Paper & card etc. and incinerable & Land fill waste at our premises. All hazardous and non-hazardous waste are disposed-off through authorized recycler or vendor. The procedure for managing waste is as per Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The hazardous wastages are sent to the authorized vendor where waste is disposed of with appropriate method and the necessary required documents are submitted to Gujarat Pollution Control Board.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:** Not Applicable

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil			

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:** Not applicable

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No					

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the company has complied with all applicable environmental laws/ regulations/ guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Nil	Nil	Nil	Nil

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.: 03
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Textile Machinery Manufacturers Association (TMMA)	National
2	Gujarat Chamber of Commerce & Industry (GCCI)	State
3	Ahmedabad Management Association (AMA)	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities-**

Not applicable since the Company has not received any such order from any of the regulatory authorities towards issues related to anti-competitive conduct.

Name of Authority	Brief of the Case	Corrective action taken
Not applicable		

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development:****Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year-

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community- All general communication including grievances may be submitted at info@stovec.com.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025	FY 2024
Directly sourced from MSMEs/ small producers	13 %	13 %
Sourced directly from within the district and neighboring districts	28 %	28 %

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback- The Company has a robust system to track and respond to customer complaints. The customer complaints with respect to the Company's goods have been taken care of by a separate team and resolved within the committed timelines.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2025		Remarks	FY 2024		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	None	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy-

The Company has policy in place at group level to this effect.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services- There are no such instances.

Annexure-V
FORM NO. AOC- 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:

a)	Name(s) of the related party and nature of relationship:	SPGPrints Baskı Sistemleri Tic. Ltd. Şti., fellow subsidiary in Turkey.	SPGPrints B.V., the Netherlands, Holding Company
b)	Nature of contracts/arrangements/ transactions:	Sale of goods i.e., rotary screens and spares	
c)	Duration of the contracts/arrangements/ transactions	Three years i.e. FY2024, FY2025 and FY2026	
d)	Salient terms of the contracts or arrangements or transactions including actual/expected contractual amount	– The transactions entered in the regular course of business in accordance with the Company's conduct of business with or through the group companies. – Pricing meets the arm's length criteria as per benchmarking report of independent valuation agency and applicable transfer pricing principles. – The arrangement is as per business model of the group to serve global markets and achieve operational and scale efficiencies. – The shareholders of the Company, at the Annual General Meeting held on 25 th April, 2024, have accorded their approval for the transactions to be entered into during the financial years 2024, 2025, and 2026, up to the limits specified in the explanatory statement to the notice of said AGM.	
		Transaction value in FY2025: ₹ 63.71 million	Transaction value in FY2025: ₹ 93.10 million
e)	Date(s) of approval by the Board	26 th February, 2024.	
f)	Amount paid as advances, if any	Not applicable	

For and on behalf of Board of Directors

Garrett Forde

Chairman

DIN: 09040078

Date: 23rd February, 2026

Place: Boxmeer, The Netherlands



Annexure-VI

FORM NO. MR 3

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

Secretarial Audit Report

For the Financial Year ended on 31st December, 2025

To,

The Members,

Stovec Industries Limited

CIN: L45200GJ1973PLC050790

N.I.D.C, Near Lambha Village,

Post: Narol, Ahmedabad – 382 405, Gujarat, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Stovec Industries Limited** (hereinafter called “the **Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st December, 2025 (hereinafter referred to as “**Audit Period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December, 2025 according to the provisions of:

- (i.) The Companies Act, 2013 (the **Act**) and the rules made thereunder;
- (ii.) The Securities Contract (Regulation) Act, 1956 (“**SCRA**”) and the rules made thereunder;
- (iii.) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv.) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not applicable to the Company during Audit Period**)
- (v.) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

During period under report, no specific law is applicable to the Company.

We have also examined compliance with the applicable clauses/regulations of the following, to the extent applicable to the Company during the audit period:

- (i.) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii.) The Listing Agreements entered into by the Company with Stock Exchange i.e. BSE Limited.
- (iii.) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

We report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above.

We further report that, there were no actions/ events in pursuance of:

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 as amended from time to time;
- d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

requiring compliance thereof by the Company during the financial year.

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by auditor/other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except observations made in Annual Secretarial Compliance Report and Corporate Governance certificate.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the reporting period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period, there were no other specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Sandip Sheth & Associates

Company Secretaries
Firm Unique Code: P2001GJ041000

Sandip Sheth

Partner
FCS: 5467, CP No.: 4354
UDIN No: F005467G003983078

Place: Ahmedabad
Date: 23rd February, 2026

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

"Annexure – A"

To,
The Members,
Stovec Industries Limited
CIN: L45200GJ1973PLC050790
N.I.D.C, Near Lambha Village,
Post: Narol, Ahmedabad– 382 405, Gujarat, India

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the representations from the Management and respective departmental heads about the Compliance of laws, rules and regulations and happening of events etc. during the audit period.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We conducted our audit in the manner specified under section 204 of the Companies Act, 2013 and Rules made there under, which seeks an opinion and reasonable assurance about the compliance status of various applicable acts and rules to the Company.

Sandip Sheth & Associates

Company Secretaries
Firm Unique Code: P2001GJ041000

Sandip Sheth

Partner
FCS: 5467, CP No.: 4354
UDIN No: F005467G003983078

Place: Ahmedabad
Date: 23rd February, 2026



Annual Secretarial Compliance Report

To,
The Members,
Stovec Industries Limited
CIN: L45200GJ1973PLC050790
N.I.D.C, Near Lambha Village,
Post: Narol, Ahmedabad – 382 405, Gujarat, India.

Dear Sir/s,

Sub:- Annual Secretarial Compliance Report for the year ended on 31st December, 2025

We have been engaged by Stovec Industries Limited (hereinafter referred to as 'the listed entity') bearing CIN: L45200GJ1973PLC050790 whose equity shares are listed on BSE Limited (BSE) (Security Code 504959) to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 and to issue Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively. Our responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and issue report thereon. Our audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involves such examinations and verifications as considered necessary and adequate for the said purpose.

Annual Secretarial Compliance Report for the year ended as at 31st December, 2025 is enclosed herewith as **Annexure-A**.

For, **Sandip Sheth & Associates**
Company Secretaries
Firm Unique Code: P2001GJ041000

Sandip Sheth
Partner
FCS: 5467
CP No.: 4354
UDIN: F005467G003983056

Date: 23rd February, 2026
Place: Ahmedabad

Annexure-A

Annual Secretarial compliance report of Stovec Industries Limited for the year ended 31st December, 2025

[Under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Sandip Sheth And Associates, have examined:

- (a) all the documents and records made available to us and explanation provided by Stovec Industries Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st December, 2025 ("Review Period") in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, includes:-

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- and circulars/guidelines issued thereunder,

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS
1.	Secretarial Standards: The compliances of listed entities are in accordance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICS) as notified by the Central Government under Section 118 (10) of the Companies Act, 2013 and mandatorily applicable.	Yes	None
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of Board of the listed entities • All policies are in conformity with the SEBI Regulations and has been reviewed & updated on time, as per the Regulations/Circulars/ Guidelines issued by SEBI 	Yes	None
3.	Maintenance and disclosure on Website: <ul style="list-style-type: none"> • The listed entity is maintaining a functional website • Timely dissemination of documents/ information under as separate section on the website • Web-links provided in Annual Corporate Governance Reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 	Yes	None
4.	Disqualification of Director: None of the Director(s) of the Company is/are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the listed entity	Yes	None
5.	Details related to Subsidiaries of listed entities have been examined w.r.t: <ul style="list-style-type: none"> a. Identification of material subsidiary companies b. Disclosure requirements of material as well as other subsidiaries 	NA	None
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival Policy prescribed under SEBI LODR Regulations, 2015	Yes	None
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the year as prescribed in SEBI Regulations	Yes	None
8.	Related Party Transactions: <ul style="list-style-type: none"> a. The listed entity has obtained prior approval of Audit Committee for all Related Party Transactions b. The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained 	Yes (Refer Note – 1)	None
9.	Disclosure of events or information: The listed entity has provided all the required disclosures under Regulation 30 along with Schedule III of SEBI LODR Regulation 2015 within the time limits prescribed thereunder.	Yes	None
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (PIT) Regulations, 2015	Yes	None



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS
11.	Action taken by SEBI or Stock Exchange(s), if any: No Actions has been taken against the listed entity / its promoters/ Directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars / Guidelines issued thereunder.	Yes	None
12.	Additional Non-compliances, if any: No any additional non-compliances observed for all SEBI Regulations/ Circulars/ Guidelines	NA	None

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2018 dated 18th October, 2019.

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS*
1.	Compliances with the following conditions while appointing/ re-appointing as Auditor		
	i. If the Auditor has resigned within 45 days from the end of a quarter of a financial year, the Auditor before such resignation, has issued the limited review/ audit report for such quarter or	NA	NA
	ii. If the Auditor has resigned after 45 days from the end of a quarter of a financial year, the Auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter or	NA	
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	Yes	
2.	Other conditions relating to resignation of Statutory Auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/ its material subsidiary to the Audit Committee:		
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	No such instance
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.	NA	No such instance
	c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor	NA	
	ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor	NA	No such instance
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 th October, 2019.	NA	NA

a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions: (i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;	Regulation 23(2) (f)	The Company has obtained prior approval of the audit committee for a transaction of ₹ 1.00 Crore on Omnibus basis which exceeded and crossed the sanctioned limit of ₹ 1.00 Crore, for which no prior approval of Audit Committee was obtained.	The Company has placed the transaction for its ratification in the subsequent Audit Committee meeting.	Post facto approval of the transaction by the Audit Committee	No prior approval of Audit Committee was obtained before exceeding the sanctioned limit of ₹ One Crore. (Refer Note – 1)	NA	The Company has obtained prior approval of the audit committee for a transaction of ₹ 1.00 Crore on Omnibus basis which exceeded the preapproved limit of ₹ 1.00 Crore in the last quarter without taking prior approval of Audit Committee.	The transaction was entered into the ordinary course of business at arm's length. Due to meet unexpected demand the sanctioned limit was exceeded in the last quarter. It is further explained that transaction is in the interest of the Company.	The audit committee has granted post facto approval of such transaction in its subsequent meeting held on 23 rd February 2026.

b. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

Note – 1:

The Company has entered into a related party transaction for sale of product to one of its fellow subsidiary Company for which the omnibus approval obtained from the Audit Committee of the Board of Directors was ₹ 1.00 Crore and during the reporting period the said amount of related party transaction was exceeded in the last quarter of the reporting period for an amount exceeding further ₹ 1.00 Crore and more for which no prior approval was taken by the Company.

For, **Sandip Sheth & Associates**
 Company Secretaries
 Firm Unique Code: P2001GJ041000

Sandip Sheth
 Partner
 FCS: 5467
 CP No.: 4354
 UDIN: F005467G003983056

Date: 23rd February, 2026
 Place: Ahmedabad

**Annexure-VII****Statement of Disclosure of Remuneration**

(Pursuant to Section 197 of the Act and Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

- (i) **Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025, the percentage increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary during the financial year 2025.**

Sr. No.	Name of Director / Key Managerial Personnel	Designation	*Ratio of Remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1	Mr. Shailesh Wani	Managing Director	40.23:1	8.00%
2	Mr. Paras Mehta (Ceased w.e.f. 23 rd May, 2025)	Chief Financial Officer	Not Applicable	6.00%
3	Mr. Gaurav Amrutiya (Appointed w.e.f. 14 th November, 2025)	Chief Financial Officer	Not Applicable	Not Applicable
4	Mr. Sanjeev Singh Sengar	Company Secretary	Not Applicable	8.00%

- (ii) The percentage increase in the median remuneration of employees for the financial year 2025 was 8.38%.
- (iii) The Company had 244 permanent employees (including workmen) on the rolls of the Company as on 31st December, 2025.
- (iv) Average percentage increase made in the salaries of employees (including workmen) other than the managerial personnel in the financial year was 8.69% whereas the increase in the managerial remuneration was 8.00%. The average increases every year is an outcome of the Company's market competitiveness and business performance. Keeping in mind our Nomination and Remuneration policy and benchmarking results, the increases this year reflect market practice.
- (v) It is hereby affirmed that the remuneration paid during the year 2025 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of Board of Directors

Date: 23rd February, 2026
Place: Boxmeer, The Netherlands

Garrett Forde
Chairman
DIN: 09040078

Independent Auditor's Report

To the Members of
Stovec Industries Limited

Report on the Audit of the Financial Statements

Opinion

- We have audited the accompanying financial statements of Stovec Industries Limited ("the **Company**"), which comprise the Balance Sheet as at 31st December, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the **Act**") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st December, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

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 Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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.

