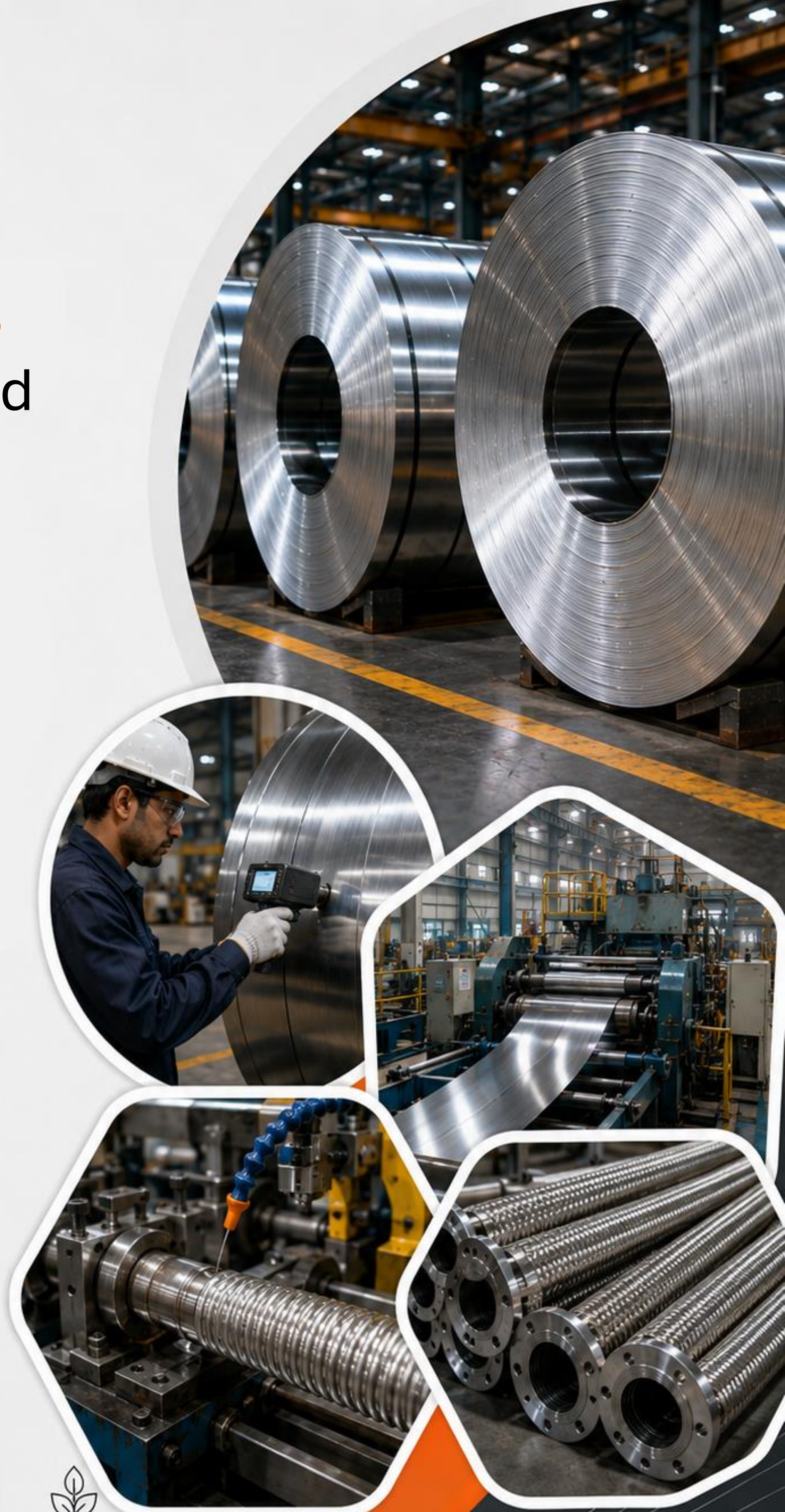
Quality Foils (India) Limited

ANNUAL REPORT 2025-26



STRENGTH IN EVERY STRUCTURE

QUALITY ASSURED

ENGINEERED TO PERFORM

BUILT ON TRUST

FOCUSED ON SUSTAINABILITY

SHAPING STEEL, STRENGTHENING TOMORROW.

At Quality Foils (India) Limited, we transform stainless steel into high-quality cold rolled products and flexible hose pipe solutions that serve diverse industries. Driven by quality, innovation, and operational excellence, we are committed to delivering reliable solutions, building lasting relationships, and creating sustainable value for our customers and stakeholders.

QUALITY
Delivering products with uncompromising standards.

INNOVATION
Continuously improving processes and capabilities.

TRUST
Building long-term relationships with stakeholders.

WHO WE ARE

QUALITY FOILS (INDIA) LIMITED

Quality Foils (India) Limited is engaged in the manufacturing of high-quality stainless steel cold rolled products and flexible hose pipe solutions, catering to the diverse requirements of industrial and infrastructure sectors.

With a strong focus on quality, innovation, and customer satisfaction, the Company has built a reputation for delivering reliable products that meet evolving market expectations. Our modern manufacturing capabilities, skilled workforce, and commitment to operational excellence enable us to maintain consistent quality standards across our product range.

Driven by integrity and long-term value creation, we continue to strengthen our relationships with customers, business partners, and stakeholders while contributing to sustainable industrial growth.

COMPANY SNAPSHOT

BUSINESS
Stainless Steel cold rolled products and flexible hose pipe solutions

FOCUS
Quality manufacturing, operational excellence & customer satisfaction

APPROACH
Technology-driven processes with consistent quality standards.

VALUE CREATION
Sustainable growth and long-term value creation for stakeholders and business.

OUR COMMITMENT

"To manufacture stainless steel solution that combine quality, reliability and innovation while creating sustainable value for customers, stakeholders and the industries we serve."

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It gives me immense pleasure to present the Annual Report of Quality Foils (India) Limited for the financial year 2025–26.

The year under review was characterized by evolving market conditions, changing customer expectations, and a continued emphasis on operational efficiency across the manufacturing sector. The stainless steel industry remained supported by infrastructure development, industrial demand, and increasing preference for durable and corrosion-resistant stainless steel products across a wide range of applications.

Against this backdrop, your Company continued to focus on quality manufacturing, operational discipline, customer satisfaction, and sustainable growth, while strengthening its position in the stainless steel cold rolled products and flexible hose pipe segment.

INDUSTRY PERSPECTIVE

India's stainless steel industry continues to benefit from growth in infrastructure, engineering, process industries, transportation, and industrial manufacturing. Increasing emphasis on durability, corrosion resistance, recyclability, and lifecycle efficiency is expected to support long-term demand for stainless steel products across multiple sectors.

This evolving landscape presents meaningful opportunities for companies that remain focused on quality, consistency, innovation, and customer-centric manufacturing practices.

BUILDING A RESPONSIBLE ENTERPRISE

At Quality Foils (India) Limited, we believe that sustainable success is built on integrity, transparency, accountability, and stakeholder trust.
Our approach is guided by:

- Ethical business practices
- Strong governance standards
- Employee well-being and workplace safety
- Customer satisfaction and long-term partnerships
- Responsible operational and environmental practices

OUR STRATEGIC FOCUS

During the year, the Company continued to focus on strengthening its foundation through:

- Enhancing manufacturing efficiency.
- Maintaining stringent quality standards.
- Improving process reliability .
- Optimizing resource utilization.
- Strengthening customer relationships.
- Pursuing sustainable and responsible growth.

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MESSAGE FROM THE CHAIRMAN (Continued)

LOOKING AHEAD

As we move forward, we remain optimistic about the opportunities ahead. Our priorities will continue to include:

OPERATIONAL EXCELLANCE

Improving productivity, efficiency, and manufacturing consistency across our operations.

SUSTAINABLE DEVELOPMENT

Pursuing responsible growth while maintaining financial and operational discipline.

CUSTOMER-CENTRIC GROWTH

Delivering reliable stainless steel solutions that create enduring value for our customers.

LONG-TERM VALUE CREATION

Building a stronger organization that consistently enhances stakeholder confidence and long-term shareholder value.

APPRECIATION

I would like to place on record my sincere appreciation for the dedication and hard work of our employees, the continued trust of our customers, the valuable support of our business associates and partners, and the unwavering confidence of our shareholders.

Your continued encouragement inspires us to move forward with confidence and determination as we work towards building a stronger and more sustainable organization.

We will continue to focus on quality, reliability, responsible growth, and long-term value creation, while strengthening our contribution to the industries and communities we serve.

Warm Regards
Kuldip Bhargava
Chairman cum Director

MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

I am pleased to present the Annual Report of Quality Foils (India) Limited for the financial year 2025–26.

The year under review was marked by a dynamic operating environment for the stainless steel industry, characterized by fluctuations in raw material prices, changing demand patterns, and increasing customer expectations with respect to quality, reliability, and timely delivery. In this environment, your Company remained focused on strengthening its core manufacturing operations and delivering consistent value to customers across the stainless steel cold rolled products and flexible hose pipe segments.

PERFORMANCE OVERVIEW

During the financial year 2025–26, Quality Foils (India) Limited achieved revenue from operations of Rs. 18,400.97 Lakhs as compared to Rs. 15,084.74 Lakhs in the previous year. The Company reported Profit Before Tax of Rs. 205.33 Lakhs and Profit After Tax of Rs. 147.07 Lakhs, reflecting the impact of operational efficiencies, disciplined cost management, and sustained customer demand across our key business segments.

Our manufacturing operations continued to focus on stainless steel cold rolled coils, strips, and flexible hose pipe solutions, and we remained committed to maintaining quality consistency and reliable delivery performance throughout the year. The Company also continued to emphasize efficient resource utilization, process optimization, and operational discipline in order to enhance competitiveness in a challenging market environment.

BUSINESS OPERATIONS

The Company continued to strengthen its position in the stainless steel processing segment through a focused approach toward:

•Quality manufacturing,
•Consistent process control,
•Timely execution of customer orders,
•Efficient production planning, and
•Long-term customer relationship management.

PRODUCT PERFORMANCE

During the financial year under review, Cold Rolled Stainless Steel Strips continued to be the Company's flagship product, contributing 90% of the total revenue from operations. Revenue from this product category registered an approximate growth of 24% over the previous financial year, reflecting sustained demand from existing customers, expansion of the customer base and improved operational efficiencies.

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MESSAGE FROM THE MANAGING DIRECTOR (Continued)

TECHNOLOGY & CAPACITY ENHANCEMENT

A significant step in our operational strengthening journey was the import of advanced machinery from China during FY 2024–25. The installation and stabilization of this equipment have enhanced our manufacturing capabilities, improved process efficiency, and supported better production consistency across our operations.

The positive impact of this investment has already begun to reflect in the performance of the reporting period, particularly through improved operational efficiency, better process control, and enhanced manufacturing reliability. We believe that the full benefits of this technological upgradation will continue to contribute positively to the Company's productivity, quality standards, cost competitiveness, and growth prospects in the coming years.

OPERATIONAL INITIATIVES

During the year, the Company undertook various initiatives aimed at improving operational effectiveness and manufacturing performance. These included efforts toward:

- Enhancing production efficiency,
- Improving process reliability,
- Optimizing material utilization,
- Strengthening quality assurance systems,
- Reducing operational inefficiencies, and
- Improving coordination across manufacturing and dispatch functions.

FUTURE OUTLOOK

Looking ahead, we remain optimistic about the opportunities emerging in the stainless steel processing and manufacturing sector, supported by continued infrastructure development, industrial growth, and increasing demand for quality stainless steel products across domestic and international markets.

We remain committed to entering new business segments and expanding our presence in international markets as part of our long-term growth strategy. Our vision is to transform Quality Foils (India) Limited into a stronger, more diversified, and innovation-driven organization capable of delivering sustainable value to customers, stakeholders, and shareholders.

ACKNOWLEDGEMENT

I would like to express my sincere appreciation to our employees for their dedication and commitment, our customers for their continued trust, our suppliers and business partners for their valuable support, and our shareholders for their unwavering confidence in the Company.

The continued support of all our stakeholders encourages us to move forward with greater determination and focus.

Sd/-
Best regards
Tejasvi Bhargava
Managing Director

CORPORATE INFORMATION

Board of Directors

Mr. Kuldip Bhargava - Chairman & Director
Mr. Tejasvi Bhargava - Managing Director
Mr. Mohan Lal - Director
Mr. Sumant Bhatnagar - Independent Director
Ms. Uma - Independent Director
Mr. Rajinder Kedia - Independent Director

Key Managerial Personnel

Mr. Birdhi Chand Jain - Chief Financial Officer
Mr. Vikas - Company Secretary

Registered Office

3, Industrial Development Colony,
Hisar, Haryana – 125005, India

Registrar & Share Transfer Agent

Bigshare Services Private Limited,

Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves, Road, Andheri (East), Mumbai – 400059

Tel: +91 22 62638200
E-mail: bssdelhi.bd@bigshareonline.com.
Website: https://bigshareonline.com

Bankers

ICICI Bank Limited
Axis Bank Limited

Statutory Auditors

M/s Kansal Jain & Associates,
Chartered Accountants
Firm Registration No.: 023083N

Secretarial Auditors

M/s Rajesh Garg & Co.,
Company Secretaries
Peer Review Cert. No.: 6749/2025

Cost Auditors

M/s N.R. Goyal & Co.,
Cost Accountants
Firm Registration No.: 101252

Internal Auditors

Mr. Kapil Mittal
Chartered Accountant

Stock Exchange & ISIN

Listed on :
National Stock Exchange
(NSE Emerge Platform)

ISIN: INE0O1M01015

CONTENTS

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTY SIXTH (36TH) ANNUAL GENERAL MEETING ("AGM") OF QUALITY FOILS (INDIA) LIMITED ("COMPANY") WILL BE HELD ON FRIDAY, SEPTEMBER 11, 2026 AT 10:30 A.M. AT ITS REGISTERED OFFICE SITUATED AT 3 – INDUSTRIAL DEVELOPMENT COLONY, HISAR-125005, (HARYANA), TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESSES:

1. **To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on March 31, 2026 including the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss Accounts and Cash flow statement along with reports of the Board of Director's and the Auditor's thereon.**

2. **To reappoint Mr. Mohan Lal (DIN: 10252864) as Director liable to retire by rotation under Section 152 of the Companies Act, 2013.**

SPECIAL BUSINESSES:

3. **To ratify the remuneration of the Cost Auditor of the Company**

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

   "**RESOLVED** that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and as approved by the Board of Directors in accordance with the recommendation of Audit Committee, the remuneration of Rs. 38,500/- (Rupees Thirty-Eight Thousand Five Hundred only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses, to be paid to M/s N. R. Goyal & Co., Cost Accountants (Firm Registration No. 101252), to conduct the audit of cost records of the Company, for the financial year 2026-27 be and is hereby ratified.

   RESOLVED FURTHER THAT Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution."

By the order of Board
For **Quality Foils (India) Limited**

Sd/-
Kuldip Bhargava
Director
DIN: 00011103

Registered Office:
3 Industrial Development Colony
Hisar, Haryana 125005

Date: August 10, 2026
Place: Hisar

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy so appointed need not be a member of the Company.

   The instrument appointing a proxy, duly completed, signed and stamped, must be received not less than 48 hours before the commencement of the meeting at the registered office of the Company in order to make the proxies effective.

   A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights, as applicable. A member holding more than 10 percent of the total share capital of the Company and carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxy form and attendance slip are enclosed with the Notice. Members / Proxies / Authorized Representatives should bring their Attendance Slip duly filled in for attending the meeting.

   Proxy holder shall carry his valid identity proof (Aadhaar Card, Driving License, Voter ID Card, Passport, PAN Card) in order to prove his identity.

2. The route map of the venue of the meeting is annexed towards the end of this Notice hereto.

3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.

4. Members can inspect proxies lodged with the Company during the period from 24 hours before the meeting to the conclusion of the meeting by giving notice, in writing, at-least three days in advance.

5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name, shall be entitled to vote.

6. Only Members / Proxies / Representatives / Invitees of the Company are permitted to attend the Meeting at the venue. Attendance of any other individuals, including relatives and acquaintances accompanying Members, is strictly prohibited.

7. Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto and the same should be taken as part of this Notice.

8. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 regarding Director seeking appointment at the meeting are provided as an **Annexure A** hereto.

9. All documents referred to in the Notice along with Register of Directors and Key Managerial Personnel & their Shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts and Arrangements, maintained under Section 189 of the Companies Act, 2013 in which Directors are interested are available for inspection at the Registered Office of the Company during business hours on working days up to the date of the AGM.

10. Members holding shares in dematerialized form are requested to update the details pertaining to their shareholding such as change of address/name, bank details, ECS mandate, nominations, power of

attorney etc. with their Depository Participants. However the members who hold shares in physical form may write to the Company Secretary at 3- Industrial Development Colony, Hisar-125005, Haryana or RTA at M/s. Bigshare Services Pvt. Ltd., Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves, Road, Andheri (East), Mumbai – 400059, India, Tel.: +91 22 62638200, Fax: +91 22 62638299, Email: ipo@bigshareonline.com

11. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules made there under and Regulation 36 and 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Notice of Annual General Meeting will be sent by electronic mode only to the members whose e-mail addresses are registered with the Company / Depository Participant(s).

12. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including the Notice of Annual General Meeting from the Company, electronically. The Notice of the AGM along with the Annual Report for the F/Y 2025-26 will also be available on the Company's website: https://www.qualitygroup.in/qualityfoils/

13. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.

14. Members may please note that SEBI has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased member(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Further, the Members are requested to kindly note that as per SEBI circular bearing no SEBI/HO/MIRSSD_ RTAMB/PCIR/2021/655 dated 3rd November, 2021, it is mandatory for Members holding shares in physical form to register their PAN, KYC details, Bank Particulars and Nomination against their folio no. PAN is also required to be linked to Aadhar No. by the Members to be considered as valid PAN. Members are requested to provide Form ISR1, ISR2, Nomination Form duly filled and signed along with the hard copy of the following self-attested documents to RTA for registration against their respective folio(s):

- Identity Proof: Copy of PAN Card/ Aadhar Card
- Address Proof: Copy of Aadhar Card/ Passport/ Client Master List/ Utility Bill not over 3 months old
- Bank Details: Copy of the cancelled cheque statinwbg the name of the Member as account holder Contact Details: Mobile no., email ID
- Nomination: Please provide Form SH13 duly filled and signed to RTA.

In the absence of any of the above information registered against your folio no., your folio no. will be frozen for any updation/ dividend payment as per the direction under the aforesaid Circular.

15. Voting through electronic means

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members a facility to exercise their right to vote on the resolution proposed to be considered at the Annual General Meeting ("AGM") by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').

ii. The facility for voting through ballot paper system shall also be made available at the venue of the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through above voting system.

iii. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

iv. The Company has engaged the services of **M/s Bigshare Services Private Limited** (hereinafter called the "RTA") as the Agency to provide e-voting facility.

v. The Board of Directors has appointed Mr. Rajesh Garg, Practicing Company Secretary (Membership No. 5960), as Scrutinizer to scrutinize the remote e-voting and voting at the meeting in a fair and transparent manner.

vi. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. September 04, 2026 shall be entitled to vote. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date.

vii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. September 04, 2026.

viii. Any person, who become a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. September 04, 2026 may obtain the login ID and passwordby sending a request at contactus@qualityfoils.com

ix. The voting period begins on September 08, 2026 at 09:00 A.M. and ends on September 10, 2026 (IST) at 05:00 P.M. (IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 04, 2026 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

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

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the

ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

How do I vote electronically using Bigshare i-Vote E-Voting System?

A) Login method for e-Voting for Individual shareholders holding securities in demat mode:

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

1. Pursuant to above said SEBI Circular**,** Login method for e-Voting **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of **BIGSHARE** the e-Voting service provider and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. **BIGSHARE**, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting website)** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022- 48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

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

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

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

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

- If you have forgotten the password: Click on '**LOGIN**' under '**INVESTOR LOGIN**' tab and then Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**Reset**'.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

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

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

- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

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

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

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

- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on '**Forgot your password**?
- Enter "**User ID"** and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

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

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

Investor Mapping:

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

  Note: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)
  - Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.

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

Helpdesk for queries regarding e-voting:

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

Process for those members whose email IDs are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA i.e. bssdelhi.bd@bigshareonline.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 Digit Beneficiary ID), Name, Client Master or Copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained in step 1(A).
3. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

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

ITEM NO. 03

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Board has recommended in its meeting held on May 27, 2026 on the basis of the recommendation of the Audit Committee, the shareholders to ratify the remuneration of Rs. 38,500/- (Rupees Thirty-Eight Thousand Five Hundred only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses, to be paid to M/s N. R. Goyal & Co., Cost Accountants (Firm Registration No. 101252), to conduct the audit of cost records of the Company, for the financial year 2026-27.

Accordingly, consent of the Members is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2026-27.

The Board recommends the Resolution set forth in Item No. 3 for the approval of the Members.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution set forth in Item No. 3.

The Board recommends passing of this resolution as Ordinary Resolution

By the order of Board
For **Quality Foils (India) Limited**

Sd/-
Kuldip Bhargava
Director
DIN: 00011103

Registered Office:
3 Industrial Development Colony
Hisar, Haryana 125005

Date: August 10, 2026
Place: Hisar

Annexure A

Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India for item no. 2 is as under:

Brief profile and details of Mr. Mohan Lal, Director, who is liable to retire by rotation and eligible for re-appointment, are as under:

Name of Director	Mr. Mohan Lal
DIN	10252864
Brief Resume	Mr. Mohan Lal possesses over 14 years of rich experience in human resource management, primarily in the steel industry. He previously served as the Human Resource Manager at Quality Stainless Private Limited, a company of the Quality Group, for more than a decade, where he played a key role in managing the organization's human resource functions. He has extensive expertise in human resource planning, policy formulation, employee relations, and labour law compliance. Over the course of his career, he has successfully implemented various HR initiatives and employee-centric programs aimed at enhancing employee engagement, retention, and overall organizational productivity
Date of Birth (Age in years)	June 15, 1984 (aged about 42 years)
Qualification	Bachelor of Arts (B.A.) from Kurukshetra University, Haryana, India
Experience and expertise in specific functional area	He is having more than 14 years of experience in Human resource management and Labour law compliances.
Terms and conditions of re-appointment	Terms and conditions as mutually decided with him by Board at the time of appointment.
Details of remuneration to be sought and remuneration last drawn	The remuneration drawn f or the Financial Year 2025-26 is Rs. 3.66 Lakh.
Date on which first appointed on the Board	12/09/2023 as Director
Details of shareholding in the Company 31 March, 2026	Nil
Relationship with other Directors/Key Managerial Personnel ("KMP") (if any)	He is not related to any Director/KMP.
Number of Board Meetings attended during the year 2025-26.	6 (Six)
Details of Directorships / Committee Chairmanship and Memberships in other public limited companies (As on March 31, 2026)	NIL
Name of the listed	NIL

entities from which the Director has resigned during the past three years	

By the order of Board
For **Quality Foils (India) Limited**

Registered Office:
3 Industrial Development Colony
Hisar, Haryana 125005

Sd/-
Kuldip Bhargava
Director
DIN: 00011103

Date: August 10, 2026
Place: Hisar

Form No. MGT-11
Proxy Form

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

Name of the Company: Quality Foils (India) Limited
CIN: L27107HR1990PLC030929
Regd. Office: 3 – Industrial Development Colony, Hisar – 125005, Haryana, India.
Ph: 01662- 220327, 28; **E-mail:** contactus@qualityfoils.com ; **Website:** www.qualitygroup.in;

Name of the member(s):	
Registered address:	
Email Id.:	
Folio No. / Client Id:	
DP Id.:	

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

1. Name: ………………………………….,
   Address: ……………………………………..………

   Email Id.: ……………………………Signature: …………………………………..