Key Audit Matters

- Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of Provision for Warranty (Refer to Notes [3.06, 3.12(iv) and 17] to the Financial Statements)</p> <p>The Company carries a provision of ₹ 9.31 million for warranty obligations as on 31st December, 2025.</p> <p>The Company provides for warranty obligations based on its contract with customers and recognises a provision in respect of costs expected to fulfil the warranty obligation over the warranty period.</p> <p>In accordance with the requirements of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", the Company estimates provision for warranty obligation, considering factors such as historical trend, estimation of expected future claims, estimated replacement costs, etc. These estimates are inherently susceptible to change as more relevant information becomes available and may vary from historical experience of actual claims.</p> <p>The provision for warranty costs involves significant management judgement, as described above.</p> <p>Accordingly, this has been considered as a key audit matter.</p>	<p>Our audit procedures among others, included following:</p> <ol style="list-style-type: none"> Understood and evaluated the design and tested the operating effectiveness of the controls over estimation of warranty cost and related accruals. Perused the agreements with customers and obtained an understanding of the contractual terms of warranty offered by the Company in agreements with its customers. Evaluated management's estimation by testing the historical trend analysis for warranty, estimation of expected warranty claims and replacement costs. Verified the computation of provision for warranty costs including testing of completeness, arithmetical accuracy and validity of the data used in the warranty calculations. Assessed the adequacy of disclosures made in the Financial Statements.



Other Information

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

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
 12. 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.
 13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the **Order**"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st December, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st December, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the Financial Statements.

The Company was not required to recognise a provision as at 31st December, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at 31st December, 2025.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

- (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(v) to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(vi) to the Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing



or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

The Company has not declared or paid any dividend during the year. As stated in note 12(f) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Based on our examination, which included test checks, the Company has used two accounting software for maintaining its books of accounts, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded, except for direct database changes. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with.

Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number:012754N/N500016

Hirak Patwa

Partner

Membership Number: 128990

UDIN: 26128990OAPJXJ9056

Place: Ahmedabad

Date: 23rd February, 2026

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Stovec Industries Limited on the Financial Statements as of and for the year ended 31st December, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of **Stovec Industries Limited** ("the **Company**") as of 31st December, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st December, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number:012754N/N500016

Hirak Patwa
Partner

Place: Ahmedabad
Date: 23rd February, 2026

Membership Number: 128990
UDIN: 26128990OAPJXJ9056



Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Stovec Industries Limited on the financial statements as of and for the year ended 31st December, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties, as disclosed in Note 4 to the Financial Statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or Intangible Assets does not arise.
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The terms of sanction do not stipulate filing of quarterly returns or statements with such banks, and accordingly, the question of our commenting on whether the returns or statements are in agreement with the unaudited books of account of the Company, does not arise.
- iii. (a) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii)(b) of the Order are not applicable to the Company.
- (c) In respect of the interest free loan to employees, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated. Payment of interest is not applicable on these loans to employees, as the loans are interest free as per the Company's policy.
- (d) In respect of the loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans /advances in nature of loans which have fallen due during the year and were renewed/ extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
- (f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties that were repayable on demand or without specifying any terms or period of repayment.
- iv. The Company has not granted any loan or provided any guarantee or security to the parties covered under Section 185. Further, in our opinion, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of investments made by it and the Company has not provided any loans, guarantees or security to the parties covered under Section 186 of the Act.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at 31st December, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount Involved (₹ in million)	Amount Unpaid (₹ in millions)	Period to which the amount relates (Financial year)	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	4.01	3.21	2012-13 and 2016-17	Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service Tax	1.09	1.02	2012-13 2013-14 2014-15	Commissioner of Central Excise (Appeals)

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistleblower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.



- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi) (d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 39 to the financial statements)
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number:012754N/N500016

Hirak Patwa

Partner

Membership Number: 128990

UDIN: 26128990OAPJXJ9056

Place: Ahmedabad

Date: 23rd February, 2026

Balance Sheet

 as at 31st December, 2025

(₹ in Million)

	Notes	As at 31 st December, 2025	As at 31 st December, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	267.32	313.97
(b) Capital work-in-progress	4	26.06	-
(c) Intangible assets	4	3.42	6.32
(d) Financial assets			
(i) Investments	5	0.00	0.00
(ii) Other financial assets	9	32.74	37.77
(e) Non-current tax assets (net)	10	8.72	14.02
(f) Deferred tax assets (net)	26	35.92	21.42
(g) Other non-current assets	11	1.15	1.34
Total Non-current Assets		375.33	394.84
Current assets			
(a) Inventories	6	526.32	420.62
(b) Financial assets			
(i) Trade receivables	7	355.26	353.29
(ii) Cash and cash equivalents	8	289.01	164.63
(iii) Bank balances other than (ii) above	8	73.79	111.37
(iv) Other financial assets	9	34.10	145.57
(c) Other current assets	11	22.45	14.34
Total Current Assets		1,300.93	1,209.82
Total Assets		1,676.26	1,604.66
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	20.88	20.88
(b) Other Equity	13	1,296.91	1,228.75
Total Equity		1,317.79	1,249.63
LIABILITIES			
Non-current liabilities			
(a) Provisions	17	21.81	8.14
Total Non-current Liabilities		21.81	8.14
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
- total outstanding dues of micro and small enterprises	14	11.93	16.66
- total outstanding dues other than micro and small enterprises	14	127.20	128.61
(ii) Other financial liabilities	15	62.37	57.72
(b) Other current liabilities	16	71.95	89.16
(c) Provisions	17	63.21	54.74
Total Current Liabilities		336.66	346.89
Total Liabilities		358.47	355.03
Total Equity and Liabilities		1,676.26	1,604.66
Notes forming part of the financial statements	1-45		

This is the Balance Sheet referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Hirak Patwa

 Partner
 Membership No. 128990

 Place : Ahmedabad
 Date : 23rd February, 2026

For and on behalf of the Board of Directors
Stovec Industries Limited

(CIN: L45200GJ1973PLC050790)

Garrett Forde

 Chairman
 (DIN: 09040078)
 Place : Boxmeer, The Netherlands
 Date : 23rd February, 2026

Gaurav Amrutiya

 Chief Financial Officer
 Place : Ahmedabad
 Date : 23rd February, 2026

Shailesh Wani

 Managing Director
 (DIN: 06474766)
 Place : Ahmedabad
 Date : 23rd February, 2026

Sanjeev Singh Sengar

 Company Secretary
 Place : Ahmedabad
 Date : 23rd February, 2026



Statement of Profit and Loss

for the year ended 31st December, 2025

(₹ in Million)

	Notes	Year ended 31 st December, 2025	Year ended 31 st December, 2024
INCOME			
Revenue from operations	18	1,981.11	2,345.70
Other income	19	51.64	34.11
Total Income		2,032.75	2,379.81
EXPENSES			
Cost of material consumed	20	959.42	1,107.00
Purchase of stock-in-trade	21	125.63	141.00
Changes in inventories of work-in-progress, stock-in-trade and finished goods	22	(29.08)	99.96
Employee benefits expense	23	349.15	299.24
Finance costs	24	0.21	0.85
Depreciation and amortisation expense	4	57.56	65.76
Other expenses	25	478.34	491.51
Total expenses		1,941.23	2,205.32
Profit Before Tax		91.52	174.49
Tax expense	26		
Current tax		36.76	51.63
Deferred tax		(14.22)	(6.75)
Total Tax expenses		22.54	44.88
Profit for the year		68.98	129.61
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements loss on post-employment benefit plan		(1.10)	(6.69)
Tax relating to above item		0.28	1.68
Other comprehensive income for the year, net of tax		(0.82)	(5.01)
Total Comprehensive Income for the year		68.16	124.60
Earnings per share			
[Face Value of share ₹ 10/- (31st December, 2024 - ₹ 10/-)]			
Basic and Diluted earnings per share	27	33.04	62.07
Notes forming part of the financial statements	1-45		

This is the Statement of Profit and Loss referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Hirak Patwa
Partner
Membership No. 128990

Place : Ahmedabad
Date : 23rd February, 2026

For and on behalf of the Board of Directors
Stovec Industries Limited
(CIN: L45200GJ1973PLC050790)

Garrett Forde
Chairman
(DIN: 09040078)
Place : Boxmeer, The Netherlands
Date : 23rd February, 2026

Gaurav Amrutiya
Chief Financial Officer
Place : Ahmedabad
Date : 23rd February, 2026

Shailesh Wani
Managing Director
(DIN: 06474766)
Place : Ahmedabad
Date : 23rd February, 2026

Sanjeev Singh Sengar
Company Secretary
Place : Ahmedabad
Date : 23rd February, 2026

Statement of Changes in Equity

for the year ended 31st December, 2025

A. Equity Share Capital (Refer note 12)

(₹ in Million)

Equity shares of ₹ 10 each issued, subscribed and fully paid	Amount
As at 1 st January, 2025	20.88
Changes in equity share capital	-
As at 31 st December, 2025	20.88
As at 1 st January, 2024	20.88
Changes in equity share capital	-
As at 31 st December, 2024	20.88

B. Other equity (Refer note 13)

(₹ in Million)

	Reserves and Surplus						Other reserves	Total Other Equity
	General Reserve (refer note 13)	Securities Premium (refer note 13)	Capital Redemption Reserve (refer note 13)	Capital Reserve (refer note 13)	Capital Reserve on Business Combination (refer note 13)	Retained Earnings (refer note 13)	Items of Other Comprehensive Income - Equity instrument through OCI (refer note 13)	
Balance as at 1st January, 2025	181.95	79.62	0.35	0.35	(190.26)	1,156.74	-	1,228.75
Profit for the year	-	-	-	-	-	68.98	-	68.98
Amount transferred within reserves	-	-	-	-	-	-	-	-
Remeasurements of post-employment benefit plan (net of tax)	-	-	-	-	-	(0.82)	-	(0.82)
Total Comprehensive Income for the year	-	-	-	-	-	68.16	-	68.16
Transactions with owners in their capacity as owners:								
Dividend paid	-	-	-	-	-	-	-	-
Balance as at 31st December, 2025	181.95	79.62	0.35	0.35	(190.26)	1,224.90	-	1,296.91
Balance as at 1st January, 2024	181.95	79.62	0.35	0.35	(190.26)	1,306.62	1.14	1,379.77
Profit for the year	-	-	-	-	-	129.61	-	129.61
Changes gain in the fair value of equity investments at FVOCI (net of tax)	-	-	-	-	-	1.14	(1.14)	-
Remeasurements of post-employment benefit plan (net of tax)	-	-	-	-	-	(5.01)	-	(5.01)
Total Comprehensive Income for the year	-	-	-	-	-	125.74	(1.14)	124.60
Transactions with owners in their capacity as owners:								
Dividend paid	-	-	-	-	-	(275.62)	-	(275.62)
Balance as at 31st December, 2024	181.95	79.62	0.35	0.35	(190.26)	1,156.74	-	1,228.75

Footnote:

Retained earning includes (₹ 9.90) Million (31st December, 2024 : (₹ 9.08) Million) related to re-measurement of defined benefit plans (net of tax impact).

Notes forming part of the financial statements 1-45

This is the Statement of Changes in Equity referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Hirak Patwa

Partner

Membership No. 128990

Place : Ahmedabad

Date : 23rd February, 2026

For and on behalf of the Board of Directors

Stovec Industries Limited

(CIN: L45200GJ1973PLC050790)

Garrett Forde

Chairman

(DIN: 09040078)

Place : Boxmeer, The Netherlands

Date : 23rd February, 2026

Gaurav Amrutiya

Chief Financial Officer

Place : Ahmedabad

Date : 23rd February, 2026

Shailesh Wani

Managing Director

(DIN: 06474766)

Place : Ahmedabad

Date : 23rd February, 2026

Sanjeev Singh Sengar

Company Secretary

Place : Ahmedabad

Date : 23rd February, 2026



Statement of Cash Flows

for the year ended 31st December, 2025

(₹ in Million)

	Notes	Year ended 31 st December, 2025	Year ended 31 st December, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Profit Before Tax		91.52	174.49
Adjustments for			
Depreciation and amortisation expense	4	57.56	65.76
Finance costs	24	0.21	0.85
Interest income	19	(17.11)	(19.09)
Unrealised foreign exchange (gain) / loss (net)		(8.64)	5.32
Loss on disposal of property, plant and equipment (net)	25	0.34	1.38
Loss allowances (net)	25	2.84	0.54
Bad debts written off	25	0.51	6.24
Liabilities and provisions no longer required written back	19	(6.45)	(7.07)
Operating profit before working capital changes		120.78	228.42
Changes in operating assets and liabilities:			
(Increase) / Decrease in inventories (net)		(105.70)	164.63
Decrease / (Increase) in trade receivables		3.19	(52.93)
Decrease / (Increase) in other assets and other financial assets		(8.11)	(0.41)
(Decrease) in trade payables		(6.01)	(131.83)
Increase in other liabilities and provisions		8.02	2.01
Cash generated from operations		12.17	209.89
Income taxes paid (net)		(31.46)	(48.03)
Net cash (used in) / generated from operating activities		(19.29)	161.86
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Payment for property, plant and equipment, capital work-in-progress, intangible assets		(27.59)	(28.72)
Proceeds from disposal of property, plant and equipment		1.85	0.26
Investments in bank deposits (original maturity more than three months)		(87.42)	(234.11)
Redemption in bank deposits (original maturity more than three months)		239.93	303.45
Interest received		17.11	19.09
Net cash generated from investing activities		143.88	59.97
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Dividend paid		-	(275.62)
Finance costs paid		(0.21)	(0.85)
Net cash flow (used in) financing activities		(0.21)	(276.47)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		124.38	(54.64)
Cash and cash equivalents at the beginning of the year		164.63	219.27
Cash and cash equivalents at end of the year		289.01	164.63