   Or failing him/her

2. Name: ………………………………….,
   Address: ……………………………………..………

   Email Id.: ……………………………Signature: …………………………………..

   Or failing him/her

3. Name: ………………………………….,
   Address: ……………………………………..………

   Email Id.: ……………………………Signature: …………………………………..

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General

Meeting of the Company, to be held on **Friday, September 11, 2026 at 10:30 a.m.** at the registered office of the Company at 3 – Industrial Development Colony, Hisar-125005, Haryana, India and at any adjournment thereof in respect of such resolution as is indicated below:

Sr. No.	**Resolution**	**For**	**Against**
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on March 31, 2026 including the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss Accounts and Cash flow statement along with reports of the Board of Director's and the Auditor's thereon.		
2.	To reappoint Mr. Mohan Lal (DIN: 10252864) as Director liable to retire by rotation under Section 152 of the Companies Act, 2013.		
3.	To ratify the remuneration of the Cost Auditor of the Company		

Signed this........ day of ...., 2026

Affix
Revenue
Stamp

....

Signature of shareholder Signature of Proxy holder(s)

Notes:

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. This form of Proxy, to be effective should be duly completed deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
3. A proxy need not be a member of the Company.
4. Please put a (✓) in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. This is only optional.

QUALITY FOILS (INDIA) LIMITED

CIN: L27107HR1990PLC030929
Registered Office: 3 – Industrial Development Colony, Hisar – 125005, Haryana, India
Ph: 01662- 220327, 28; E-mail: contactus@qualityfoils.com ;
Website: www.qualitygroup.in

Attendance Slip

Registered Folio / DP ID & Client ID	
Name of Shareholder	
Address of Shareholder	
Number of Shares held	

I/We, hereby record my/our presence at the 36th Annual General Meeting of the Company to be held on **Friday, September 11, 2026 at 10:30 a.m.** at its registered office at 3 – Industrial Development Colony, Hisar-125005, (Haryana).

Signature of Shareholder / Proxy Present: ……………………………………………

Note:

1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy please bring copy of notice and annual report for reference at the meeting.
3. Each equity share of the Company carries one vote.
4. Please read carefully the instructions printed overleaf before exercising the vote.

Form No. MGT-12
Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Quality Foils (India) Limited
Registered office: 3 – Industrial Development Colony, Hisar – 125005, Haryana.
CIN: L27107HR1990PLC030929

Name of the First Named Shareholder (in block letters):	
Postal address:	
Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
Class of Shares	

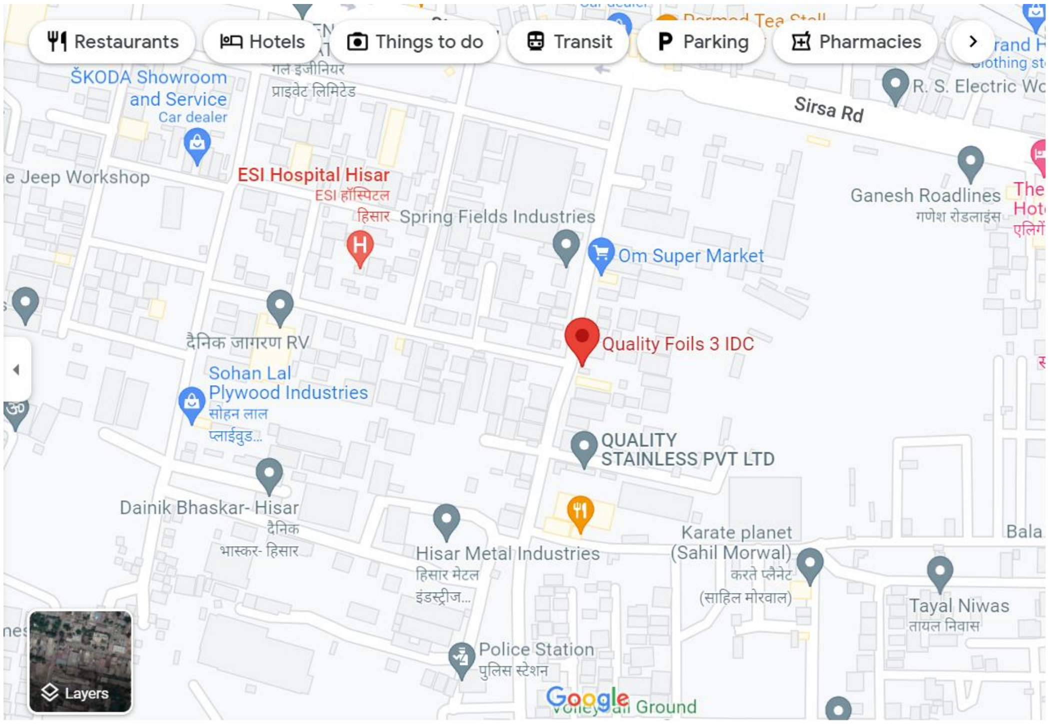
I hereby exercise my vote in respect of Ordinary and Special businesses enumerated in Notice of **36th Annual General Meeting** of the Company, to be held on the **Friday, September 11, 2026 at 10:30 a.m.** at Registered Office of the Company at 3 – Industrial Development Colony, Hisar – 125005, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on March 31, 2026 including the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss Accounts and Cash flow statement along with reports of the Board of Director's and the Auditor's thereon.		
2.	To reappoint Mr. Mohan Lal (DIN: 10252864) as Director liable to retire by rotation under Section 152 of the Companies Act, 2013.		
3.	To ratify the remuneration of the Cost Auditor of the Company		

Place:
Date: **(Signature of shareholder)**

ROUTE MAP

Venue of the **36th Annual General Meeting** of Quality Foils (India) Limited to be held on **Friday, September 11, 2026 at 10:30 a.m.** its registered office at 3 – Industrial Development Colony, Hisar-125005, (Haryana).



DIRECTORS' REPORT

To
The Members,
Quality Foils (India) Limited ("Company")

Your directors have pleasure in presenting the 36th Annual Directors' Report on the business and operations of your Company together with the audited Financial Statement for the financial year ended March 31, 2026.

1. Financial Results

The Company's financial performance for the year ended March 31, 2026 is summarized below:

(Rs. in Lakhs)

Particulars	For the Financial year ended March 31, 2026	For the Financial year ended March 31, 2025
Total Revenue	18477.17	15280.19
Profit before depreciation and Taxation	**488.57**	**416.84**
Less: depreciation	283.24	173.46
Profit after depreciation	205.33	243.38
Less: Provision for Taxation		
Current Year	34.27	29.75
Deferred Tax	23.99	62.65
Previous Year Tax	-	9.13
Net Profit/(Loss) for the period	**147.07**	**141.85**
Add: Profit brought forward	2019.56	1877.71
Less: Transfer to General Reserve	-	-
Profit available for appropriation	2166.63	2019.56
Dividend & Tax on dividend	-	-
Surplus carried to Balance Sheet	2166.63	2019.56

2. State of affairs and highlights

The Company has been engaged in the business of manufacturing of Cold Rolled Stainless Steel Precision Strips and Coils and SS Flexible Hoses, situated in the hub of the 'Stainless Steel City' Hisar (Haryana) with marketing offices in Delhi and further representations in Europe, provides an added advantage of abundant raw material supply.

There has been no change in the nature of business of the Company during the financial year ended March 31, 2026.

3. Company's Business Growth and prospects

The total income for the financial year 2025-26 has increased to Rs. 18477.17 Lakh, as against Rs. 15280.19 Lakh in the financial year 2024-25, and the profit after tax has increased to Rs. 147.07 Lakh in the financial year 2025-26, from Rs. 141.85 Lakh in the financial year 2024-25.

4. Dividend

In terms of the Dividend Distribution Policy of the Company and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), equity shareholders of the Company may expect dividend, if the Company is having surplus funds and after taking into consideration the relevant internal and external factors. Accordingly, considering the cash position, fund requirements for growth of business of your Company and agreement with the Lenders, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2026.

The Dividend Distribution Policy is available on Company's website at the following link:

https://www.qualitygroup.in/wp-content/uploads/2023/01/DIVIDEND-DISTRIBUITION-POLICY.pdf

5. Transfer to Reserves

During the reporting financial year, the company has not transferred any amount to any reserves of the Company.

6. Share Capital

There has been no change in the share capital of your Company during the Financial Year 2025-26.

The Authorised Share Capital of the Company as at March 31, 2026 is 4,00,00,000/- (Rupees Four Crores only) and the Paid-up Share Capital is Rs. 2,85,40,000/- (Rupees Two Crore Eighty Five Lakh Forty Thousand Only).

7. Annual Return

The Annual Return for the Financial year 2025-26 shall be uploaded on the website of the Company https://www.qualitygroup.in/qualityfoils/.

8. Material Changes and Commitments

There have been no material changes or commitments occurred between the end of the financial year to which the financial statements relate and the date of this report that affect the financial position of the Company.

9. Deposits

During the FY 2025-26, your Company has not accepted any deposits from the public falling under Section 73 and 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet

The details relating to deposits, covered under Chapter V of the Act are provided hereunder:

1. Accepted during the year: **Nil**
2. Remained unpaid or unclaimed as at the end of the year: **Nil**
3. Deposits repaid during the Year: **Nil**
4. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: **- Since the Company has not accepted**

any deposits during the Financial Year, therefore this clause shall not be applicable on the Company.

a) at the beginning of the year: **Not Applicable**
b) during the year: **Not Applicable**
c) at the end of the year: **Not Applicable**
d) The details of deposits, not in compliance with the requirements of Chapter V of the Act: **Nil**

10. Transfer to Investor Education and Protection Fund (IEPF)

During the period under review, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF). Therefore, this clause is not applicable on Company.

11. Particulars of loans, guarantees or investments by the Company under Section 186 of the Companies Act, 2013

The particulars of loans, guarantees or investments by your Company under Section 186 of the Companies Act, 2013 are stated in Notes to Accounts of the financial statements, forming part of the Annual Report.

12. Internal Financial Control

The company has policies and procedures 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, in place to cope with internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

Details regarding the internal financial control and its effectiveness are provided in the Management Discussion and Analysis section, which forms part of Annual Report.

13. Vigil Mechanism/Whistle Blower Policy

During the period, the Company has complied with the provisions of Section 177(9) and (10) of the Companies Act, 2013. The Company has established a Vigil Mechanism / Whistle Blower Policy to provide a secure environment and mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct.

The Vigil Mechanism & Whistle Blower Policy has been posted on the Company's website which may be accessed on the Company's website at the link:

https://www.qualitygroup.in/wp-content/uploads/2023/05/Vigil-Mechanism-Policy.pdf

14. Risk Management

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, financial, human, environment and statutory compliance.

The Company has also devised a Risk Management Policy for identification of elements of risks and procedures for reporting the same to the Board which may be accessed on the Company's website at the link:

https://www.qualitygroup.in/wp-content/uploads/2023/01/RISK-ASSESSMENT-AND-MANAGEMENT-POLICY.pdf

Details regarding the risk management policy are provided in the Management Discussion and Analysis section, which is forms a part of Annual Report.

15. Energy Conservation, Technology Absorption, Foreign Exchange Earnings & Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, are provided in **Annexure A** to this Report.

16. Directors' Responsibility Statement

In accordance with Section 134(3)(c) read with 134(5) of Companies Act, 2013, the Directors would like to inform the Members that the Audited Accounts for the financial year ended March 31, 2026, are in full conformity with the requirement of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, (M/s Kansal Jain & Associates having FRN: 023083N). The Directors further confirm that:

1) In the preparation of the annual financial statements for the year ended March 31, 2026 the applicable accounting standards (AS) read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4) The Directors have prepared the annual accounts on a going concern basis;

5) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

6) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. Particulars of contracts or arrangement with Related Parties

In line with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Company has amended the policy on 27th May, 2026 to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated Policy can be accessed on the Company's website at https://www.qualitygroup.in/wp-content/uploads/2026/05/Policy_on_dealing_with_Related_Party_Transactions.pdf

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company for F.Y. 2025-26 and hence does not form part of this report. Details of related party transactions entered into by the Company, in terms of Accounting Standard have been disclosed in the notes to the standalone financial statements forming part of the Annual Report.

18. Compliance with secretarial standards

During the year under review, your Company has complied with all applicable secretarial standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118(10) of the Companies Act, 2013.

19. Directors and Key Managerial Personnels (KMP)

Board Diversity

Your Company recognises that diversity at the Board level is an important element of effective corporate governance and sustainable business growth. A diverse Board brings together a wide range of perspectives, skills, experience, knowledge, and backgrounds, thereby enhancing the quality of deliberations and decision-making.

The Company believes that an appropriate balance of diversity in terms of expertise, industry experience, professional background, gender, age, and other relevant attributes strengthens the Board's effectiveness and contributes to the long-term success of the Company. Such diversity fosters innovation, promotes independent judgment, improves governance standards, and enables the Board to effectively discharge its responsibilities while safeguarding the interests of all stakeholders.

The Board remains committed to maintaining an appropriate mix of skills, experience, and diversity to support the Company's strategic objectives and sustainable growth.

Directors and KMPs:

The following were the appointment/resignation/change in designation that took place during the Financial Year 2025-26 in your Company.

a) Ms. Amelia Nelson, Company Secretary and Compliance Officer of the Company had resigned from the said post with effect from September 04, 2025.

b) Mr. Vikas was appointed as Company Secretary and Compliance Officer with effect from October 29, 2025.

c) Mr. Tejasvi Bhargava (DIN: 00011205), was re-appointed as Managing Director on the Board of the Company with effect from March 01, 2026 for a term of five years starting from March 01, 2026 and the same has been approved by the Shareholders in the AGM held on September 04, 2025.

The structure of the Board is as follow:

S. No.	Name of the Person	Designation
1.	Mr. Kuldip Bhargava	Chairman and Executive Director
2.	Mr. Tejasvi Bhargava	Managing Director
3.	Mr. Mohan Lal	Executive Director
4.	Mr. Rajender Kedia	Independent Director
5.	Mr. Sumant Bhatnagar	Independent Director
6.	Ms. Uma	Independent Director
7.	Mr. Birdhi Chand Jain	Chief Financial Officer
8.	Mr. Vikas	Company Secretary

Retirement by rotation

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Mohan Lal (DIN: 10252864), Director of the Company, is retiring by rotation at the ensuing AGM of the Company and is eligible for re-appointment. Your Board recommends the re-appointment of Mr. Mohan Lal, as Director of the Company. The particulars in respect of Mr. Mohan Lal, as required under Regulation 36(3) of Listing Regulations and Secretarial Standard -2, are mentioned in the Notice of AGM.

20. **Code of Conduct for Directors and Senior Management Personnels**

The Board of Directors has established a Code of Conduct applicable to its Directors and senior management personnel. This Code serves as a framework for ethical business practices, equitable treatment, and the prohibition of actions such as bribery, corruption, and anti-competitive behavior.

All Board members and senior management personnel have confirmed their compliance with the Code of Conduct for the financial year 2025-26. The Code is also available on the website of the Company at

https://www.qualitygroup.in/wp-content/uploads/2023/01/CODE-OF-CONDUCT-OF-DIRECTORS-AND-SENIOR-MANAGERIAL-PERSONNEL.pdf

21. **Code on Prohibition of Insider Trading**

In accordance with SEBI Insider Trading Regulations, the Company has established a "Code of Conduct to Regulate, Monitor, and Report Trading by Designated Persons" ("**Code on prohibition of Insider Trading")**. Such measures aim to prevent insider trading activities and ensure ethical management of sensitive information.

The Code on prohibition of Insider Trading is reviewed and amended suitably from time to time, to incorporate the amendments carried out by SEBI. The Code outlines the duties and responsibilities of Designated Persons (DPs), including the maintenance of a Structured Digital Database (SDD). This database serves as a crucial tool for preventing insider trading and managing Unpublished Price Sensitive Information (UPSI).

To enhance employee awareness and compliance, the Company periodically circulates informative emails and conducts periodic quiz on the Prevention of Insider Trading, outlining Do's and Don'ts and familiarizing employees with key aspects of the Code. During the year under review, the Audit Committee evaluated the adequacy and effectiveness of the internal control systems related to the SEBI Insider Trading Regulations. It reviewed cases of non-compliance, if any, and recommended actions to the Board in line with the penalty framework.

Any non-compliances are promptly reported to the Stock Exchanges in the prescribed format, and penalties, if applicable, are directly deposited by the Designated Person into SEBI's Investor Protection and Education Fund. The Code is available on the website of the Company https://www.qualitygroup.in/wp-content/uploads/2023/01/CODE-OF-CONDUCT-TO-REGULATE-MONITOR-REPORT-TRADING-BY-INSIDERS.pdf

22. Declaration by Independent Directors

All the Independent Directors of the Company had given the declaration under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16 of SEBI (LODR), 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Board Members and Senior Management. Further, all the Directors have also confirmed that they are not debarred to act as a director by virtue of any SEBI order or any other authority. The Company has received a declaration from the Independent Directors that their name is included in the data bank.

Your Company has also devised a Policy on Familiarization Programme for Independent Directors which aims to familiarize the Independent Directors with your Company, nature of the industry in which your Company operates, business operations of your Company etc. The said Policy may be accessed on your Company's website at the link:

https://www.qualitygroup.in/wp-content/uploads/2023/01/FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS.pdf

23. Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year.

There is no appointment of the Independent Directors during the year FY 2025-26. Hence, this clause shall not be applicable on the Company.

24. Performance Evaluation

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The evaluation of all the Directors and the Board as whole was conducted based on the criteria and framework adopted by the Board.

The policy is available on the website of the Company and can be accessed by clicking on the below link:

https://www.qualitygroup.in/wp-content/uploads/2023/01/POLICY-ON-NOMINATION-AND-REMUNERATION-COMMITTEE.pdf

25. **Corporate Social Responsibility**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company during the financial year under review, as the Company does not satisfy any of the criteria prescribed under Section 135(1) of the Act. Accordingly, the Company was not required to constitute a Corporate Social Responsibility Committee or formulate a Corporate Social Responsibility Policy.

26. Committees of the Board

a) Audit Committee

The Audit Committee (the "Committee") was constituted by the Board of Directors at their meeting held on November 26, 2022 in accordance with the Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its powers) Rule, 2014.

Composition of Audit Committee:

Name of the Director	Status	Nature of Directorship
Mr. Rajinder Kedia	Chairman	Independent Director
Mr. Sumant Bhatnagar	Member	Independent Director
Mr. Tejasvi Bhargava	Member	Managing Director

During the financial year 2025-26, the Audit committee held a total of 4 (four) meetings. All the four Audit committee meetings were held physically at the Registered Office of the Company. The respective dates of the Audit committee Meetings and Number of members who attended the meeting during the mentioned period are as follows:

S. No.	Date of meeting	No. of members entitled to attend the meeting	No. of members Attended the Meeting
1	May 15, 2025	3	3
2	August 05, 2025	3	2
3	October 29, 2025	3	2
4	January 29, 2026	3	3

b) Stakeholders Relationship Committee ("SRC")

The Stakeholders Relationship Committee was constituted by the Board of Directors at their meeting held on November 26, 2022 in accordance with the Section 178(5) of the Companies Act 2013.

Composition of Stakeholders Relationship Committee:

Name of the Director	Status	Nature of Directorship
Mr. Rajinder Kedia	Chairman	Independent Director
Mr. Kuldip Bhargava	Member	Executive Director
Mr. Tejasvi Bhargava	Member	Managing Director

During the financial year 2025-26, the SRC held 1 (One) meeting which was held physically at the Registered Office of the Company. The respective dates of the SRC Meetings and Number of members who attended the meeting during the mentioned period are as follows:

S. No.	Date of meeting	No. of members entitled to attend the meeting	No. of members attended the meeting
1	January 29, 2026	3	3

c) **Nomination and Remuneration Committee ("N&RC")**

The Nomination and Remuneration Committee has constituted by the Board of Directors at their meeting held on November 26, 2022 in accordance with the Section 178(4) of the Companies Act 2013.

Composition of Nomination and Remuneration Committee

Name of the Director	Status	Nature of Directorship
Mr. Rajinder Kedia	Chairman	Independent Director
Mr. Sumant Bhatnagar	Member	Independent Director
Ms. Uma	Member	Independent Director

During the financial year 2025-26, the NRC held 2 (Two) meetings which were held physically at the Registered Office of the Company. The respective dates of the NRC Meetings and Number of members who attended the meeting during the mentioned period are as follows:

S. No.	Date of meeting	No. of members entitled to attend the meeting	No. of members Attended the Meeting
1.	August 05, 2025	3	2
2.	October 29, 2025	3	2

d) **Corporate Social Responsibility (CSR) Committee:**

As the provisions of Sec-135 of the Companies act, 2013 are not applicable on the Company. Therefore, Company is not required to constitute CSR Committee.

27. Meetings of Board of the Directors

The Board meets at regular intervals to discuss and decide on Company / Business policy and strategy. The gap between any two consecutive meetings was within the limit prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations. The necessary quorum was present during all the meetings.

During the financial year 2025-26 the board of directors held a total of 6 (Six) meetings. All the Six Board meetings were held physically at the Registered Office of the Company. The respective dates of the Board Meetings and Number of Directors who attended the meeting during the mentioned Period are as follows:

S. No.	Date of Board Meeting	No. of Directors entitled to attend the board meeting	No. of Directors Attended the Board Meeting
1.	May 15, 2025	6	6
2.	July 02, 2025	6	4
3.	August 5, 2025	6	5
4.	September 03, 2025	6	3
5.	October 29, 2025	6	5
6.	January 29, 2026	6	6

28. Meeting of shareholders of the Company

During the financial year ended March 31, 2026, only one (1) meeting of shareholders was held i.e. 35th Annual General Meeting which was held on September 04, 2025.

29. Auditors and Auditor's Report

a) Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Kansal Jain and Associates (FRN: 023083N) were appointed as Statutory Auditors of the Company for the five consecutive years, to hold office from the conclusion of the 34th Annual General Meeting held on September 04, 2024 until the conclusion of 39th Annual General Meeting of the Company to be held for the financial year 2029-30, on such remuneration as may be decided. Vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, the requirement of annual ratification has been omitted.

Further, the Auditors' Report "with an unmodified opinion", on the financial statements of the Company for financial year 2025-26, forms part of this Annual Report. There was no observation, qualification, reservation or adverse remark in the Auditor's Report. The Notes on Financial Statements referred to in the Auditors' report are self-explanatory and therefore do not require any further comments.

b) Secretarial Auditor

M/s. Rajesh Garg & Co., Practicing Company Secretaries, Hisar (FCS No. 5960) were appointed as the Secretarial Auditors of the Company in the AGM held on 04th September, 2025 with the approval of Members of the Company in the AGM held on 04th September, 2025 for a consecutive period of five years starting from April 01, 2025 on such remuneration as may be decided, to conduct the Secretarial Audit of the Company.

The Secretarial Audit Report (MR-3) for financial year 2025-26 forms part of the Annual Report as **Annexure-B**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

c) Internal Auditor

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014 and on the basis of the recommendations of the Audit Committee, Mr. Kapil Mittal, Chartered Accountant (Mem. No. 542972) was appointed as Internal Auditor for the financial year 2025-26.

The Internal audit report for financial year 2025-26 does not contain any qualification, reservation or adverse remark.

d) Cost Auditors

M/s N. R. Goyal & Company, Cost Accountants, Delhi having Firm Registration No. 101252, were appointed as the Cost Auditors of the Company for auditing the cost records of the Company for the financial year 2026-27, subject to ratification of their remuneration by the Shareholders of the Company in the 36th AGM of the Company. Accordingly, an appropriate resolution seeking ratification of the remuneration for the financial year 2026-27 of M/s N. R. Goyal & Company, Cost Auditors, is included in the Notice convening the 36th AGM of the Company.