Statement of Cash Flows

for the year ended 31st December, 2025

Notes :

1 Components of cash and cash equivalents (refer note 8)

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Cash on hand	0.53	0.48
Bank Balances :		
- In Current Accounts	70.16	103.27
- Deposits with original maturity less than 3 months	218.32	60.88
Cash and cash equivalents at end of the year	8	164.63

- 2** The company has not utilised overdraft facility during the year. The company has utilised overdraft facility of ₹ 19.27 Million in the previous year which was repaid within the year.
- 3** Cash flow from operating activities include ₹ 4.15 Million (31st December, 2024 : ₹ 5.60 Million) being expense towards corporate social responsibilities initiatives.
- 4** The above cash flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

Notes forming part of the financial statements 1-45

This is the Statement of Cash Flows referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Hirak Patwa

Partner

Membership No. 128990

Place : Ahmedabad

Date : 23rd February, 2026

For and on behalf of the Board of Directors

Stovec Industries Limited

(CIN: L45200GJ1973PLC050790)

Garrett Forde

Chairman

(DIN: 09040078)

Place : Boxmeer, The Netherlands

Date : 23rd February, 2026

Gaurav Amrutiya

Chief Financial Officer

Place : Ahmedabad

Date : 23rd February, 2026

Shailesh Wani

Managing Director

(DIN: 06474766)

Place : Ahmedabad

Date : 23rd February, 2026

Sanjeev Singh Sengar

Company Secretary

Place : Ahmedabad

Date : 23rd February, 2026

Notes to the Financial Statements

for the year ended 31st December, 2025

1 General Information

Stovec Industries Limited ("the Company") was incorporated on 5th June, 1973. The Company's factory and registered office is located in Ahmedabad, Gujarat. The Company is listed on Bombay Stock Exchange. The ultimate parent company is Print Holdings B.V., Netherlands. The Company is engaged in the manufacturing and selling of textile machinery & consumables, graphics consumables and digital machines.

The Financial statements were approved for issuance in accordance with a resolution of the Board of Directors on 23rd February, 2026.

2 Basis of preparation

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost convention and on accrual basis, except certain financial assets, financial liabilities and defined benefit plans assets measured at fair value.

New and amended standards adopted by the company

The Ministry of Corporate Affairs vide notification dated 9th September, 2024 and 28th September, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1st April, 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3 Material Accounting Policies

The following are the material accounting policies applied by the Company in preparing its financial statements:

3.01 Current versus non-current classification:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has considered 12 months as its operating cycle."

3.02 Property, plant and equipment (including capital work-in-progress):

Freehold land is carried at historical cost. All other property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any except that on adoption of Ind AS, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at 1st January, 2016. Refer note 3.13 for the other accounting policies relevant to property, plant and equipment.

Depreciation

Depreciation on property, plant and equipment (except free hold land) is provided on straight line basis over their useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013 except as estimated by management based on internal technical assessment in the following cases:"

	Useful Life (Years)
Mollets	5
Sewage Treatment Plant - RCC Structure	10

The management believes that these estimated useful lives are realistic and reflect fair appropriation of the period over which the assets are likely to be used.

When parts of an item of property, plant and equipment have different useful life, they are

Notes to the Financial Statements for the year ended 31st December, 2025

accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

The residual values are not more than 5% of the original cost of asset. The useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if required.

3.03 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses except that on adoption of Ind AS, Intangible assets had been measured at deemed cost, using the net carrying value as per previous GAAP as at 1st January, 2016.

Research and development expenditure

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development"

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Amortisation

Amortisation on the intangible assets are provided on straight line basis over the useful lives of the assets.

Based on management technical evaluation the useful life of all intangible assets are considered for 3 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

3.04 Financial instruments

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

a) Financial assets

(i) Initial recognition and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets classified and measured at amortised cost are held within a business



Notes to the Financial Statements for the year ended 31st December, 2025

model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

(ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is classified as at the fair value through other comprehensive income if both the following criteria are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding."

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

- **Financial assets at fair value through profit or loss (FVTPL)**

Any finance assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

This category includes derivative instruments and equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on equity investments are recognised in the statement of profit and loss when the right of payment has been established.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is adopted only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of Profit and Loss.

(iii) De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company

Notes to the Financial Statements for the year ended 31st December, 2025

has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset and has not transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For trade receivables, the company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit loss

is recognised. Loss allowance of equal to the lifetime expected credit losses is recognised if the credit risk of the financial asset has significantly increased since initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ income in the Statement of Profit and Loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for financial assets measured as at amortised cost: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

b) Financial liabilities and equity instruments

(i) Initial recognition and measurement of financial liabilities

Financial liabilities such as loans, borrowings and payables are classified, at initial recognition, as financial liabilities, net of directly attributable transaction costs, at fair value through profit or loss, as appropriate.

The Company's financial liabilities include trade and other payables and derivative financial instruments.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred



Notes to the Financial Statements for the year ended 31st December, 2025

for the purpose of repurchasing in the near term. Company has not designated any liability at fair value through profit or loss.

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate - EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

- (iii) **De-recognition of 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.

- c) **Re-classification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

3.05 Inventories

The costs of individual items of inventory are determined on a moving weighted average cost basis. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect. See note 3.19 for the other accounting policies for inventories.

3.06 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be

required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Provision for warranty costs are recognised when product is sold to customers. Initial recognition is based on past experience.

Contingent liabilities are disclosed for (i) when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or (ii) a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or the amount of the obligation cannot be measured with sufficient reliability. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements.

3.07 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

Sale of goods and services

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on the dispatch / delivery of the product. In case of sale of Textile Machines, revenue recognised is based on the dispatch /delivery of machines. Allocated portion of transactions price towards installation revenue is deferred and recognised when the installation is completed and acknowledged by the customers.

The Company collects Goods and Services Tax (GST) on behalf of the Government which is not economic benefits flowing to the company and hence, is excluded from revenue.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Transaction price is reasonably allocated based on amount of expenditure to be incurred to deliver separate performance obligation when standalone selling prices are not observable.

Notes to the Financial Statements for the year ended 31st December, 2025

Service income is recognised at the point in time after completion of services in accordance with the terms of contracts. In case of Annual Maintenance Services, revenue recognised over period of time.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs its obligations under the contract (i.e., transfers control of the related goods or services to the customer).

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables."

Cost to obtain a contract and cost to fulfil a contract

The company recognise sales commission as an expense in the period in which related revenue is recognised and offset against revenue recognised.

Cost to fulfil a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the period in which related revenue is recognised.

Commission income

Commission income is recognised and accounted on accrual basis.

3.08 Other Income

Sale of Scrap

Revenue from the sale of scrap is recognised at the point in time when scrap has been dispatched / sold and control is transferred.

Export Benefits

Export benefits are recognized for export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

Interest income

Interest income on financial assets at amortised cost is recognised on time proportion basis using the effective interest rate method, based on the underlying interest rates.

Lease rental Income

Lease rental income from operating leases are recognised on accrual basis.

3.09 Retirement and other employee benefits:

a) Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

b) Post-Employment Benefits :

(i) Defined contribution plan

Contributions to retirement benefit plans in the form of provident fund and employee state insurance scheme as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

(ii) Defined benefit plan

The employee's gratuity fund scheme is Company's defined benefit plan. A defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. The fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained



Notes to the Financial Statements for the year ended 31st December, 2025

earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Other long term employment benefits:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as other long-term employee benefit for measurement purposes. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Profit or Loss.

The said obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur."

3.10 Earnings Per Share ('EPS')

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during

the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. "

3.11 Segment reporting

The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.12 Significant Accounting judgments, estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

Estimates and assumptions:

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

i) Useful lives of property, plant and equipment/ intangible assets:

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives

Notes to the Financial Statements for the year ended 31st December, 2025

and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (refer notes 3.02, 3.03, 3.13 and 4)

ii) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date (refer note no 28).

iii) Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management judgement is involved in classification under 'remote', 'possible' or 'probable' which is carried out based on expert advice, past judgements, experiences etc. (refer note 31).

iv) Product warranties

Significant management judgments are involved in determining the estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. Assumptions used to calculate the provision for warranties are based on current sales level and current information available about returns. The timing of outflows will vary based on the actual warranty claims (refer note 17).

v) Impairment of financial assets (loss allowance)

The Company follows the simplified approach for recognition of impairment loss allowance on

trade receivables by using the expected credit loss (ECL) model for recognition and measurement of impairment losses (loss allowance) on the Trade receivables, contract assets or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (refer note 7).

vi) Write down of inventories

An inventory obsolete provision and inventory written down is estimated taking into account various factors, including policy of the company, aging of inventory, past experience, current trend and future expectations (refer note 6).

vii) Allocation of transaction price for installation Revenue:

Transaction Price allocated to sale of textile machinery and installation of machine as separate performance obligation based on estimated cost to be incurred for installation services and it is compared with machine cost in absence of directly identifiable standalone rate (refer note 33).

Other Accounting Policies

The following are the other accounting policies applied by the Company in preparing its financial statements:

3.13 Property, plant and equipment (including capital work-in-progress):

The cost comprises of its purchase price and other incidental expenses that are directly attributable to the acquisition of the asset. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Subsequent expenditure related to an item of property plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Spare parts, and servicing equipment are recognised when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. Repairs and maintenance costs are recognised in profit or loss as incurred.

Capital work-in-progress comprises cost of capital assets that are not yet installed and ready for their intended use at the balance sheet date.

A Property Plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the assets which is the difference between the net disposal proceeds and the carrying amount of the asset, is included



Notes to the Financial Statements for the year ended 31st December, 2025

in the statement of profit and loss when the asset is derecognised.

3.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet and for the purpose of cash flow statement, comprise cash at bank including demand deposits readily realisable with banks with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value and cash in hand.

3.15 Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the Statement of Profit and Loss.

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. In determining fair value less costs to disposal, recent market transactions are taken into account, if available.

The Company bases its impairment calculation on future cash flows after considering economic condition and estimated future operating results which are prepared separately for each of the Company's CGU.

After impairment, depreciation/ amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

3.16 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are

expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.17 Operating Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (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). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor:

Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.18 Foreign currencies

The Company's financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of Company.

Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency using exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency with closing rates of exchange at the reporting date. Exchange differences arising on settlement of such

Notes to the Financial Statements for the year ended 31st December, 2025

transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of transaction.

3.19 Inventories

Raw materials and stores, work in progress, traded and finished goods.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- i) Raw materials, packing materials, stores, spares and tools and traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on a moving weighted average cost basis.
- ii) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Material cost is determined on moving weighted average cost basis.

Inventories of Raw material, Work-in-progress, Finished goods, packing materials, stores, spares and tools and stock in trade (traded goods) are measured at the lower of cost and net realisable value.

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

The Company writes down the inventory value where the realisable value is estimated to be lower than the inventory carrying value because of slow or non-moving inventories, as per policy consistently followed by the Company.

3.20 Taxation

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect

to situations in which applicable tax regulations are subject to interpretation.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

3.21 Rounding off amounts

The financial statements are presented in ₹ in Millions and all values are disclosed in ₹ in Million except when otherwise stated. Amounts below rounding off norms are represented as "0.00".



Notes to the Financial Statements

for the year ended 31st December, 2025

4 Property, Plant and Equipment, Other Intangible Assets, Capital Work in Progress and Other Intangible Assets Under Development:

(₹ in Million)

Particulars	Property, Plant and Equipments							Intangible Assets			Capital work in progress	Intangible assets under development	
	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total Property, Plant and Equipments	Computer Software	Other intangible assets			Total intangible assets
Gross Carrying amount													
As at 1 st January, 2024	0.47	114.96	490.12	15.33	9.54	18.57	21.30	670.29	7.66	-	7.66	0.84	7.19
Additions	-	-	7.17	0.10	1.79	1.29	1.42	11.77	-	-	-	12.41	1.34
Deletions	-	-	(3.79)	-	(1.22)	(2.03)	(2.84)	(9.88)	-	-	-	-	-
Transfers	-	-	13.25	-	-	-	-	13.25	2.18	6.35	8.53	(13.25)	(8.53)
As at 31 st December, 2024	0.47	114.96	506.75	15.43	10.11	17.83	19.88	685.43	9.84	6.35	16.19	-	-
Additions	-	-	7.55	0.07	-	0.90	1.21	9.73	-	-	-	26.53	-
Deletions	-	-	(1.13)	-	(1.79)	(1.23)	(1.19)	(5.34)	-	-	-	-	-
Transfers	-	-	-	-	-	0.47	-	0.47	-	-	-	(0.47)	-
As at 31 st December, 2025	0.47	114.96	513.17	15.50	8.32	17.97	19.90	690.29	9.84	6.35	16.19	26.06	-
Depreciation and Amortisation													
As at 1 st January, 2024	-	29.03	247.15	8.36	3.00	13.52	15.27	316.33	7.48	-	7.48	-	-
Charge for the year	-	4.59	52.73	1.26	1.13	1.34	2.32	63.37	0.79	1.60	2.39	-	-
On Deletions	-	-	(2.88)	-	(1.05)	(1.69)	(2.62)	(8.24)	-	-	-	-	-
As at 31 st December, 2024	-	33.62	297.00	9.62	3.08	13.17	14.97	371.46	8.27	1.60	9.87	-	-
Charge for the year	-	4.31	44.65	1.27	1.07	1.35	2.01	54.66	0.78	2.12	2.90	-	-
On Deletions	-	-	(1.02)	-	(0.10)	(0.90)	(1.13)	(3.15)	-	-	-	-	-
As at 31 st December, 2025	-	37.93	340.63	10.89	4.05	13.62	15.85	422.97	9.05	3.72	12.77	-	-
Net Book Value													
As at 31 st December, 2024	0.47	77.03	172.54	4.61	4.27	4.35	4.05	267.32	0.79	2.63	3.42	26.06	-
As at 31 st December, 2025	0.47	81.34	209.75	5.81	7.03	4.66	4.91	313.97	1.57	4.75	6.32	-	-

Notes:

- (1) Freehold Land includes ₹ 10,000/- being face value of 100 shares of Gujarat Vepari Mahamandal Sahakari Audhyogik Vasahat Ltd.
- (2) Title deeds of all immovable properties are held in the name of the company.