30. Cost Records

In terms of sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain the cost records. Accordingly, such accounts and records have been maintained by the Company.

31. **Reporting of Frauds by Auditors**

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

32. Particulars of Employees and related disclosures

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2025-26 who is covered under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure C** to this Report.

33. Corporate Governance

In terms of Regulation 15(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliances with the provisions of Corporate Governance as specified in Regulations 17 to 27 and Clause (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are **not applicable** to your company as it is listed on the **SME Exchange**. Accordingly, a separate report on Corporate Governance and the certificate from the Auditors is **not required to be annexed**.

34. Management's Discussion and analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) and (3) read with the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forms part of the Annual Report as **Annexure D** to the Board's report.

35. Stock Exchange where the securities are listed

SME Exchange of National Stock Exchange of India Ltd., ("NSE Emerge") Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla complex, Bandra (E), Mumbai – 400051.

36. Compliance of guidelines of SEBI/Stock Exchange

We have duly complied with all the applicable guidelines issued by SEBI/Stock Exchange.

37. Statement of Deviation or Variation

The Company has not raised any funds through public issue, rights issue, preferential issue, qualified institutions placement or any other mode specified under Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under review. Accordingly, the disclosure requirements pursuant to Regulation 32 of the said Regulations are not applicable to the Company.

38. Industrial Relations

Industrial relations continued to be cordial and harmonious during the year under review.

39. Business Responsibility and Sustainability Report

The Business Responsibility Sustainability Report ("BRSR") as per the requirements of Regulation 34(2)(f) of the SEBI (LODR), 2015 is not mandatorily required to be given by Companies which have listed their specified securities on the SME Exchange. Your Company has not voluntarily adopted disclosure requirement of the Business Responsibility and Sustainability Report.

40. Policy on prevention of Sexual Harassment

Your Company has in place a policy on prevention of sexual harassment at workplace in accordance with the provisions of Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013 ("POSH Act"). The policy aims at prevention of harassment of women employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

During the year under review, the Company conducted the following awareness programme for its employees under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"):

S.No.	Date	Programme	No. of Employees Covered
1	November 17, 2025	POSH Awareness session	199

Further, in terms of the provisions of the Rule 8(5)(x) of Companies (Accounts) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details in relation to the POSH Act, for the financial year ended on March 31, 2026 are as under:

a) Number of complaints pertaining to sexual harassment received during the financial year: **NIL**
b) Number of complaints pertaining to sexual harassment disposed off during the financial Year: **NIL**
c) Number of complaints pertaining to sexual harassment pending for more than Ninety days: **NIL**

The policy of the Company on Prevention of Sexual Harassment, as adopted by the Board, may be accessed on your Company's website at the link:

https://www.qualitygroup.in/wp-content/uploads/2023/01/POLICY-ON-PROTECTION-OF-WOMEN-FROM-SEXUAL-HARASSEMENT.pdf

41. Details of Subsidiary, Joint Venture or Associate Companies

As on March 31, 2026, Company doesn't have any Subsidiary, Joint Venture and Associate Companies at the end of the year.

42. Credit Rating

The Company does not have any Credit rating as of now.

43. Policy on Director's appointment and remuneration

The Company has devised a policy for Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The policy also regulated the terms of appointments including retirements and removals as well. The policy of the Company on Directors' appointment and remuneration, adopted by the Board, may be accessed on your Company's website at the link:

https://www.qualitygroup.in/wp-content/uploads/2023/01/POLICY-ON-NOMINATION-AND-REMUNERATION-COMMITTEE.pdf

44. Maternity Benefit

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and remains committed to providing all statutory maternity benefits to eligible women employees in accordance with the applicable laws.

45. Health, Safety and environment:

The company considers safety, environment and health as the management responsibility and therefore being constantly aware of its obligation towards maintaining and improving the environment across various spheres of its business activities.

46. Other disclosures

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a) There were no issue of equity shares with differential rights as to dividend, voting or otherwise.

b) There was no Buy Back of its Securities by the Company from the Shareholders.

c) There was no issue of shares (including sweat equity shares) to the employees of the Company under any scheme.

d) No application has been made or any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

e) There was no instance of one-time settlement with any bank or financial institution.

f) Company does not have any subsidiary.

g) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

h) There are no shares in the demat suspense account/unclaimed suspense account of the Company.

47. Acknowledgement

The Board of Directors thanks and deeply acknowledge the co-operation, assistance and support provided by all the stakeholders' viz., workers, shareholders, bankers, customers, dealers, vendors, Government and Regulatory agencies.

For and on behalf of the
Board of Directors
Quality Foils (India) Limited

Sd/-
Kuldip Bhargava
Chairman
DIN: 00011103
R/o: Anand bhawan,
Hisar, Haryana-125001

Date: 10th August, 2026
Place: Hisar

Annexure-A

Conservation of energy, technology absorption and foreign exchange earnings and out-go-rule 8(3) of companies (accounts) rules, 2014.

- **CONSERVATION OF ENERGY:**

The following measures have been taken by the company for conservation of energy: -

1.) The steps taken or impact on conservation of energy: -

- The Company continues to utilize natural gas in its manufacturing operations, in place of electricity for specified processes, as part of its ongoing energy conservation initiatives. This has contributed towards efficient energy utilization and optimization of manufacturing operations.
- Regular monitoring and optimization of electricity consumption across various production departments.
- Use of Energy Efficient Lighting systems like LED and CFL lamps etc.
- Creating awareness among employees about the necessity of energy conservation.
- Utilization of renewable energy generated through the Company's solar power plant.

The above-mentioned measures have resulted in reduced consumption of electrical energy at various load centers and helped in containing the energy costs in spite of the hike in electricity tariff.

2.) The steps taken by the company for utilizing the alternate sources of energy: -

- The Company continued to utilize its **150 KW rooftop solar power plant** for meeting a part of its electricity requirements.
- Periodic maintenance and performance monitoring of the solar power system were carried out to ensure optimum generation.

3.) The capital investment on energy conservation equipments: -
No significant capital investment was made during the year towards energy conservation equipment other than routine replacements and maintenance.

- **TECHNOLOGY ABSORPTION:**

1) The effort made towards technology absorption:

- Continuous improvement in manufacturing processes to enhance product quality and operational efficiency.
- Upgradation and optimization of production machinery and equipment for better productivity.

2) **The benefits derived like product improvement cost reduction, product development or import substitution:**
- Improvement in product quality and consistency.
- Enhanced production efficiency.

3) **In case of imported technology (important during the last three years reckoned from the beginning of the financial year).**

- **The details of technology imported -**

During the Financial Year 2024-25, the Company has introduced the new technology imported from China - 4 High reversing cold rolling Mill, Bright annealing Line (BAL) for stainless steel coils, Stainless Steen Precision Slitter line, Tension levelling line for the production of thinner coils of stainless steel.
- **The year of Import –** FY 2024-25
- **Whether the technology been fully absorbed -** Yes
- **if not fully absorbed, areas where absorption has not taken place and the reasons thereof.** NA
- **The company has not imported any technology during the last three years.** NA

4) **The Expenditure incurred on Research and Development: -** NIL

(**Amount: In Lakh)**

Foreign Exchange Earnings and Outgo	2025-26	2024-25
Total Foreign Exchange outflow during the year under review (actual outflows)	2.25	4.12
Total Foreign Exchange inflow during the year under review (actual inflows)	427.17	166.67

For and on behalf of the
Board of Directors
Quality Foils (India) Limited

Sd/-
Kuldip Bhargava
Chairman
DIN: 00011103
R/o: Anand bhawan,
Hisar, Haryana-125001

Date: August 10, 2026
Place: Hisar

"ANNEXURE- B"

Form No. MR-3

SECRETARIAL AUDIT REPORT

Quality Foils (India) Limited

(Financial Year 2025-26)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Quality Foils (India) Limited
Regd. Off.: 3, Industrial Development Colony,
Hisar-125005 (Haryana)

We, Rajesh Garg & Co., Practicing Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Quality Foils (India) Limited**, Hisar (CIN: L27107HR1990PLC030929) (**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 my opinion thereon.

The objective of this Secretarial Audit is to verify compliance by the Company with the applicable provisions of laws, rules, regulations, guidelines, standards, and procedures under various statutes and to ensure that proper systems and processes are in place in the Company to monitor and ensure compliance.

The audit has ensured that the affairs of the Company are being conducted in a manner that is compliant with the applicable corporate laws and principles of good governance.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2026 ('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 31 March 2026 according to the provisions of:

(i) The Companies Act, 2013 and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;

e) The Securities and Exchange Board of India (Depositors and Participants) Regulations, 2018.

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

g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014**; (NA)**

h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008**;(NA)**

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **;(NA)** and

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(NA)**

(vi) OTHER APPLICABLE ACTS;

The company has complied with the other laws applicable to the company as per the representations made by the company as per below details:-

a. Industrial Disputes Act, 1947;
b. Payment of Wages Act, 1936;
c. The Minimum Wages Act, 1948;
d. Employees' State Insurance Act, 1948;
e. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
f. The Payment of Bonus Act, 1965;
g. The Industrial Employment (Standing Orders) Act, 1946;
h. Payment of Gratuity Act, 1972;
i. The Workmen's Compensation Act, 1923;
j. Environment (Protection) Act, 1986;
k. The Sexual harassment of women at work place (Prevention, prohibition and Redressal) Act, 2013.
l. Air (Prevention & Control of Pollution) Act,1981
m. Water (Prevention & Control of Pollution) Act,1974
n. Hazardous Waste (Management and Handling) Rules 1989.
o. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989.

We have also examined compliance with the applicable clauses of the following**:-**

a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;

b) The listing agreements entered into by the Company with NSE Emerge;

Auditor's Opinion:

Based on our verification of the Company's books, papers, minute books, forms and returns filed, and other records maintained by the Company, and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2026 complied with the statutory provisions listed hereunder and also has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

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 Statutory financial auditors and other designated professionals.

We further report, that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women director and Independent directors. There was re-appointment of Managing Director during the period under review. 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 specific events/actions such as Public Issue of Securities, buy back, merger, amalgamation, foreign technical collaborations etc. or any other major decisions and we further report that during the audit period, the Company has complied with the provisions of the section 180,185,186 of the Companies Act, 2013 and rules prescribed thereunder.

For Rajesh Garg & Co.
Company Secretaries

Sd/-
(Rajesh Garg)
CP No.4093

Place: Hisar
Date: 02-07-2026
UDIN=F005960H000731003
PR CERT.NO.6749/2025

Annexure I

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,

The Members,
Quality Foils (India) Limited
Regd. Off.: 3, Industrial Development Colony,
Hisar-125005 (Haryana)

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

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

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

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Rajesh Garg & Co.
Company Secretaries

Sd/-
(Rajesh Garg)
CP No.4093

Place: Hisar
Date: 02-07-2026
UDIN=F005960H000731003
PR CERT.NO.6749/2025

"Annexure C"

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Rule 5 (i) & (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company and

ii. the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2025-26 (Rs. In Lakh)	% increase/(decrease) in Remuneration during the Financial Year 2025-26 as per Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Ratio of remuneration of each Director to median remuneration of employees of the Company for the Financial Year 2025-26 (Excl. MD and WTD)	Ratio of remuneration of each Director to median remuneration of employees of the Company for the Financial Year 2025-26 (Incl. MD and WTD)
1.	Tejasvi Bhargava (Managing Director)	39.52	(20.03)	19.34	18.91
2.	Mr. Kuldip Bhargava (Chairman and Director)	42.52	(30.77)	20.84	20.34
3.	Mr. Mohan Lal (Executive Director)	3.66	7.02	1.79	1.75
4.	Mr. Birdhi Chand Jain (Chief Financial Officer)	13.34	4.31	6.54	6.38
5.	*Mr. Vikas (Company Secretary & Compliance Officer)	3.19	-	1.56	1.53
6.	**Ms. Amelia Nelson (Company Secretary & Compliance Officer)	2.30	-	1.13	1.10

** Mr. Vikas, Company Secretary and Compliance officer was appointed with effect from October 29, 2025.*

*** Ms. Amelia Nelson, Company Secretary and Compliance officer resigned with effect from September 04, 2025*

iii.

a) The percentage increase in the median remuneration of employees of the Company including Managing Director (MD) and Whole- Time Director (WTD) is 4.26 % in the financial year 2025-26

b) The percentage increase in the median remuneration of employees of the Company excluding Managing Director (MD) and Whole- Time Director (WTD) is 2.57% in the financial year 2025-26.

iv. There were 203 permanent employees on the rolls of the Company as on March 31, 2026.

v. The average percentile increases in remuneration of employees other than the managerial personnel in the financial year 2025–26 was 7.95. The percentage increase in the remuneration of the Managing Director was -20.30. No exceptional circumstances were noted.

vi. The remuneration paid by the Company is as per the remuneration policy.

2. The names of the top ten employees in terms of remuneration drawn and the name of every employee, who:

   i. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

   ii. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:

There was no employee in the Company covered in this category during the period under review. However, the list of top ten employees in terms of remuneration drawn during the financial year are as follow:

Particulars	Details	Details	Details	Details	Details
Name	Kuldip Bhargava	Tejasvi Bhargava	Birdhi Chand Jain	Shankar Angrish	Kapil Mittal
Designation	Chairman cum Director	Managing Director	Chief Financial Officer	Executive	Chartered Accountant
Remuneration received for FY 2025-26	Rs. 42.52 Lakh	Rs. 39.52 Lakh	Rs. 13.34 lakh	Rs. 12 lakh	Rs. 10.58 lakh
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Graduation	Post Graduate	Chartered Accountant	Graduation	Chartered Accountant
Experience	42 Years	23 Years	23 years	21 years	14 years
Date of commencement of employment	08 May, 1990	01 January 2016	01 July 2008	01 October 2017	01 June 2013
Age (years)	Aged about 72 years	46 Years	64 Years	68 Years	35 Years
Last employment	NA	NA	NA	NA	NA
Percentage of Equity shares held (as per rule 5(2)(iii) i.e. along with his spouse and dependent children, if any)	672800 Equity Shares i.e. 23.57 %	213600 Equity Shares i.e. 7.48%	1000 Equity Shares	NA	1000 Equity Shares
Name of Director to whom he/she is related	Father of Mr. Tejasvi Bhargava.	Son of Mr. Kuldip Bhargava	NA	NA	NA

Particulars	Details	Details	Details	Details	Details
Name	Gagandeep Mehta	Manoj Kumar Verma	Anita Jain	Preet Bhargava	Divya Bhargava
Designation	General Manager	Manager	Assistant Marketing	General Manager communication	General Manager administration
Remuneration received for FY 2025-26	Rs. 9.56 lakh	Rs. 7.89 lakh	Rs. 6.23 lakh	Rs. 6.22 lakh	Rs. 6.22 lakh
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Post graduation	Graduation	graduation	graduation	graduation
Experience	17 years	15 years	16 Years	10 years	10 years
Date of commencement of employment	01 March 2006	01 April 2010	01 May 2013	01 April 2010	01 March 2004
Age (years)	46 years	53 Years	56 Years	44 Years	46 Years
Last employment	NA	NA	NA	NA	NA
Percentage of Equity shares held (as per rule 5(2)(iii) i.e. along with his spouse and dependent children, if any)	1000 Equity Shares	NA	NA	NA	NA
Name of Director to whom he is related	NA	NA	NA	Son's wife of Mr. Kuldip Bhargava	Wife of Mr. Tejasvi Bhargava

Other details as per rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follow:

The details of employee who if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Sr. No.	Particulars	Details
1	Name	Kuldip Bhargava
2	Designation	Chairman cum Director
3	Remuneration received for FY 2025-26	Rs. 42.52 Lakh
4	Nature of employment	Permanent
5	Qualification	Graduation
6	Experience	42 Years
7	Date of commencement of employment	08 May, 1990
8	Age (years)	Aged about 72 years
9	Last employment	NA
10	Percentage of Equity shares held (as per rule 5(2)(iii) i.e. along with his spouse and dependent children, if any)	672800 Equity Shares i.e. 23.57 %
11	Name of Director to whom he is related	Mr. Tejasvi Bhargava, Managing Director is the son of Mr. Kuldip Bhargava.

For and on behalf of the
Board of Directors
Quality Foils (India) Limited

Sd/-
Kuldip Bhargava
Chairman
DIN: 00011103
R/o: Anand bhawan,
Hisar, Haryana-125001

Date: August 10, 2026
Place: Hisar

Annexure D

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is engaged in the manufacture of Cold Rolled Stainless Steel Strips and Stainless Steel Tubes & Pipes. From manufacturing process involved, it may be classified as a stainless steel strips, tubes and pipes manufacturer. The Indian steel industry has made a rapid progress on strong fundamentals over the recent few years. The industry is getting all essential ingredients required for dynamic growth. The government is backing the industry through favorable industrial reforms. Indian steel demand is expected to boost by Infrastructure & Construction development sustained by industrial, manufacturing and capital goods and be stimulated by the automotive, railways and consumer durable sectors.

A. Industry Structure and Developments

The Company is engaged in the manufacture of Cold Rolled Stainless Steel Strips and Stainless Steel Tubes & Pipes, catering to diverse industrial and commercial applications. The stainless steel industry forms an important part of the country's manufacturing sector, with products being extensively used in infrastructure, construction, automotive, railways, engineering, food processing, pharmaceuticals, chemical processing, oil & gas, renewable energy and consumer goods owing to their strength, corrosion resistance, durability and recyclability.

The Indian stainless steel industry comprises integrated steel producers, cold rolling mills, tube and pipe manufacturers, processors, service centres and distributors. Increasing industrialisation, urban infrastructure development, expansion of manufacturing activities and growing demand for corrosion-resistant materials continue to support the long-term growth of the sector. Government initiatives such as *Make in India*, enhanced infrastructure spending and the growing focus on sustainable and recyclable materials are expected to further drive demand for stainless steel products.

The Company continues to focus on manufacturing high-quality products, improving operational efficiencies, expanding its customer base and strengthening its market presence to capitalise on the opportunities offered by the evolving stainless steel industry.

B. Opportunities and Threats

Opportunities:

- Rising demand from sectors such as construction, automotive, engineering, food processing, pharmaceuticals, renewable energy and process industries presents significant opportunities for value-added stainless steel strips, tubes and pipes.
- Continuous technological advancements, product innovation and customer-specific solutions offer opportunities to enhance product value and strengthen market competitiveness.

Threats:

- Intense competition from domestic manufacturers as well as low-priced imports may exert pressure on pricing and market share.
- Volatility in the prices of key raw materials such as stainless steel coils, nickel, chromium and ferro alloys may impact production costs and profit margins.

C. Segment-Wise or Product-Wise performance

The Company operates in a single reportable business segment in accordance with the applicable Indian Accounting Standards. However, from a product perspective, the Company's principal business comprises the manufacture of Cold Rolled Stainless Steel Strips, along with Stainless Steel Pipes, Hose, Job Work and Scrap Sales.

During the financial year under review, Cold Rolled Stainless Steel Strips continued to be the Company's flagship product, contributing 90% of the total revenue from operations. Revenue from this product category registered an approximate growth of 24% over the previous financial year, reflecting sustained demand from existing customers, expansion of the customer base and improved operational efficiencies.

The balance revenue was generated from Stainless Steel Pipes, Hose, Job Work and Scrap Sales, which continued to complement the Company's core manufacturing operations and contributed to the overall revenue stream.

The Company's continued focus on product quality, timely delivery, customer satisfaction and efficient manufacturing processes enabled it to strengthen its position in the cold rolled stainless steel products market. Management remains committed to further enhancing its product portfolio and operational capabilities to achieve sustainable growth.

D. Outlook

The outlook for the stainless steel industry remains positive, driven by continued growth in infrastructure, manufacturing, construction and other industrial sectors. The increasing demand for quality stainless steel products, supported by Government initiatives and expanding industrial activities, is expected to create long-term growth opportunities. The Company remains focused on strengthening its core business of Cold Rolled Stainless Steel Strips while enhancing operational efficiency, product quality and customer satisfaction. Despite challenges such as fluctuations in raw material prices, global market uncertainties and competitive pressures, the management remains confident that its focus on operational excellence, prudent cost management and customer-centric approach will support sustainable growth in the coming years.

E. Risks and Concerns

The Company operates in a competitive business environment and is exposed to various business risks, including fluctuations in the prices and availability of raw materials, changes in market demand, intense competition, foreign exchange fluctuations, regulatory changes and overall economic conditions. Rising energy and logistics costs may also impact operating margins.

To mitigate these risks, the Company follows prudent procurement practices, maintains strong customer relationships, focuses on cost optimisation, quality assurance and operational efficiency, and continuously monitors market developments. The management regularly reviews potential risks and takes appropriate measures to minimise their impact on the Company's operations and financial performance.

F. Internal Control Systems and their adequacy

The company has policies and procedures 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, in place to cope with internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

In the context of the Company's core manufacturing operations — including the production of Cold Rolled Stainless Steel Precision Strips and Coils and Stainless Steel Flexible Hoses — the internal financial controls are specifically aligned to:

- **Procurement and Raw Material Inventory Management**
  Controls are in place for vendor selection, purchase order approvals, goods inward checks, and inventory reconciliation.
- **Production Planning and Cost Control**
  Systems have been implemented to monitor machine utilization, process yields, and wastage, helping to track cost efficiency at every stage of manufacturing.
- **Sales, Dispatch, and Receivables**
  Controls exist to ensure proper billing, dispatch tracking, credit management, and receivables aging analysis.
- **Fixed Asset Management**
  Asset acquisition, capitalization, and depreciation processes are governed by defined policies.
- **IT and Data Controls**
  The Company uses ERP systems for finance, inventory, and production tracking. Access rights are restricted and reviewed periodically to ensure data integrity.

The internal audit team, in coordination with the statutory auditors, periodically evaluates the adequacy and effectiveness of internal controls. Based on their reports, corrective measures are undertaken to enhance the control environment

G. Discussion on Financial Performance with Respect to Operational Performance

The total income for the financial year 2025-26 has increased to Rs. 18477.17 Lakhs, as against Rs. 15280.19 Lakhs in the financial year 2024-25, and the profit after tax has increased to Rs. 147.07 Lakhs in the financial year 2025-26, from Rs. 141.85 Lakhs in the financial year 2024-25.

H. Material Developments in Human Resources / Industrial Relations

The Company firmly believes that its employees are its most valuable asset and remains committed to fostering a safe, healthy and inclusive work environment. During the year under review, industrial relations remained cordial and harmonious across all levels of the organisation, and there were no significant industrial disputes affecting the Company's operations.

During the year, the company focused on training programs in quality control, safety, and lean manufacturing practices. The total number of employees as on March 31, 2026, stood at 203. Industrial relations remained cordial throughout the year, with no strikes or disruptions

I. Ratios:

Ratios	FY 2025-26	FY 2024-25	Variance	Reasons for variance
Current Ratio	1.20	1.17	2.56%	-
Debt-equity ratio	2.08	1.95	6.50%	-
Debt service coverage ratio	0.94	0.55	71.55%	Due to increase in PBDIT
Return on Equity	4.65	4.70	-1.04%	-
Inventory turnover (no. of days)	48	45	5.88%	-
Trade receivables turnover (no. of days)	52	59	11.23%	-
Trade payables turnover (no. of days)	3.84	3.54	8.34%	-
Net capital turnover	22.12	12.40	78.42%	Due to decrease in net working capital and increase in sales
Net profit margin (%)	0.80	0.93	-14.41%	-
Operating profit margin (%)	4.38	3.87	13.18%	-
Return on capital employed	11.32	8.81	28.46%	Due to increase in PBIT
Return on investments	-	-	-	-

J. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

There is a slight decrease of 0.05% in return on Net Worth as compared to the previous financial year.