Notes to the Financial Statements

for the year ended 31st December, 2025

- (3) Capital work in progress (CWIP) ageing schedule is as below.

(₹ in Million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress :					
As at 31st December, 2025	26.06	-	-	-	26.06
As at 31st December, 2024	-	-	-	-	-

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at 31st December, 2025 and 31st December, 2024.

- (4) There are no intangible assets under development for the year ended 31st December, 2025 and 31st December, 2024. Thus, ageing schedule is not applicable.

- (5) Intangible assets under development whose completion is overdue.

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025.

- (6) The total depreciation and amortisation is ₹ 57.56 Million (31st December, 2024 is ₹ 65.76 Million).

5 Investments

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Non-current		
Investments in equity instruments (unquoted)		
30 Shares (31 st December, 2024 : 30) of ₹ 100/- each fully paid of Gujarat Vepari Mahamandal Sahakari Audhyogik Vasahat Ltd.	0.00	0.00
Total	0.00	0.00
Details of unquoted investments:		
(a) Aggregate amount of unquoted investments;		
Purchase Cost	0.00	0.00

6 Inventories (valued at lower of cost and net realisable value)

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Raw Materials (refer note 1 below) [Includes Goods-in-transit ₹ 7.62 Million (31 st December, 2024: ₹ 10.72 Million)]	273.00	193.83
Work-in-progress	31.63	26.36
Finished goods	168.30	139.03
Stock-in-trade [Includes Goods-in-transit ₹ Nil (31 st December, 2024: ₹ Nil)]	49.01	54.47
Packing material, stores, spares and tools	4.38	6.93
Total	526.32	420.62

Notes:

- Raw materials include inventories lying with third parties of ₹ 3.28 Million (31st December, 2024: ₹ 4.68 Million).
- Amount of write down of inventories to net realisable value and other provisions amounted to ₹ 17.40 Million (31st December, 2024: ₹ 0.66 Million). These were recognised as an expense during the year and included in "cost of material consumed" in the Statement of Profit and Loss.



Notes to the Financial Statements

for the year ended 31st December, 2025

7 Trade Receivables

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Trade receivables		
Trade Receivables considered good - Unsecured (refer note below)	367.76	362.74
Trade Receivables - credit impaired	7.09	7.30
Total - A	374.85	370.04
Less : Loss allowances	19.59	16.75
Total - B	19.59	16.75
Total - (A-B)	355.26	353.29

Below is the ageing of trade receivables as at reporting date:

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st December, 2025							
(i) Undisputed Trade Receivables – considered good	223.70	93.15	49.23	1.06	0.55	0.07	367.76
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	3.28	3.81	7.09
	223.70	93.15	49.23	1.06	3.83	3.88	374.85
Less : Loss allowances (including expected credit loss)							(19.59)
Net Trade Receivables							355.26
Expected credit loss provision-Undisputed	2.44	2.62	5.76	1.06	0.55	0.07	12.50
Expected credit loss rate	1.09%	2.81%	11.70%	100.00%	100.00%	100.00%	3.40%
Expected credit loss provision-Disputed	-	-	-	-	3.28	3.81	7.09
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%	100.00%

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st December, 2024							
(i) Undisputed Trade Receivables – considered good	242.45	117.42	1.52	0.70	0.44	0.21	362.74
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31st December, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st December, 2024							
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	3.79	1.48	2.03	7.30
	242.45	117.42	1.52	4.49	1.92	2.24	370.04
Less : Loss allowances (including expected credit loss)							(16.75)
Net Trade Receivables							353.29
Expected credit loss provision-Undisputed	3.05	3.58	1.47	0.70	0.44	0.21	9.45
Expected credit loss rate	1.27%	3.05%	96.71%	100.00%	100.00%	100.00%	2.61%
Expected credit loss provision-Disputed	-	-	-	3.79	1.48	2.03	7.30
Expected credit loss rate	0.00%	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%

Notes:

- The company does not have unbilled revenue at balance sheet date and hence not disclosed above.
- No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties as disclosed, refer note 32.
- Trade receivables includes receivables from related parties ₹ 156.54 Million (31st December, 2024 : ₹ 154.98 Million).
- For terms and conditions relating to related party receivables, refer note 32. Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

8 Cash and bank balances

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Cash and cash equivalents		
Cash on hand	0.53	0.48
Balances with banks		
In Current accounts	70.16	103.27
Deposits with original maturity of less than three months	218.32	60.88
Total - A	289.01	164.63
Bank balances other than cash and cash equivalents		
Bank deposits with original maturity of more than three months but less than twelve months	-	24.13
Margin money deposit (refer note 2 below)	59.46	71.35
Earmarked Balances with banks		
Unpaid dividend accounts	13.92	15.17
Unutilised CSR accounts	0.41	0.72
Total - B	73.79	111.37
Total (A+B)	362.80	276.00

Notes:

- Deposits are made for varying periods between one week and one year, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.
- Margin money deposits includes bank deposits of ₹ 22.5 Million (31st December, 2024 : ₹ 22.5 Million) for availing overdraft facility from bank. Other margin money deposits are marked as lien against outstanding bank guarantees and facilities for forward contract, overdraft and stand by letter of credit from bank.



Notes to the Financial Statements

for the year ended 31st December, 2025

9 Other Financial Assets (Unsecured and Considered Good)

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Non-current (at amortized cost)		
Bank deposits with remaining maturity of more than twelve months	-	30.09
Margin money deposit with remaining maturity of more than twelve months	25.06	-
Security deposits	7.68	7.68
Total	32.74	37.77
Current		
Bank deposits with remaining maturity more than three months but less than twelve months	34.10	120.50
Margin money deposit with remaining maturity of more than three months but less than twelve months	-	25.07
Total - B	34.10	145.57
Total (A+B)	66.84	183.34

10 Non-Current Tax Assets (net)

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Advance income tax (net) (net of provision for income tax ₹ 304.69 Million (31 st December, 2024 ₹ 312.37 Million))	8.72	14.02
Total	8.72	14.02

11 Other Assets (Unsecured and Considered Good)

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Non-Current		
Capital advances	-	0.19
Amount paid under protest	1.15	1.15
Total - A	1.15	1.34
Current		
Advances to supplier for goods and services (unsecured, considered good)	4.98	6.08
Export incentive receivables	1.11	0.82
Prepaid expenses	4.47	4.25
Advances to employees (unsecured, considered good) [Includes loan to employees ₹ 0.01 Million (31 st December, 2024: ₹ 0.14 Million)]	2.19	2.30
Balances with government authorities	4.28	0.89
Expenses recoverable from related party (refer note 32)	5.42	-
Total - B	22.45	14.34
Total (A+B)	23.60	15.68

Notes to the Financial Statements

for the year ended 31st December, 2025

12 Equity Share Capital

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Authorised share capital:		
2,900,000 (31 st December, 2024 : 2,900,000) Equity Shares of ₹ 10/- each	29.00	29.00
10,000 (31 st December, 2024 : 10,000) Preference Shares of ₹ 100/- each	1.00	1.00
Total	30.00	30.00
Issued, Subscribed and fully Paid-up share capital:		
2,088,016 (31 st December, 2024 : 2,088,016) Equity Shares of ₹ 10/- each fully paid-up	20.88	20.88
Total	20.88	20.88

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity Share capital	As at 31 st December, 2025		As at 31 st December, 2024	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
At the beginning of the year	20,88,016	20.88	20,88,016	20.88
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	20,88,016	20.88	20,88,016	20.88

b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders. "

c) Shares held by Holding Company

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
SPGPrints B.V., Netherlands, the Holding Company 1,483,777 (31 st December, 2024 : 1,483,777) equity shares	14.84	14.84

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

Equity Share capital	As at 31 st December, 2025		As at 31 st December, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10/- each fully paid	20,88,016	20.88	20,88,016	20.88
SPGPrints B.V., Netherlands	14,83,777	71.06%	14,83,777	71.06%

e) Details of Shares held by promoters at the end of the year

Promoters Name	As at 31 st December, 2025				
	No. of Shares at the beginning of the year	Change in number of shares during the year	Number of shares at the end of the year	% of total shares	% change during the year
SPGPrints B.V., Netherlands	14,83,777	-	14,83,777	71.06%	0.00%



Notes to the Financial Statements

for the year ended 31st December, 2025

Promoters Name	As at 31 st December, 2024				
	No. of Shares at the beginning of the year	Change in number of shares during the year	Number of shares at the end of the year	% of total shares	% change during the year
SPGPrints B.V., Netherlands	14,83,777	-	14,83,777	71.06%	0.00%

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

f) Distributions made :

The Board of Directors at its meeting held on 23rd February, 2026 recommended any final dividend of ₹ 12 per equity share [31st December, 2024: Nil] for the year ended December 2025, in compliance with provisions of section 123 of the Act, which is subject to approval of the members at their annual general meeting.

No Interim Dividend paid during the year 2025. Interim dividend for Year 2024 of ₹ 115 per equity share aggregating to ₹ 240.12 Million was paid in the month of May 2024."

13 Other Equity

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
(i) Retained Earnings (refer note (i) below)		
Balance at the beginning of the year	1,156.74	1,306.62
Profit for the year	68.98	129.61
Remeasurement on defined benefit plans (net of tax)	(0.82)	(5.01)
Dividend paid	-	(275.62)
Transfer from reserve for equity instruments through other comprehensive income	-	1.14
Balance at the end of the year Total (i)	1,224.90	1,156.74
(ii) Other Reserves		
A. Capital Reserve		
Balance at the beginning of the year	0.35	0.35
Balance at the end of the year Total - A	0.35	0.35
B. Capital Reserve on account of business combination (refer note (ii) below)		
Balance at the beginning of the year	(190.26)	(190.26)
Balance at the end of the year Total - B	(190.26)	(190.26)
C. Capital Redemption Reserve (refer note (iii) below)		
Balance at the beginning of the year	0.35	0.35
Balance at the end of the year Total - C	0.35	0.35
D. Securities Premium (refer note (iv) below)		
Balance at the beginning of the year	79.62	79.62
Balance at the end of the year Total - D	79.62	79.62
E. General Reserve (refer note (v) below)		
Balance at the beginning of the year	181.95	181.95
Balance at the end of the year Total - E	181.95	181.95
F. Equity instrument through other comprehensive income (refer note (vi))		
Balance at the beginning of the year	-	1.14
Transfer to retained earnings	-	(1.14)
Balance at the end of the year Total - F	-	-
Total (ii) (A+B+C+D+E+F)	72.01	72.01
Total (i + ii)	1,296.91	1,228.75

Notes to the Financial Statements

for the year ended 31st December, 2025

Notes :

- (i) Retained Earnings can be distributed by the Company as dividend to its equity shareholders and the same is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.
- (ii) Capital Reserve is created on account of business combination transaction between the Company and SPGPrints B.V. in 2019 to acquire the Service and Spare Parts Business relating to Rotary Printing Equipment.
- (iii) Capital Redemption Reserve created on redemption of Redeemable Preference shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
- (iv) Securities Premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- (v) General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- (vi) This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income.

14 Trade Payables

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Trade payables: micro and small enterprises (refer note below)	11.93	16.66
Trade payables: others (refer note below)	127.20	128.61
Total	139.13	145.27

Below is the age of trade payables as at reporting date:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st December, 2025							
Undisputed trade payables							
Micro enterprises and small enterprises	-	10.84	1.09	-	-	-	11.93
Others	42.57	53.57	30.90	0.16	-	-	127.20
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	42.57	64.41	31.99	0.16	-	-	139.13
As at 31st December, 2024							
Undisputed trade payables							
Micro enterprises and small enterprises	0.21	13.52	2.93	-	-	-	16.66
Others	25.19	28.51	74.53	0.38	-	-	128.61
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	25.40	42.03	77.46	0.38	-	-	145.27

Notes:

- 1 Trade payables are non-interest bearing and are normally settled on 45 to 90 days term.
- 2 Trade payables includes payables from related parties ₹ 46.34 Million (31st December, 2024 : ₹ 34.38 Million), refer note 32.
- 3 For terms and conditions with related parties, refer note 32.