For and on behalf of the
Board of Directors
Quality Foils (India) Limited
Sd/-
Kuldip Bhargava
Chairman
DIN: 00011103
R/o: Anand bhawan,
Hisar, Haryana-125001

Date: **10th August, 2026**
Place: Hisar

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
Quality Foils (India) Limited
(Formerly known as Quality Foils (India) Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Quality Foils (India) Limited** ("the Company"), for the year ended 31st March, 2026 which comprise the Balance Sheet and the Statement of Profit and Loss and the Statement of Cash Flows as at and for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information in accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and gives a true and fair view in conformity with the Accounting Principles generally accepted in India of the State of Affairs of the Company for the Year ended March 31, 2026, and its Profit and Cash Flows for the Year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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 judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the work during the year no such matter to be reported in this regard.

Information other than the Financial Statements and Auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this audit report, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those charged with Governance for the Financial Statements

The Company's management and Board of Directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the **"Annexure-A"** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, based on our audit we report that:

   (1) 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.

   (2) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   (3) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (4) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (5) On the basis of written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   (6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (7) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (8) 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, in our opinion and to the best of our information and according to the explanations given to us:

(a) The Company does not have any pending litigation which would impact on its financial position.

(b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to notice that has caused them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

(e) The company has not declared any dividend during the year.

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

Place: Hisar
Date: May 27, 2026

For KANSAL JAIN AND ASSOCIATES
Chartered Accountants
(Firm's registration no. 023083N)

Sd/-
(CA AKHIL JAIN)
PARTNER
(M. No.: 517602)
(UDIN: 26517602VVLUZU8064)

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our report to the Members of **Quality Foils (India) Limited** of even date)

1. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

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

(ii) The company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the registered sale deed/ title deed/ conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. There are no immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements.

(d) The company has not revalued its Property, Plant and Equipment during the year.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending during the year on 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.

2. (a) As explained to us, the inventories have been physically verified by the management during the year at reasonable intervals. In our opinion, the coverage and procedure of verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The company has been sanctioned working capital limits in excess of five crores in agreegate from banks and/or financial institutions on the basis of security of current assets and the quarterly returns and monthly statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.

3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Company Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

5. In our opinion and according to the information and explanations given to us, the company has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits.

6. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules,2014, as amended and prescribed by the Central government under sub-section (1) of section 148 of the Companies Act,2013, and are of the opinion that, prime facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, duty of Custom, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they become payable.

(b) there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes.

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

9. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.

(b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the loans raised during the year were applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

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

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

11. (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, no Whistle Blowers Complaints were received during the year under review.

12. The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

13. As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.

14. In our opinion, the Company has an adequate Internal Audit System commensurate with the size and nature of its business and we have considered the report of internal auditor for the year under review for our audit purpose.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

16. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

17. The company has not incurred cash loss in current financial year as well in immediately preceding financial year.

18. There has been no resignation of the previous statutory auditors during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

20. There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

21. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable to the company.

Place: Hisar
Date: May 27, 2026

For KANSAL JAIN AND ASSOCIATES
Chartered Accountants
(Firm's registration no. 023083N)

Sd/-
(CA AKHIL JAIN)
PARTNER
(M. No.: 517602)
(UDIN: 26517602VVLUZU8064)

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 (6) under 'Report on other legal and regulatory requirements' of our report to the members of Quality Foils (India) Limited of even date)

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

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

Management's responsibility for internal financial controls

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

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future s are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

Place: Hisar
Date: May 27, 2026

For KANSAL JAIN AND ASSOCIATES
Chartered Accountants
(Firm's registration no. 023083N)

Sd/-
(CA AKHIL JAIN)
PARTNER
(M. No.: 517602)
(UDIN: 26517602VVLUZU8064)

QUALITY FOILS (INDIA) LIMITED

(Formerly known as Quality Foils (India) Private Limited)

(CIN: L27107HR1990PLC030929)

BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. in Lakhs)

PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2026	AS AT 31ST MARCH, 2025
EQUITY AND LIABILITIES:			
Shareholders' Funds			
Share Capital	2	285.40	285.40
Reserves and Surplus	3	2,876.73	2,729.66
Total Shareholders' Funds		3,162.13	3,015.06
Non-current Liabilities			
Long Term Borrowings	4	2,317.11	2,122.06
Long Term Provisions	5	192.39	202.11
Deferred Tax Liabilities (Net)		274.57	250.58
Other Non current Liabilities	6	-	-
Total Non-current liabilities		2,784.07	2,574.75
Current Liabilities:			
Short term Borrowings	7	4,249.82	3,751.92
Trade Payables	8		
(i) Due to Micro and Small Enterprises		-	-
(ii) Due to others		87.85	238.55
Other Current Liabilities	9	237.53	182.80
Short Term Provisions	10	66.21	59.31
Total Current Liabilities		4,641.41	4,232.58
TOTAL EQUITY AND LIABILITIES		**10,587.61**	**9,822.39**
ASSETS:			
Non-current Assets:			
Property, Plant and Equipment, Intangible Asstes			
- Property, Plant and Equipments	11	4,923.92	4,671.43
- Capital work in progress		-	81.60
- Intangible Assets		-	-
Non-current Investments	12	40.05	40.05
Long Term Loans and Advances	13	-	-
Other Non-current Assets	14	54.27	61.27
Total Non-current Assets		5,018.24	4,854.36
Current Assets:			
Inventories	15	2,431.22	2,088.28
Trade Receivables	16	2,825.89	2,454.79
Cash and cash equivalents	17	139.72	127.59
Short Term Loans and Advances	18	30.30	26.88
Other Current Assets	19	142.24	270.50
Total Current Assets		5,569.37	4,968.04
TOTAL ASSETS		**10,587.61**	**9,822.39**

The accompanying Note Nos. 1 to 40 form an integral part of the financial statements.

AUDITOR'S REPORT
AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR KANSAL JAIN AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Reg. No. 023083N)

Sd/-
(CA AKHIL JAIN)
PARTNER
(M. NO. 517602)
UDIN: 26517602VVLUZU8064
Place: Hisar
Dated: May 27, 2026

FOR QUALITY FOILS (INDIA) LIMITED

Sd/-
TEJASVI BHARGAVA
(Managing Director)
(DIN: 00011205)

Sd/-
KULDIP BHARGAVA
(Chairman & Director)
(DIN: 00011103)

Sd/-
CS VIKAS
(Company Secretary)

Sd/-
BIRDHI CHAND JAIN
(Chief Financial Officer)

QUALITY FOILS (INDIA) LIMITED

(Formerly known as Quality Foils (India) Private Limited)

(CIN: L27107HR1990PLC030929)

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

(Rs. in Lakhs)

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH, 2026 (Rs.)	FOR THE YEAR ENDED 31ST MARCH, 2025 (Rs.)
REVENUE			
Revenue from Operations	20	18,400.97	15,084.74
Other Income	21	76.20	195.45
Total Revenue		18,477.17	15,280.19
EXPENSES:			
Cost of Material Consumed	22	16,043.48	12,949.74
Changes in Inventories of Finished goods and Work-in-progress	23	(512.03)	(268.17)
Employee Benefit Expenses	24	679.67	662.45
Finance Cost	25	445.83	231.46
Depreciation		283.24	173.46
Other Expenses	26	1,331.66	1,287.87
Total Expenses		18,271.84	15,036.81
Profit from oridinary activities before Extraordinary Items and Tax		205.33	243.38
Extraordinary Items		-	-
Profit Before Tax		205.33	243.38
Tax Expense:			
- Income tax on extraordinary items		-	-
- Current Tax		34.27	29.75
- Deferred Tax		23.99	62.65
- Taxes pertaining to earlier years		-	9.13
PROFIT FOR THE PERIOD/YEAR		147.07	141.85
Earnings per equity share (face value of Rs. 10 each)			
Basic and Diluted (in Rs.)			
On oridinary items		5.15	4.97
On extraordinary items		-	-

The accompanying Note Nos. 1 to 40 form an integral part of the financial statements.

FOR QUALITY FOILS (INDIA) LIMITED

AUDITOR'S REPORT
AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR KANSAL JAIN AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Reg. No. 023083N)

Sd/-
TEJASVI BHARGAVA
(Managing Director)
(DIN: 00011205)

Sd/-
KULDIP BHARGAVA
(Chairman & Director)
(DIN: 00011103)

Sd/-
(CA AKHIL JAIN)
PARTNER
(M. NO. 517602)
UDIN: 26517602VVLUZU8064
Place: Hisar
Dated: May 27, 2026

Sd/-
CS VIKAS
(Company Secretary)

Sd/-
BIRDHI CHAND JAIN
(Chief Financial Officer)

Cash Flow Statement for the Financial Year ended 31st March 2026

PARTICULARS	For the year ended 31.03.2026		For the year ended 31.03.2025	
A. **Cash Inflow/(Outflow) from Operating Activities**				
Net Profit Before Tax & Extraordinary Items		205.33		243.38
Adjustment for:				
Depreciation		283.24		173.46
Interest Income		(71.66)		(33.91)
Dividend Income		(0.17)		(0.17)
Rent Received		(2.40)		(4.82)
Foreign Currency Fluctuation		(1.32)		(0.55)
Liabilities written off		(0.64)		(0.06)
Profit on Sale of Fixed assets		-		(155.95)
Profit on Sale of Investments		-		-
Finance Cost		445.83		231.47
Operating Profit before working Capital Changes		858.19		452.85
Adjustment for:				
(Increase)/Decrease in Inventories		(342.94)		(620.91)
(Increase)/Decrease in trade receivables		(371.10)		(47.74)
(Increase)/Decrease in other assets		124.85		(241.97)
Increase/(Decrease) in Liabilities and provisions		(89.07)		264.88
Cash Inflow from Operating Activities		179.93		(192.89)
Rent Received		2.40		4.82
Interest Income		71.66		33.91
Liabilities written off		0.64		0.06
Foreign Currency Fluctuation		1.32		0.55
Income Tax Paid		(34.27)		(38.88)
Cash Inflow Before Extra Ordinary items		221.68		(192.43)
Extra ordinary items		-		-
Net Cash inflow		221.68		(192.43)
B. **Cash Inflow/(Outflow) from Investing Activities**				
Purchase of Capital Goods/Fixed Assets	(454.12)		(2,528.22)	
Sale of Capital goods/Fixed Assets	-		218.05	
(Increase)/Decrease in other non current assets	7.00		347.93	
Increase/(Decrease) in non-current Liabilities/provisions	(9.73)		0.09	
Dividend Income	0.17		0.17	
Income Tax on extraordinary items	-		-	
Net Cash from investing activities		(456.68)		(1,961.98)
C. **Cash Inflow/(Outflow) from Financing Activities**				
Proceeds from issue of share capital	-		-	
Proceeds from long term borrowings	829.56		2,020.46	
Proceeds from short term borrowings	407.90		1,340.02	
Repayment of long term borrowings	(544.51)		(956.53)	
Interest Paid	(445.83)		(231.47)	
Net cash from Financing activities		247.13		2,172.48
Net Changes in Cash & Cash Equivalents		12.13		18.07
Cash & Cash Equivalents (Opening balance)		**127.59**		**109.52**
Cash & cash Equivalents (Closing balance)		**139.72**		**127.59**

AUDITOR'S REPORT
AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR KANSAL JAIN AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Reg. No. 023083N)
Sd/-
(CA AKHIL JAIN)
PARTNER
(M. NO. 517602)
UDIN: 26517602VVLUZU8064
Place: Hisar
Date: May 27, 2026

FOR QUALITY FOILS (INDIA) LIMITED

Sd/-
TEJASVI BHARGAVA
(Managing Director)
(DIN: 00011205)