Notes to the Financial Statements

for the year ended 31st December, 2025

4 The disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
a) Amount due to suppliers registered under MSMED Act and remaining unpaid as at the year end towards:		
- Principal	11.93	16.66
- Interest	-	-
b) The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

The information with respect to Micro and Small Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the Company.

15 Other Current Financial Liabilities

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Payable for capital expenditure (refer note 1 below)	11.52	3.04
Employee related liabilities (refer note 2 below)	36.93	39.51
Unpaid dividend (refer note 3 below)	13.92	15.17
Total	62.37	57.72

Notes:

- Payable for capital expenditure includes payable to related party of ₹ 11.12 Million (31st December, 2024: Nil)
- Employee related liabilities includes payable to key management personnel of ₹ 1.02 Million (31st December, 2024: ₹ 1.14 Million)
- There is no amount due and outstanding as at 31st December, 2025 and as at 31st December, 2024 to be credited to Investor Education and Protection Fund.

16 Other Current Liabilities

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Contract Liabilities - Advance from customers (refer note 33)	57.84	72.97
Contract Liabilities - Deferred Revenue (refer note 33)	6.07	5.99
Statutory dues	6.36	8.31
Liability towards corporate social responsibility (refer note 39)	1.68	1.89
Total	71.95	89.16

Notes to the Financial Statements

for the year ended 31st December, 2025

17 Provisions

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Non-current		
Employee Benefits		
Provision for gratuity (refer note 28)	21.81	8.14
Total - A	21.81	8.14
Current		
Employee Benefits		
Provision for Compensated absences (refer note 28)	49.01	34.36
Provision for warranty (refer note 1, 3 and 4 below)	9.31	15.49
Provision others (refer note 1 and 2 below)	4.89	4.89
Total - B	63.21	54.74
Total (A+B)	85.02	62.88

Notes :

1 Movement

	Year ended 31 st December, 2025		Year ended 31 st December, 2024	
	Other Provisions	Warranty Provisions	Other Provisions	Warranty Provisions
	(₹ in Million)	(₹ in Million)	(₹ in Million)	(₹ in Million)
Balance at the beginning of the year	4.89	15.49	4.89	11.60
Additions during the year	-	6.78	-	12.06
Reversals during the year	-	8.54	-	4.97
Utilisations during the year	-	4.42	-	3.20
Balance at the end of the year	4.89	9.31	4.89	15.49

- 2 The Company has made provision for disputed Labour matters for ₹ 4.89 Million (31st December, 2024: ₹ 4.89 Million) for claim filed by employee for reinstatement with 100% backwages.
- 3 A provision is recognised for expected warranty claims on products sold during the year, based on past experience of level of repairs and returns. It is expected that this cost will be incurred by end of next financial year. Assumptions used to calculate the provision for warranties were based on current sales level and information for best possible estimate available on returns.
- 4 The sensitivity analysis for warranty provisions have been carried out based on the exposure to change in rates for warranties which are in the range of 1% to 6% (31st December, 2024 range of 1% to 7%) depending upon the terms of warranty and type of machine.

	Effect on profit before tax	
	Year Ended 31 st December, 2025	Year ended 31 st December, 2024
Warranty rate sensitivity		
Increase in warranty rate + 0.25%	1.23	2.25
Decrease in warranty rate - 0.25%	(1.23)	(2.25)



Notes to the Financial Statements

for the year ended 31st December, 2025

18 Revenue from operations

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Revenue from contract with customers (refer note 32 and 33)		
Sale of goods	1,613.69	1,935.68
Sales of traded goods	128.25	134.78
Sale of services	37.55	39.06
Total A	1,779.49	2,109.52
Other operating income		
Commission income (refer note 32)	17.12	11.24
Sale of manufacturing scrap	157.29	192.06
Export incentives	11.19	13.66
Freight recovery	16.02	19.22
Total B	201.62	236.18
Total (A + B)	1,981.11	2,345.70

19 Other income

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Interest Income on:		
Bank deposits	16.66	18.20
Others	0.45	0.89
Liabilities and provisions no longer required written back	6.45	7.07
Lease rentals (refer note 29 and 32)	1.00	0.94
Net gain on foreign currency transactions	22.78	-
Insurance claims received	2.45	0.95
Miscellaneous income	1.85	6.06
Total	51.64	34.11

20 Cost of material consumed

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Inventory at the beginning of the year	193.83	253.18
Add: Purchases during the year	1,038.59	1,047.65
	1,232.42	1,300.83
Less: Inventory at the end of the year	273.00	193.83
Cost of material consumed	Total 959.42	1,107.00

21 Purchase of stock-in-trade

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Purchase of:		
Perforated rotary screens	1.80	52.37
Digital Ink	113.58	75.56
Others	10.25	13.07
Total	125.63	141.00

Notes to the Financial Statements

for the year ended 31st December, 2025

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

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Opening Stock		
- Work-in-progress	26.36	62.59
- Finished goods	139.03	162.18
- Stock-in-trade	54.47	95.05
Total-A	219.86	319.82
Closing Stock		
- Work-in-progress	31.63	26.36
- Finished goods	168.30	139.03
- Stock-in-trade	49.01	54.47
Total-B	248.94	219.86
Total (A-B)	(29.08)	99.96

23 Employee benefits expense

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Salaries, wages and bonus	291.72	262.45
Contribution to provident and other funds (refer note 28)	12.82	11.75
Gratuity expenses (refer note 28)	25.00	5.11
Staff welfare expense	19.61	19.93
Total	349.15	299.24

24 Finance costs

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Interest on bank overdraft	-	0.02
Interest on income tax	0.21	0.83
Total	0.21	0.85

25 Other expenses

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Consumption of packing materials	7.73	9.80
Consumption of stores and spares	15.59	18.34
Repairs and maintenance		
- Buildings	1.65	1.64
- Plant and Equipment	8.97	9.32
- Others	4.41	4.05
Power and fuel	158.24	168.76
Rates and taxes	4.34	3.08
Insurance	3.68	4.45
Royalty (refer note 32)	26.62	28.42
Loss allowances (net)	2.84	0.54
Bad debts written off	0.51	6.24
Commission / service charges	18.62	13.37



Notes to the Financial Statements

for the year ended 31st December, 2025

25 Other expenses

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Sales promotion expenses	24.05	4.41
Directors' Commission and sitting fees (refer note 32)	1.84	2.15
Freight and forwarding charges	23.18	32.90
Provision for warranty (net) (refer note 17)	(1.76)	7.09
Group management fees (refer note 32)	102.73	102.32
Loss of inventory (refer note 43)	4.52	-
Loss on foreign currency transactions (net)	-	3.70
Loss on disposal of property, plant and equipment (net)	0.34	1.38
Contribution towards corporate social responsibility activities (refer note 39)	4.15	5.60
Auditor's Remuneration :		
- Statutory audit fees	3.73	3.38
- Tax audit fees	0.62	0.59
- Others	0.63	0.60
- Out - of - pocket expenses	0.24	0.15
Other miscellaneous expenses	60.87	59.23
Total	478.34	491.51

26 Income tax expenses

The major component of income tax expenses for the year ended 31st December, 2025 and 31st December, 2024 are as under :

a Expenses recognised in the Statement of Profit and Loss

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Current tax		
Current tax on profits for the year	36.64	51.22
Adjustment for current tax of prior years	0.12	0.41
Total current tax expenses	36.76	51.63
Deferred tax		
(Increase) in deferred tax assets	(11.46)	(3.12)
(Decrease) in deferred tax liabilities	(2.76)	(3.63)
Total deferred tax expense / (benefit)	(14.22)	(6.75)
Income tax expenses	22.54	44.88

b A Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Profit before tax	91.52	174.49
Statutory Income tax rate (%)	25.17	25.17
Expected Income tax expenses	23.04	43.92
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses		
Non-deductible expenses	1.10	1.63
Income tax related to prior years	0.12	0.41
Income not chargeable to tax	(1.72)	(1.08)
Income tax expenses as per normal tax rate	22.54	44.88
Consequent to reconciliation items shown above, the effective tax rate	24.63%	25.72%

Notes to the Financial Statements

for the year ended 31st December, 2025

c Deferred tax:

The movement in deferred tax assets / (liabilities) during the year ended 31st December, 2025 and 31st December, 2024 are given below:

(₹ in Million)

	Opening balance as at 1 st January, 2025	Deferred tax charge / (credit) recognised in P&L	Deferred tax charge / (credit) recognised in OCI	Closing balance at 31 st December, 2025
Property, plant and equipment	(2.01)	(2.76)	-	0.75
Trade receivables	4.22	(0.71)	-	4.93
Provision for disputed labour matters and inventory obsolescence	7.35	(4.38)	-	11.73
Provision for gratuity	2.05	(3.16)	(0.28)	5.49
Other timing differences allowable on payment basis	9.81	(3.21)	-	13.02
Total Deferred tax assets (net)	21.42	(14.22)	(0.28)	35.92

(₹ in Million)

	Opening balance as at 1 st January, 2024	Deferred tax charge / (credit) recognised in P&L	Deferred tax charge / (credit) recognised in OCI	Closing balance at 31 st December, 2024
Property, plant and equipment	(5.64)	(3.63)	-	(2.01)
Trade receivables	4.08	(0.14)	-	4.22
Provision for disputed labour matters and inventory obsolescence	6.16	(1.19)	-	7.35
Provision for gratuity	1.52	1.15	(1.68)	2.05
Other timing differences allowable on payment basis	6.87	(2.94)	-	9.81
Total Deferred tax assets (net)	12.99	(6.75)	(1.68)	21.42

27 Earnings per share

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Profit for the year attributable to equity shareholders	68.98	129.61
Weighted average number of equity shares (Nos.)	20,88,016	20,88,016
Nominal value of an equity share (in ₹)	10	10
Earnings Per Share (Basic and Diluted) (in ₹)	33.04	62.07

(The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share).

28 Disclosures as required by Ind AS - 19 Employee Benefits:

(a) Defined Contribution Plan :

The Company operate defined contribution plans in the form of provident and other funds. The Company has no obligation, other than the contribution payable to the provident and other funds. The Company recognizes contribution payable to the provident and other funds as an expense, when an employee renders the related service.



Notes to the Financial Statements

for the year ended 31st December, 2025

The amount recognised as an expense for defined contribution plans is as under:

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Employer's contribution to		
- Provident Fund	12.70	11.60
- Employees' State Insurance	0.11	0.14
- Others	0.01	0.01
	12.82	11.75

(b) Defined Benefit Plans:

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The scheme is funded with the Life Insurance Corporation of India in form of a Group Gratuity Policy. The gratuity plan is governed by the Payment of Gratuity Act, 1972 up to 20th November, 2025. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising 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 (collectively referred to as "the Labour Codes"). These codes have been made effective from 21st November, 2025. The corresponding supporting rules under these codes are yet to be notified. Pursuant to the notification, the Company has recognized a provision towards past service cost on gratuity payable to employees amounting to ₹ 18.09 million during the year ended 31st December, 2025 which is included under "Employee benefits expense". Additionally, management has reviewed other requirements of the Labour Code and does not expect them to have significant financial impact. The Company continues to monitor the finalization 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.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
i. Cost charged to statement of profit and loss		
Current service cost	6.18	4.66
Interest cost	0.73	0.45
Past service cost	18.09	-
Sub-total included in statement of profit and loss	25.00	5.11
Remeasurement (gains) / losses in other comprehensive income		
Actuarial losses / (gains)	(0.73)	6.20
Return on plan assets, excluding amount recognised in interest income	1.83	0.49
Sub-total included in Other Comprehensive Income	1.10	6.69

Notes to the Financial Statements

for the year ended 31st December, 2025

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
ii. Reconciliation of opening and closing balances of defined benefit obligation		
Present value of defined benefit obligations at the beginning of the year	56.53	43.62
Current service cost	6.18	4.66
Past service cost	18.09	-
Interest cost	4.12	3.23
Benefit paid directly by the employer	(3.33)	(1.18)
Re-measurement or actuarial (gain) / loss arising from:		
Change in demographic assumptions	-	0.68
Change in financial assumptions	(0.21)	5.37
Experience variance (i.e. actual experience vs assumptions)	(0.52)	0.15
Present Value of Defined Benefit Obligations at the end of the year	80.86	56.53
iii. Reconciliation of opening and closing balances of the fair value of plan assets		
Fair value of plan assets at the beginning of the year	48.39	37.60
Interest income	3.39	2.78
Return on plan assets, excluding interest income	(1.83)	(0.49)
Employer's contribution	9.10	8.50
Fair value of plan assets at the end of the year	59.05	48.39
iv. Reconciliation of the present value of defined benefit obligation and Fair value of plan assets		
Present value of defined benefit obligations at the end of the year	80.86	56.53
Fair value of plan assets at the end of the year	59.05	48.39
Net defined liability recognized in Balance Sheet as at the end of the year	21.81	8.14
Current	-	-
Non-current	21.81	8.14
	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
v. The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:		
Discount Rate (per annum)	7.02%	6.99%
Annual Increase in Salary Cost	8.00%	15.00% p.a. one year, 8.00% p.a. thereafter
Rate of Employee Turnover	For all service groups 4.50% p.a.	For all service groups 4.50% p.a.
Mortality Rates	Indian Assured Lives Mortality 2012-14 (urban)	Indian Assured Lives Mortality 2012-14 (urban)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Notes to the Financial Statements

for the year ended 31st December, 2025

vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another. The results of sensitivity analysis is given below:

(₹ in Million)

	Sensitivity level	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Discount Rate (- / + 1%)	Increase	(7.03)	(5.17)
(% change compared to base due to sensitivity)	Decrease	8.25	6.11
Salary Growth Rate (- / + 1%)	Increase	8.09	5.96
(% change compared to base due to sensitivity)	Decrease	(7.03)	(5.14)
Attrition Rate (- / + 1%)	Increase	(0.77)	(0.61)
(% change compared to base due to sensitivity)	Decrease	0.85	0.68

vii. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Cash accumulation scheme with Life Insurance Corporation of India	96%	95%
Bank Balances	4%	5%

viii. Risk exposure to defined benefit plans

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate Risk

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

Regulatory Risk

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 up to 20th November, 2025 and from 21st November, 2025 under the Labour Codes. There is a risk of change in regulations requiring higher gratuity payouts.

Asset Liability Mismatching or Market Risk

The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/ fall in interest rate.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Notes to the Financial Statements

for the year ended 31st December, 2025

ix. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Maturity Profile of Defined Benefit Obligation

	Year Ended 31 st December, 2025	Year End 31 st December, 2024
Weighted average duration (based on discounted cash flows)	11 years	12 years

Expected cash flows over the next years (valued on undiscounted basis):

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
1 st Following Year	3.20	2.64
2 nd Following year	3.56	2.43
3 rd Following Year	10.71	2.54
4 th Following Year	3.96	8.13
5 th Following Year	5.35	2.69
Sum of Years 6 to 10	35.33	21.95
Sum of Years 11 and above	125.91	97.51

The average future duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31st December, 2024: 14 years).

Expected contribution to the plan for the next annual reporting period is ₹ 11.52 Million (31st December, 2024: ₹ 8.55 Million).

(c) Other employee benefits:

The compensated absences cover the Company's liability for earned leave. The entire amount of the provision of ₹ 49.01 Million (31st December, 2024: ₹ 34.36 Million) is presented as current, since the company does not have an unconditional right to defer settlement for these obligations. Expected amount towards settlement of Leave for the next 12 months are ₹ 4.23 Million (31st December, 2024: ₹ 3.21 Million) as per actuarial valuation.

The principal assumptions used in determining actuarial liability for compensated absences for the Company are shown below:

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Discount Rate (per annum)	7.02%	6.99%
Annual Increase in Salary Cost	8.00%	15.00% p.a. one year, 8.00% p.a. thereafter
Rate of Employee Turnover	For all service groups 4.50% p.a.	For all service groups 4.50% p.a.
Mortality Rates	Indian Assured Lives Mortality 2012-14 (urban)	Indian Assured Lives Mortality 2012-14 (urban)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

29 Leases

Operating Lease : As a Lessor

The Company has entered into cancellable lease agreements for use of certain area of its building premises for a period of one year. The lease rentals aggregating ₹ 1.00 Million (31st December, 2024: ₹ 0.94 Million) have been included under the head "Other Income" Note 19 "Lease Rentals" of the Statement of Profit and Loss.



Notes to the Financial Statements

for the year ended 31st December, 2025

30 Previous year figures:

Previous year figures have been regrouped/reclassified to conform to current year's classification as under :

(₹ in Million)

Note Description	Note No	Revised amount	Previously reported amount
Cash and cash equivalents - Current	8	164.63	165.35
Bank balances other than Cash and cash equivalents - Current	8	111.37	256.22
Other financial assets - Current	9	145.57	-

Note: Consequent changes made to statement of cash flows due to these reclassifications.

31 Contingent liabilities and Capital Commitments:

a) Contingent Liabilities

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
Disputed labour matters [#]	4.00	4.00
Disputed Income tax matters [^]	4.38	4.38
Disputed Indirect tax matters [*]	1.09	1.09
	9.47	9.47

[#]Disputed Labour matters include ₹ 4.00 Million (31st December, 2024: ₹ 4.00 Million) for claim filed by employees for compensation under Voluntary Retirement Scheme (VRS) benefit in earlier years.

[^]Disputed Income tax matters include:

- 1) Demand from Income tax authorities for payment of additional income taxes of ₹ 4.30 Million (31st December, 2024: ₹ 4.30 Million) for the Assessment Year 2017-18 for matter related to disallowance of provision for warranty expenditure against which Company has preferred an appeal before appropriate authorities. Against this tax matter company has paid ₹ 0.80 Million (31st December, 2024: ₹ 0.80 Million) under protest.
- 2) Demands from Income tax authorities for payment of additional income taxes of ₹ 0.08 Million (31st December, 2024: ₹ 0.08 Million) for the Assessment Year 2013-14 for matters related to disallowance of weighted deduction claimed u/s 35(2AB) of the Income Tax Act, 1961, against which Company has preferred an appeal before appropriate authorities.

^{*}Disputed Indirect tax matters include:

- 1) Service tax demands for credit taken on sales commission expense for the period February 2013 to February 2016 of ₹ 1.09 Million (31st December, 2024: ₹ 1.09 Million), against which the Company has appealed before appropriate authorities. The Company has paid ₹ 0.07 Million (31st December, 2024: ₹ 0.65 Million) under protest against this matter.

b) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Capital Advances) as at 31st December, 2025 is ₹ 4.82 Million (31st December, 2024 is ₹ 1.64 Million).

32 Related Party Disclosures:

Related party disclosures as required under the Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" are given below:

Name of Related Party	Nature of Relationship
A. Parties where control exists:	
SPGPrints B.V., Netherlands	Holding Company
Print I B.V., Netherlands	Parent of Holding Company
Print Holdings B.V., Netherlands	Ultimate Holding Company
B. Name of the related party with whom transactions have been entered during the year:	
SPGPrints Printing Systems Wuxi Co. Ltd, China	Fellow subsidiary
SPGPrints Digital Technology (Wuxi) Co. Ltd., China	Fellow subsidiary

Notes to the Financial Statements

for the year ended 31st December, 2025

Name of Related Party	Nature of Relationship
SPGPrints Mexico S.A. De C.V, Mexico	Fellow subsidiary
SPGPrints Austria GMBH, Austria	Fellow subsidiary
SPGPrints Baski Sistemleri Tic. Ltd. Sti, Turkey	Fellow subsidiary
SPGPrints Brasil Ltda., Brasil	Fellow subsidiary
SPGPrints America Inc, America	Fellow subsidiary
Tinctura Colour Private Limited, India	Fellow subsidiary

C. Key Management Personnel:

Mr. Shailesh Wani	Managing director
Mr. Paras Mehta	Chief financial officer (upto 23 rd May, 2025)
Mr. Gaurav Amrutiya	Chief financial officer (w.e.f. 14 th November, 2025)
Mr. Vipul Bhavsar	Interim chief financial officer (w.e.f. 26 th May, 2025 upto 13 th November, 2025)
Mr. Sanjeev Singh Sengar	Company secretary

D. Directors of company:

Mr. K M Thanawalla	Independent directors (upto 5 th May, 2025)
Mr. Marco Wadia	Independent directors (upto 5 th May, 2025)
Mrs. Kiran Dhingra	Independent directors
Mr. Bhanu Patel	Independent directors (w.e.f. 5 th May, 2025)*
Mr. Abhay Jadeja	Independent directors (w.e.f. 5 th May, 2025)*

E. Print Parent Limited (Cayman Islands), is Ultimate upstream holding company of Stovec Industries Limited. However, Print Parent Limited functions as an investment layer. Print Holdings B.V. (Netherlands) governs the operations of all the group entities below and effectively functions as Ultimate holding company for Stovec Industries Limited. Further, the company did not have any transactions or balance outstanding with Print Parent Limited during the current year and previous year.

* No transactions during the previous year.

F. Transactions with related parties during the year and balance as at year end:

(₹ in Million)

	Parties referred to in (A) above		Parties referred to in (B) above		Parties referred to in (C & D) above	
	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024
Sale of Products						
SPGPrints B.V.	93.10	220.65	-	-	-	-
SPGPrints Mexico, S.A. de C.V.	-	-	7.76	11.62	-	-
SPGPrints Austria GMBH	-	-	1.14	1.42	-	-
SPGPrints Brasil Ltda (refer note 6)	-	-	32.99	4.16	-	-
SPGPrints Printing Systems Wuxi Co.,Ltd	-	-	0.51	(0.05)	-	-
SPGPrints America Inc	-	-	16.55	1.45	-	-
SPGPrints Baski Sistemleri Tic. Ltd. Şti.	-	-	63.71	130.29	-	-
Sub - Total	93.10	220.65	122.66	148.89	-	-
Sale of Services						
SPGPrints B.V.	6.64	3.81	-	-	-	-
SPGPrints America Inc	-	-	0.64	1.16	-	-
SPGPrints Printing Systems (Wuxi) Co.,Ltd	-	-	-	(0.01)	-	-
SPGPrints Austria GMBH	-	-	10.55	8.28	-	-
Sub - Total	6.64	3.81	11.19	9.43	-	-



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for the year ended 31st December, 2025

(₹ in Million)

	Parties referred to in (A) above		Parties referred to in (B) above		Parties referred to in (C & D) above	
	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024
Sale of Property, Plant and Equipment						
Mr. Paras Mehta	-	-	-	-	1.72	0.18
Sub - Total	-	-	-	-	1.72	0.18
Purchase of Raw Material and Components						
SPGPrints B.V.	94.24	77.40	-	-	-	-
SPGPrints Austria GMBH	-	-	5.79	3.39	-	-
SPGPrints Printing Systems Wuxi Co Ltd.	-	-	-	1.33	-	-
SPGPrints Digital Technology (Wuxi) Co.,Ltd.	-	-	11.85	6.85	-	-
SPGPrints Brasil Ltda	-	-	0.44	1.03	-	-
Sub - Total	94.24	77.40	18.08	12.60	-	-
Purchase of Property, Plant and Equipment						
SPGPrints B.V.	5.36	6.43	-	-	-	-
SPGPrints Digital Technology (Wuxi) Co.,Ltd.	-	-	22.25	-	-	-
Sub - Total	5.36	6.43	22.25	-	-	-
Expenses Recovered from other companies						
SPGPrints B.V.	13.97	18.16	-	-	-	-
SPGPrints Austria GMBH	-	-	0.11	0.18	-	-
SPGPrints Brasil Ltda	-	-	0.89	0.49	-	-
SPGPrints Baskı Sistemleri Tic. Ltd. Şti.	-	-	1.44	2.70	-	-
SPGPrints Mexico, S.A. de C.V.	-	-	0.97	1.85	-	-
SPGPrints America Inc	-	-	0.66	0.42	-	-
SPGPrints Printing Systems Wuxi Co.,Ltd	-	-	0.11	0.10	-	-
Tinctura Colour Private Limited	-	-	0.29	0.40	-	-
Sub - Total	13.97	18.16	4.47	6.14	-	-
Remuneration (refer note 1 below)						
Mr. Shailesh C Wani	-	-	-	-	22.93	17.13
Mr. Paras Mehta	-	-	-	-	3.26	6.32
Mr. Gaurav Amrutiya	-	-	-	-	0.72	-
Mr. Vipul Bhavsar	-	-	-	-	1.81	-
Mr. Sanjeev Singh Sengar	-	-	-	-	3.67	3.05
Sub - Total	-	-	-	-	32.39	26.50
Commission to Independent Directors						
Mr. K M Thanawalla	-	-	-	-	-	0.70
Mr. Marco Wadia	-	-	-	-	-	0.25
Mrs. Kiran Dhingra	-	-	-	-	0.19	0.25
Mr. Bhanu Patel	-	-	-	-	0.19	-
Mr. Abhay Jadeja	-	-	-	-	0.19	-
Sub - Total	-	-	-	-	0.57	1.20

Notes to the Financial Statements

for the year ended 31st December, 2025

(₹ in Million)

	Parties referred to in (A) above		Parties referred to in (B) above		Parties referred to in (C & D) above	
	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024
Sitting fees						
Mr. K M Thanawalla	-	-	-	-	0.22	0.38
Mr. Marco Wadia	-	-	-	-	0.20	0.35
Mr. Bhanu Patel	-	-	-	-	0.27	-
Mr. Abhay Jadeja	-	-	-	-	0.27	-
Mrs. Kiran Dhingra	-	-	-	-	0.31	0.22
Sub - Total	-	-	-	-	1.27	0.95
Purchase of services						
SPGPrints B.V.	-	0.97	-	-	-	-
SPGPrints Austria GMBH	-	-	-	0.09	-	-
SPGPrints Baski Sistemleri Tic. Ltd. Şti.	-	-	2.08	0.86	-	-
Sub - Total	-	0.97	2.08	0.95	-	-
Expenses charged by other companies						
SPGPrints B.V.	28.76	8.74	-	-	-	-
SPGPrints Austria GMBH	-	-	-	0.49	-	-
SPGPrints Baski Sistemleri Tic. Ltd. Sti	-	-	1.41	1.98	-	-
Sub - Total	28.76	8.74	1.41	2.47	-	-
Group management fees						
SPGPrints B.V.	102.73	102.32	-	-	-	-
Sub - Total	102.73	102.32	-	-	-	-
Royalty expense						
SPGPrints B.V.	26.62	28.42	-	-	-	-
Sub - Total	26.62	28.42	-	-	-	-
Dividend paid						
SPGPrints B.V.	-	195.85	-	-	-	-
Sub - Total	-	195.85	-	-	-	-
Commission received						
SPGPrints Austria GMBH	-	-	17.12	11.24	-	-
Sub - Total	-	-	17.12	11.24	-	-
Lease rent received						
Tinctura Colour Private Limited	-	-	1.00	0.94	-	-
Sub - Total	-	-	1.00	0.94	-	-
Trade payable at the year-end						
SPGPrints B.V.	40.59	29.90	-	-	-	-
SPGPrints Printing Systems Wuxi Co Ltd.	-	-	-	1.33	-	-
SPGPrints Brasil Ltda	-	-	0.43	1.03	-	-
SPGPrints Baski Sistemleri Tic. Ltd. Şti	-	-	0.40	1.69	-	-
SPGPrints Digital Technology (Wuxi) Co.,Ltd.	-	-	2.83	0.43	-	-
SPGPrints Austria GMBH	-	-	2.09	-	-	-
Sub - Total	40.59	29.90	5.75	4.48	-	-



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for the year ended 31st December, 2025

(₹ in Million)

	Parties referred to in (A) above		Parties referred to in (B) above		Parties referred to in (C & D) above	
	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024	Year ended 31 st December, 2025	Year ended 31 st December, 2024
Remuneration Payable to Key Management Personnel at the year-end						
Remuneration Payable to Shailesh Wani	-	-	-	-	0.57	0.69
Remuneration Payable to Paras Mehta	-	-	-	-	-	0.29
Remuneration Payable to Gaurav Amrutiya	-	-	-	-	0.28	-
Remuneration Payable to Sanjeev Singh Sengar	-	-	-	-	0.17	0.16
Sub - Total	-	-	-	-	1.02	1.14
Trade receivable at the year-end						
SPGPrints B.V.	62.71	97.24	-	-	-	-
SPGPrints Baskı Sistemleri Tic. Ltd. Şti	-	-	35.01	36.12	-	-
SPGPrints Austria GMBH	-	-	13.32	5.84	-	-
Spqprints America Inc	-	-	6.49	0.93	-	-
Tinctura Colour Private Limited	-	-	0.89	0.63	-	-
SPGPrints Printing Systems Wuxi Co.,Ltd	-	-	0.47	0.19	-	-
SPGPrints Brasil Ltda	-	-	30.75	0.90	-	-
SPGPrints Mexico, S.A. de C.V.	-	-	6.90	13.13	-	-
Sub - Total	62.71	97.24	93.83	57.74	-	-
Expenses recoverable at the year-end						
SPGPrints B.V.	5.42	-	-	-	-	-
Sub - Total	5.42	-	-	-	-	-
Capital payable at the year-end						
SPGPrints Digital Technology (Wuxi) Co.,Ltd.	-	-	11.12	-	-	-
Sub - Total	-	-	11.12	-	-	-

Notes:

- (1) The key managerial personnel are covered under Company's employee policy. The proportionate amount of employee benefits (short term and long term) such as gratuity and leave encashment pertaining to the Key Managerial Persons has not been included in the aforementioned disclosures as these are not determined on individual basis and the management considered disclosure is not material. There are no other long term benefits, termination benefits or share-based payments given to Key Managerial Person.
- (2) Terms and Conditions of Transactions with Related Parties:
 - a) Transactions relating to payment of dividend were on same terms and conditions that applied to other shareholders.
 - b) All other transactions were made on normal commercial terms and conditions and at market rates.
 - c) All outstanding balances are unsecured and are repayable in cash.
 - d) The Company has appointed independent consultant for conducting transfer pricing study to determine whether the transactions with the associated enterprises were undertaken at "arm's length basis". The transfer pricing study for the year upto 31st March, 2025 has been completed and based on the same, no adjustments are required in the accounts. The transfer pricing study for the year ended 31st December, 2025 will be conducted,

Notes to the Financial Statements

for the year ended 31st December, 2025

and adjustments, if any arising from the transfer pricing study shall be accounted for as and when the study is completed. The management confirms that all the international transactions with associated enterprises are undertaken at negotiated contracted price on usual commercial terms. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash other than for advance.

- (3) The Company has not provided any commitment to the related party as at 31st December, 2025 (31st December, 2024: Nil).
- (4) Sitting fees and commission to independent directors are paid on the basis of board resolution.
- (5) Managerial remuneration paid to key managerial personnel are in compliance with section 197 of the Act.
- (6) The Company had entered into sales transactions with SPGPrints Brasil Ltda of ₹ 32.99 million during the year which had exceeded pre-approval by Audit committee of ₹ 10.00 million. The Company has obtained post-facto approval from audit committee in meeting dated 23rd February, 2026, in accordance with the applicable listing regulations. The impact of the above is not likely to be material.

33 Revenue from contracts with customers

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
(a) Revenue from contracts with customers		
Sales of goods	1,613.69	1,935.68
Sales of traded goods	128.25	134.78
Sale of services	37.55	39.06
Total	1,779.49	2,109.52
(b) Revenue from contracts with customers disaggregated based on geography		
India	1,254.40	1,512.75
Outside India	525.09	596.77
Total	1,779.49	2,109.52
(c) Timing of Revenue recognition		
Revenue from goods and installation transferred to customers at a point in time	1,775.32	2,106.09
Revenue from services transferred to customers over time	4.17	3.43
Total	1,779.49	2,109.52

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
(d) Contract Balances		
i) Trade Receivables		
- Opening Balance	353.29	311.51
- Closing Balance	355.26	353.29
Refer note 7 for terms of contract balances.		
ii) Contract Liabilities		
- Opening Balance	78.96	103.16
- Closing Balance	63.91	78.96

Contract liabilities include advance from customers and transaction price allocated to unexpired service obligations.

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
(e) The amount of revenue recognized from amounts included in contract liabilities at the beginning of the year		
- Revenue recognized from performance obligations satisfied	5.97	7.26
- Revenue recognized from supply of Goods	66.75	78.57



Notes to the Financial Statements

for the year ended 31st December, 2025

(f) Performance obligation

i) Revenue from goods and installation:

Performance obligation is satisfied upon delivery of goods and upon completion of installation. Payment is generally due within 30 to 120 days after delivery of goods / completion of installation.

ii) Revenue from annual maintenance services:

Performance obligation of revenue from annual maintenance services are satisfied over time.

(₹ in Million)

	As at 31 st December, 2025	As at 31 st December, 2024
(g) Transaction price allocated to remaining performance obligation		
(unsatisfied or partially unsatisfied) as at 31 December		
- Within one year	6.07	5.99
- More than one year	-	-

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
(h) Reconciliation of the amount of Revenue recognised in statement of profit and loss with the contracted price :		
Revenue as per Contracted Price	1,789.58	2,119.39
Adjustments		
Deferment of unexpired performance obligation	(6.07)	(5.99)
Volume discounts and others price adjustments	(4.02)	(3.88)
Revenue from contracts with customers	1,779.49	2,109.52

For information about product segments and major customers, refer note 34.

34 Segment Reporting

A Basis for segmentation

The chief operational decision maker monitors the operating results of its segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

The Company has determined following reporting segments based on the information reviewed by the Company's CODM.

Name of Segment	Comprises
Textile Consumables and Textile Machinery	Perforated Rotary Screens, Lacquer & Auxiliary Chemicals, Rotary Screen Printing Machine, Engraving Equipment, Components and Spares, Digital Ink
Graphics Product	Anilox Rollers, Rotamesh screens and RotaPlate

Segment revenue and results:

The expenses / income which are not directly attributable to any segment are shown as unallocable expenditure. The assets / liabilities which are not directly attributable to any segment are shown as unallocable assets / liabilities.

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, Inventory and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the segment are shown as unallocable assets / liabilities.

Notes to the Financial Statements

for the year ended 31st December, 2025

B Information about reportable segments

(₹ in Million)

	Year Ended 31 st December, 2025			
	Textile Consumables and Textile Machinery	Graphics Product	Unallocated	Total
Revenue from Operations				
External sales and services including other operating revenue	1,888.78	92.33	-	1,981.11
Intersegmental revenue	-	-	-	-
Total Revenue	1,888.78	92.33	-	1,981.11
Cost of material consumed*	(1,034.08)	(21.89)	-	(1,055.97)
Gross profit	854.70	70.44	-	925.14
Other income	32.15	-	19.49	51.64
Employee benefits expense	(331.66)	(17.49)	-	(349.15)
Other expenses	(321.81)	(8.12)	(148.41)	(478.34)
Operating profit before depreciation and amortisation	233.38	44.83	(128.92)	149.29
Depreciation and amortisation expense	(49.38)	(1.07)	(7.11)	(57.56)
Operating profit per income statement (Segment Results)	184.00	43.76	(136.03)	91.73
Finance costs	-	-	(0.21)	(0.21)
Profit before taxation per income statement	184.00	43.76	(136.24)	91.52
Current Tax	-	-	(36.76)	(36.76)
Deferred Tax	-	-	14.22	14.22
Net Profit for the year	184.00	43.76	(158.78)	68.98
Other Information				
Segment Assets	1,134.28	25.34	516.64	1,676.26
Segment Liabilities	301.50	5.39	51.58	358.47
Capital Expenditure	31.18	2.43	2.65	36.26
Depreciation	49.40	1.07	7.09	57.56
Non cash items	37.36	1.26	7.75	46.37

* Cost of material consumed includes purchase of stock-in-trade and changes in Inventories of work-in-progress, stock-in-trade and finished goods.

(₹ in Million)

	Year Ended 31 st December, 2024			
	Textile Consumables and Textile Machinery	Graphics Product	Unallocated	Total
Revenue from Operations				
External sales and services including other operating revenue	2,230.50	115.20	-	2,345.70
Intersegmental revenue	-	-	-	-
Total Revenue	2,230.50	115.20	-	2,345.70
Cost of material consumed*	(1,318.56)	(29.40)	-	(1,347.96)
Gross profit	911.94	85.80	-	997.74



Notes to the Financial Statements

for the year ended 31st December, 2025

(₹ in Million)

	Year Ended 31 st December, 2024			
	Textile Consumables and Textile Machinery	Graphics Product	Unallocated	Total
Other income	5.68	-	28.43	34.11
Employee benefits expense	(284.76)	(14.48)	-	(299.24)
Other expenses	(327.28)	(9.46)	(154.77)	(491.51)
Operating profit before depreciation and amortisation	305.58	61.86	(126.34)	241.10
Depreciation and amortisation expense	(56.83)	(1.18)	(7.75)	(65.76)
Operating profit per income statement (Segment Results)	248.75	60.68	(134.09)	175.34
Finance costs	-	-	(0.85)	(0.85)
Profit before taxation per income statement	248.75	60.68	(134.94)	174.49
Current Tax	-	-	(51.63)	(51.63)
Deferred Tax	-	-	6.75	6.75
Net Profit for the year	248.75	60.68	(179.82)	129.61
Other Information				
Segment Assets	1,042.39	26.30	535.97	1,604.66
Segment Liabilities	280.89	4.17	69.97	355.03
Capital Expenditure	27.51	1.45	4.59	33.55
Depreciation	56.83	1.18	7.75	65.76
Non cash items	58.88	0.83	13.31	73.02

* Cost of material consumed includes purchase of stock-in-trade and changes in Inventories of work-in-progress, stock-in-trade and finished goods.

C Information about secondary segments

The Company uses same set of assets for the sales made in the India and outside India. The expenses incurred for sales to be made in India and outside are Common. Accordingly, geographical segment is analysed based on the location of customers. The following provides an analysis of the Company's sales by geographical Markets:

Particulars	Year Ended 31 st December, 2025			Year Ended 31 st December, 2024		
	India	Outside India	Total	India	Outside India	Total
Revenue*	1,426.18	554.93	1,981.11	1,721.34	624.36	2,345.70
Non-current operating assets**	296.80	-	296.80	320.48	-	320.48
Capital Expenditure incurred	36.26	-	36.26	33.55	-	33.55

* Segment revenue is based on location of customer

** Segment assets based on geographical location of assets. Non-current operating assets exclude Investment, Deferred tax assets, Tax paid under protest and Income-tax receivables (net of provision for taxation).

The Company does not derive revenue in excess of 10% from any customer for the year ended 31st December, 2025 (31st December, 2024 ₹ Nil).

Notes to the Financial Statements

for the year ended 31st December, 2025

35 Disclosure of Financial Instruments by Category

	As at 31 st December, 2025			As at 31 st December, 2024		
	FVTPL*	FVOCI**	Amortized cost	FVTPL*	FVOCI**	Amortized cost
Financial assets						
Investments	-	-	0.00	-	-	0.00
Trade receivables	-	-	355.26	-	-	353.29
Cash and cash equivalents	-	-	289.01	-	-	164.63
Other bank balance	-	-	73.79	-	-	111.37
Other current financial assets	-	-	34.10	-	-	145.57
Other non-current financial assets	-	-	32.74	-	-	37.77
Total Financial Asset	-	-	784.90	-	-	812.63
Financial liabilities						
Trade Payables	-	-	139.13	-	-	145.27
Other financial liabilities	-	-	62.37	-	-	57.72
Total Financial Liabilities	-	-	201.50	-	-	202.99

*FVTPL = Fair value through profit and loss

**FVOCI = Fair value through other comprehensive income

36 Financial risk management objectives and policies

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash & cash equivalents and other bank balance that it derives directly from its operations.

The Company's business activities are exposed to a variety of financial risks, namely market risk, credit risk and liquidity risk. The Company's overall risk management focuses to minimize potential adverse effects of financial risks.

The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. This committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity risk. Financial instruments affected by market risk include debentures, bank deposits, trade receivables, trade and other payables.

Within the various methodologies to analyse and manage risk, Company has assessed risk based on "sensitivity analysis" on symmetric basis. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at 31st December, 2025 and 31st December, 2024.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the



Notes to the Financial Statements

for the year ended 31st December, 2025

Company's investment in bank deposits. The interest rates for the tenure of the fixed deposits are fixed. However, with the continuous decrease in the returns on fixed deposits, the income earned on such deposits may change in future based on the interest rates.

The sensitivity analysis have been carried out based on the exposure to interest rates for bank deposits:

(₹ in Million)

	Effect on profit before tax	
	Year Ended 31 st December, 2025	Year ended 31 st December, 2024
Interest rate sensitivity		
Increase in interest rates - 0.50%	1.67	2.00
Decrease in interest rates - 0.50%	(1.67)	(2.00)

Foreign currency risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign currency risk arises out of various imports of raw materials and exports of its finished goods. The Company has a forex policy in place where the objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through use of foreign currency forward contracts. The Company follows netting principle for managing the foreign exchange exposure.

The carrying amounts of the company's foreign currency denominated monetary assets and liabilities based on gross exposure at the end of the reporting period is given in note no 38.

Foreign currency sensitivity

The following table demonstrates the sensitivity in the USD, EURO and CNY to the functional currency of the Company, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. There are no forward exchange contracts designated as cash flow hedges and net investment hedges and hence, there is no impact on the Company's pre-tax equity due to changes in the foreign currency rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities has been given below;

Effect on profit before tax

(₹ in Million)

	Year Ended 31 st December, 2025	Year ended 31 st December, 2024
USD sensitivity		
USD – Increase by 5%	2.36	(0.94)
USD – Decrease by 5%	(2.36)	0.94
EURO sensitivity		
EURO – Increase by 5%	4.32	6.90
EURO – Decrease by 5%	(4.32)	(6.90)
CNY sensitivity		
CNY – Increase by 5%	(0.56)	-
CNY – Decrease by 5%	0.56	-

Commodity risk :

The Company is expose to the purchase price volatility of commodity i.e. Nickel based on London Metal Exchange. Any material fluctuation in price is expected to have impact on profitability of the company. As a policy, the company keeps safety stock for couple of month to avoid immediate price impact. Further, the company has made arrangement with its large customers to mitigate risk of such price fluctuation built in its nickel price. For other customers, the company appropriately changes its sale price to minimise the impact on profitability.

(b) Credit risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk related to operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The Company does not have significant credit risk exposure to any single counterparty.

Notes to the Financial Statements

for the year ended 31st December, 2025

Trade receivables

Customer credit risk is managed by each division subject to the established policy, procedures and control relating to customer credit risk management. Credit risk is managed through credit approvals and establishing credit limits. Outstanding customer receivables are regularly monitored. The Company does not have significant credit risk exposure to any single counterpart.

The Company has used a practical expedient by computing the expected loss allowance for trade receivable based on historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due. The details disclose related to ageing and provision movement has been given in note no 7.

Financial Instruments and cash deposits

Credit risk from balances with banks is managed by the Company's finance department. The Company's maximum exposure to credit risk from balance with bank is the carrying value of each class of financial assets disclosed in note no 8 and 9.

(c) Liquidity risk :

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity by ensuring that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st December, 2025 and 31st December, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecast to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term cash generated, over and above its working capital management and other operational requirement, is retained as cash and cash equivalents (to the extent required) and any excess is invested in term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Million)

	Carrying Amount	Within 1 Year	1 to 5 Year	More than 5 Year
As at 31st December, 2025				
Trade payables	139.13	139.13	-	-
Other financial liabilities	62.37	62.37	-	-
Total	201.50	201.50	-	-
As at 31st December, 2024				
Trade payables	145.27	145.27	-	-
Other financial liabilities	57.72	57.72	-	-
Total	202.99	202.99	-	-

37 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The Company manages its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. The Company maintains a debt free status and regularly declares dividend to its shareholders.



Notes to the Financial Statements

for the year ended 31st December, 2025

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st December, 2025 and 31st December, 2024.

Particulars	Year Ended 31 st December, 2025	Year ended 31 st December, 2024
Return on capital employed	7.16%	14.28%
Final dividend for the year ended	refer note 12 (f)	

38 Unhedged Foreign Currency Exposures

Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet date:

	Currency	Amount in Foreign Currency in Million		Amount in Foreign Currency in Million	
		(₹ in Million)	(₹ in Million)	(₹ in Million)	(₹ in Million)
		31 st December, 2025		31 st December, 2024	
Amount Receivable	EURO	1.12	118.71	1.60	142.14
	USD	0.59	53.18	0.17	14.35
Amount Payable	EURO	0.31	32.27	0.05	4.06
	USD	0.07	6.08	0.39	33.23
	CNY	0.86	11.12	-	-

39 Details of Corporate Social Responsibility (CSR) Expenditure

(₹ in Million)

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
(a) Gross amount required to be spent by the Company during the year		
- CSR obligation for current financial year	4.15	5.60
- Unspent amount of CSR obligation of previous financial year	1.89	2.56
- Total CSR obligation	6.04	8.16
(b) Amount spent during the year:		
(i) On purposes of construction / acquisition of any assets:	-	-
(ii) On purposes other than (i) above:		
- In Cash	4.36	6.27
- Yet to be paid in Cash	-	-
(c) Shortfall at the end of the year:	1.28	1.17
(d) Total of previous years shortfall at the end of the year:	0.40	0.72
(e) Provision movement during the year:		
Opening provision at the beginning of the year	1.89	2.56
Addition during the year	4.15	5.60
Utilised during the year	4.36	6.27
Closing provision at the end of the year	1.68	1.89

(f) Reason for Shortfall

The shortfall amounting to ₹ 1.68 Million (31st December, 2024: ₹ 1.89 Million) pertains to ongoing projects which has been transferred to separate unspent CSR account subsequent to year end in accordance with the provisions of section 135(6) of the Companies act, 2013.

(g) Nature of CSR activities

- Contribution for growing urban forest by plantation
- Mid-day meals program for school children
- Contribution for sewing course program
- Contribution towards vaccination for cervical cancer patients and distribution of food packets to TB patients
- Scholarship Program in textile engineering courses on pan India basis

Notes to the Financial Statements

for the year ended 31st December, 2025

- (vi) Contribution for providing artificial limbs to physically challenged people
- (vii) Distribution of woollen sweaters, blankets, furniture and mates to school

40 Dividend remitted in foreign currency

	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024
Amount remitted (₹ in Million) (final dividend)	-	25.22
Dividend related to financial year	31 st December, 2024	31 st December, 2023
Amount remitted (₹ in Million) (interim dividend)	-	170.63
Dividend related to financial year	-	31 st December, 2024
Number of non-resident shareholders	1	1
Number of shares	14,83,777	14,83,777

41 Ratio analysis

Particulars	Year Ended 31 st December, 2025	Year Ended 31 st December, 2024	% Change	Reason for changes more than 25%
1 Current Ratio (in times)				
Current assets/ Current liabilities	3.86	3.49	10.60%	Not applicable
2 Debt Equity Ratio (in times)				
(Total Debt / Total Equity)	Not applicable	Not applicable	Not applicable	Not applicable
Total Debt = Debt comprises of non current borrowings (including current maturities of borrowings), current borrowings and interest accrued on borrowings.				
Total Equity = Shareholders' Equity				
3 Debt Service Coverage Ratio (in times)	Not applicable	Not applicable	Not applicable	Not applicable
(Profit after tax + Interest expense + depreciation and amortisation expense+loss/(profit) on sale of fixed assets+exceptional items)/(principal repayment of non-current borrowings made during the period + Interest expenses+lease payment)				
4 Return on equity ratio (%)	5.37%	9.78%	-45.06%	refer note (A) below
(Profit for the year / Average net worth) (Net worth is calculated as per Section 2(57) of the Companies Act, 2013)				
5 Inventory turnover ratio (in times)	2.23	2.68	-16.79%	Not applicable
(Cost of goods sold / Average Inventory)				
6 Trade receivables turnover ratio (in times)	5.59	7.06	-20.82%	Not applicable
(Revenue from operation /Average trade receivable)				
7 Trade payables turnover ratio (in times)	8.19	5.64	45.21%	refer note (B) below
(Purchases /Average trade payable)				
8 Net capital turnover ratio (in times)	2.05	2.72	-24.63%	refer note (C) below
(Revenue from operation /working capital) Working capital = Current assets - Current liabilities				
9 Net profit ratio (%)	3.48%	5.53%	-36.98%	refer note (D) below
(Net profit for the year / revenue from operations)				
10 Return on capital employed (%)	7.16%	14.28%	-49.87%	refer note (E) below
(Profit before exceptional item, interest and taxes for the year / Capital employed) Capital employed = Net worth+total debt+deferred tax liabilities				
11 Return on Investment (%)	6.48%	6.25%	3.68%	Not applicable
(Income generated from investment / Cost of investment)				



Notes to the Financial Statements for the year ended 31st December, 2025

Notes :

- A Downward movement resulting from diminished profitability compared to last year and a lower net worth position.
- B A slowdown in business operations resulted in lower purchases and a corresponding decrease in trade payables compared to the prior year.
- C Reduction driven by higher working capital (inventory) and lower revenue from operations.
- D Influenced by decline in sales and profitability compared to previous year.
- E The reduction reflects reduced profitability along with an increased capital base.

42 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vi) The Company does not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not revalued its Property, Plant and Equipment, CWIP, Intangible Assets or Intangible Assets under development during the current year as well as previous year.
- (ix) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended 31st December, 2025 and 31st December, 2024.
- (x) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended 31st December, 2025 and 31st December, 2024.
- (xi) The title deeds of immovable property are held in the name of the company as at 31st December, 2025 and 31st December, 2024.
- (xii) The Company has not entered into any scheme of arrangement which has an accounting impact in the current year as well as previous financial year.
- (xiii) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

43 Loss of inventory

During the year, the Company identified a loss of inventory arising from incidents of theft at its plant. Based on physical verification procedures carried out by the management and subsequent internal investigation, the loss aggregating ₹ 4.52 Million has been quantified and recognised in the Statement of Profit and Loss under "Other expenses".

The Company has initiated appropriate corrective actions, including filing of complaints with the relevant authorities, strengthening of physical security measures of inventory.

The management believes that, except for the amount recognised above, there is no further material impact on the financial statements arising from this incident.

Notes to the Financial Statements for the year ended 31st December, 2025

44 Purchase/acquisition of certain intellectual properties and the associated rights ("IPR")

The Board of Directors at its meeting held on 30th January, 2026, has approved subject to shareholders' approval, inter alia, the purchase/acquisition of certain intellectual properties and the associated rights ("IPR") from SPGPrints B.V., the holding company. The intellectual property being acquired comprises technical know-how, designs and drawings, manufacturing processes, trademarks, and other related rights, pertaining to the manufacturing and sale of Rotary Screen-Printing Machines and Nova Screens. Upon completion of this acquisition, the Company will become the owner of the said IPR.

45 Audit Trail in Accounting Software

The Company has used two accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for the following:

- (i) In respect of the core accounting software, the audit trail feature with respect to database managed by a third party service provider, in the absence of any information pertaining to audit trail in the independent service auditor's report, management is unable to demonstrate audit trail (edit log) feature at database level.
- (ii) With respect to another accounting software, the audit trail feature with respect to database it was not enabled to capture any direct changes throughout the period.

Audit trail feature was enabled and it was not tampered during the year. Additionally, to the extent the audit trail is maintained, it has been preserved by the Company as per the statutory requirements for record retention.

While the Company was unable to demonstrate complete audit trail as explained above, however the Company has adequate internal controls operating effectively throughout the year.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Hirak Patwa

Partner

Membership No. 128990

Place : Ahmedabad

Date : 23rd February, 2026

For and on behalf of the Board of Directors

Stovec Industries Limited

(CIN: L45200GJ1973PLC050790)

Garrett Forde

Chairman

(DIN: 09040078)

Place : Boxmeer, The Netherlands

Date : 23rd February, 2026

Gaurav Amrutiya

Chief Financial Officer

Place : Ahmedabad

Date : 23rd February, 2026

Shailesh Wani

Managing Director

(DIN: 06474766)

Place : Ahmedabad

Date : 23rd February, 2026

Sanjeev Singh Sengar

Company Secretary

Place : Ahmedabad

Date : 23rd February, 2026

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