Sd/-
KULDIP BHARGAVA
(Chairman & Director)
(DIN: 00011103)

Sd/-
CS VIKAS
(Company Secretary)

Sd/-
BIRDHI CHAND JAIN
(Chief Financial Officer)

STATEMENT OF FINANCIAL RESULTS FOR THE YEAR AND HALF-YEAR ENDED 31.03.2026

(Rs. In Lakhs)

PARTICULARS	For the Half year ended			For The Year ended	
	01.10.2025 to 31.03.2026 (Audited)	01.04.2025 to 30.09.2025 (Unaudited)	01.10.2024 to 31.03.2025 (Audited)	31st March 2026 (Audited)	31st March 2025 (Audited)
REVENUE					
Revenue from Operations	8975.21	9425.76	7701.89	18400.97	15084.74
Other Income	70.51	5.69	160.95	76.20	195.45
Total Revenue	9045.72	9431.45	7862.84	18477.17	15280.19
EXPENSES:					
Cost of Material Consumed	7992.57	8050.91	6327.78	16043.48	12949.74
Changes in Inventories of Finished goods and Work-in-progress	-530.20	18.16	267.99	-512.04	-268.17
Employee Benefit Expenses	355.17	324.50	317.01	679.67	662.45
Finance Cost	258.16	187.67	99.62	445.83	231.47
Depreciation	143.57	139.67	83.76	283.24	173.46
Other Expenses	730.67	600.99	664.49	1331.66	1287.86
Total Expenses	8949.94	9321.90	7760.65	18271.84	15036.81
Profit from oridinary activities before Extraordinary Items and Tax	95.78	109.55	102.19	205.33	243.38
Extraordinary Items	-	-	-	-	-
Profit Before Tax	95.78	109.55	102.19	205.33	243.38
Tax Expense:					
- Income tax on extraordinary items	-	-	-	-	-
- Current Tax	7.29	26.98	20.44	34.27	29.75
- Deferred Tax	23.99	-	-	23.99	62.65
- Taxes pertaining to earlier years	-	-	-	-	9.13
NET PROFIT FOR THE PERIOD/YEAR	64.50	82.57	81.75	147.07	141.85
Earnings per equity share (face value of Rs. 10 each)					
Basic and Diluted (in Rs.)					
On ordinary items	2.26	2.89	2.86	5.15	4.97
On extraordinary items	-	-	-	-	-

Notes:

1. The financial results of the Company for the financial year ended on March 31, 2026 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on May 27, 2026. The results are being published in accordance with Regulation 33 of the SEBl (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Company has received NIL complaint from shareholders during the quarter ended on March 31, 2026.
3. The Financial Results of the Company have been prepared in accordance with Accounting Standards (AS) notified under Section 133 of companies act, 2013 read with the Companies (Accounts) Rules, 2014 as considered material or appropriate.
4. There are no separate reportable segments as per AS 17 on "Segment Reporting" in respect of the Company.
5. Tax expenses include current tax and deferred tax.
6. The figures of the previous periods have been regrouped/reclassified wherever necessary to confirm with the current period's classification.
7. Comparative figures have been rearranged /regrouped wherever necessary.
8. Cash flow Statement for the financial year ended March 31, 2026 is attached herewith.
9. The figures of last half year are the balancing figures between audited figures in respect of the full Financial Year and the published half year figures upto the first half year of the current Financial Year.

For and on behalf of the Board of Directors of
Quality Foils (India) Limited

AUDITOR'S REPORT

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR KANSAL JAIN AND ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Reg. No. 023083N)

Sd/-
TEJASVI BHARGAVA
(Managing Director)
(DIN: 00011205)

Sd/-
KULDIP BHARGAVA
(Chairman & Director)
(DIN: 00011103)

Sd/-
(CA AKHIL JAIN)
PARTNER
(M. NO. 517602)
UDIN: 26517602VVLUZU8064
Place: Hisar
Dated: May 27, 2026

Sd/-
CS VIKAS
(Company Secretary)

Sd/-
BIRDHI CHAND JAIN
(Chief Financial Officer)

Notes Forming Integral Part of the Financial Statements

For the Year Ended 31st March 2026.

NATURE OF BUSINESS OPERATIONS:

Quality Foils (India) Limited (hereinafter referred to as 'the company') is a manufacturer of Cold Rolled Stainless Steel Strips/coils and Stainless Steel Flexible Hose Pipes.

The company incorporated under the provisions of the Companies Act, 1956 and domiciled in India. The registered office of the company is at 3, Industrial Development Colony, Hisar, Haryana-125005. The company is a public limited company and is listed on SME Platform of National Stock Exchange of India Ltd. (NSE EMERGE).

Note 1: ACCOUTING POLICIES:

1.1 STATEMENT OF COMPLIANCE

The Standalone Financial Statements of the Company have been prepared in accordance with the Accounting Principles generally accepted in India. The Financial Statements have been prepared to comply in all material respects with the Accounting Standards, as prescribed under section 133 of the Companies Act, 2013 and the rules defined there under, as amended from time to time and in accordance with the requirements of Regulation 33 of the SEBl (Listing Obligations and disclosure Requirements) Regulations 2015, as amended. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27/05/2026. IND AS is currently NOT applicable on the company.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.2.1 i) The standalone financial statements of the company have been prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 and the rules framed thereunder as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI").
ii) The Financial Statements are prepared on accrual basis under the historical cost convention.

1.2.2 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the Company is Indian rupee (INR). The standalone financial statements are presented in Indian rupees (INR) and all values are rounded to nearest Lakhs up to two decimals, unless otherwise stated.

1.2.3 USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted Accounting Standards and principles requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the year. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes and estimates are made as Management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 PROPERTY, PLANT AND EQUIPMENT

i) Tangible assets:

Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are reflected under Capital Work-in-Progress.

ii) Depreciation:

Depreciation on Property, Plant and Equipment is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of those assets where useful life is different than those prescribed in Schedule II are used. The residual value is not more than 5% of the original cost of the Asset. The Asset residual value, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of addition or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

iii) Intangible Assets :

The Company does not have any Intangible Assets.

iv) Impairment of Assets:

An asset is treated as impaired, if any, when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.4 INVESTMENTS

All investments are classified as Long Term Investments. On initial recognition, all Investments are measured at Cost. The Cost comprises the Purchase Price and directly attributable acquisition charges such as Brokerage, Fees and Duties.

Long Term Investments are carried at Cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the Long Term Investments.

On disposal of an investment, the difference between its Carrying Amount and Net Disposal Proceeds is charged or credited to the Statement of Profit and Loss.

1.5 VALUATION OF INVENTORIES

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any, except in case of by-products, which are valued at the net realizable value. Cost of inventories comprises of all costs of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, store and spares, packing materials, trading and other products are determined on the basis of valuation of the finished goods as per the provisions so applicable.

i) Raw Material, Components, stores and spares: Raw Material, Components, stores and spares are valued at cost.

ii) Work-in-Progress and Finished Goods: Work-in-Progress and Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overhead based on normal operating capacity. Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

1.6 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, volume rebates if any, and taxes or duties collected on behalf of the government, which are levied on sales such as Goods and Services Tax. Revenue is recognized either in time or point of time, when (or as) the Company satisfies performance obligations by transferring the goods or services to its customers. The company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as mentioned in Statement of Profit & Loss.

i) Sale of Goods: Revenue from sale of goods is recognized at the point of dispatch of the finished goods to the customers against invoice(s). The company collects Goods & Service Tax on behalf of the government and therefore these are not economic benefits flowing to the companies, hence, they are excluded from the revenues.

ii) Export Benefits: Export Benefits constituting import duty benefits under Duty Draw Back are accounted for on accrual basis. The same is recognized in the books of accounts in the year in which the right to receive the duty draw back credit as per the terms of the scheme is established in respect of the export made.

iii) Dividends: Dividend Income is recognized when the right to receive payment is established.

iv) Interest Income: Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

v) Insurance Claims: Insurance and other claims, if any, are recognized when there exist no significant uncertainty with regard to the amount to be realized and the ultimate collection thereof.

1.7 FOREIGN EXCHANGE TRANSACTION

Transactions denominated in foreign currencies are translated into functional currency using the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are restated at year-end rates. In the case of items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract, if any, is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

Non-monetary foreign currency items are carried at cost.

In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss, except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

1.8 BORROWING COSTS

Borrowing cost attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other Borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing Cost consists of Interest and Other Cost that an entity incurs in connection with the Borrowing of funds.

1.9 EMPLOYEE BENEFITS

i) POST EMPLOYMENT BENEFITS

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) SHORT TERM EMPLOYEE BENEFITS

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits, such as salaries, wages, bonus etc. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

1.10 TAXATION

Income Tax comprised of Current Income tax, Deferred Taxes and Mat Credit.

i) Current Income Tax: Current Income Tax for the current and prior periods are measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

ii) Deferred Income Tax: Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent 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 utilized. The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

iii) MAT Credit: MAT Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in Guidance Notes issued by the ICAI, the said asset is created by way of a credit to the statement of profit & loss and shown as MAT Credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

1.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in the accounts, when there is a present obligation as a result of past event(s) and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are discounted to their present values, where the time value of money is material.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.12 DIVIDEND TO EQUITY HOLDER OF THE COMPANY

The Company recognizes a liability to make dividend distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India a distribution is authorized when it is approved by the shareholders. However, Board of Directors of a Company has not declared/approved any dividend during the period under consideration.

1.13 EARNING/(LOSS) PER SHARE

Basic earnings/(Loss) per share are calculated by dividing the net profit/ (Loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders; share split; and reverse share split (consolidation of shares), if any.

For the purpose of calculating diluted earnings/(loss) per share, the net profit (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares.

Notes on Financial Statements for the year ended 31st March 2026

	PARTICULARS	As at 31st March, 2026		As at 31st March, 2025	
		No. of shares	Amount	No. of shares	Amount
2	**EQUITY SHARE CAPITAL:**				
	AUTHORISED CAPITAL:				
	Equity Shares of Rs. 10/- each	4000000	400.00	4000000	400.00
	ISSUED, SUBSCRIBED & PAID UP CAPITAL :				
	Equity Shares of Rs. 10/- each fully paid up	2854000	285.40	2854000	285.40

Terms/Rights to Equity Shares:

i. The company has only one class of shares referred to as Equity Shares having a face value of Rs. 10/- each.

ii. Each equity shareholder is entitled for one vote per share.

(a) Reconciliation of the number of shares outstanding:

Equity Shares	As at 31.03.2026 No. of shares	As at 31.03.2025 No. of shares
Shares outstanding at the beginning of the year (FV 10/- each)	28,54,000	28,54,000
Add: Fresh Shares issued during the year (FV 10/- each)	-	-
Shares outstanding at the end of the year (FV 10/- each)	28,54,000	28,54,000

(b) The details of Shareholders holding more than 5% shares:

Name of the shareholder	As at 31.03.2026		As at 31.03.2025	
	No. of shares	% of shares	No. of shares	% of shares
Kuldip Bhargava	672800	23.57%	662800	23.22%
Tejasvi Bhargava	173600	6.08%	173600	6.08%
Kuldip Bhargava (HUF)	152050	5.33%	1,30,050	4.56%
Satellite Developers Pvt. Ltd.	285250	9.99%	334250	11.71%
Quality Stainless Pvt Ltd	184200	6.45%	184200	6.45%
Quality Bio Green Pvt. Ltd.	230550	8.08%	230550	8.08%

(c) Promoters' Shareholding:

Name of the promoter	As at 31.03.2026		As at 31.03.2025		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
Kuldip Bhargava	672800	23.57%	6,62,800	23.22%	0.35%
Tejasvi Bhargava	173600	6.08%	1,73,600	6.08%	-
Kuldip Bhargava (HUF)	152050	5.33%	1,30,050	4.56%	0.77%
Smt. Anshu Bhargava	115200	4.04%	1,15,200	4.04%	-
Tapasvi Bhargava	131900	4.62%	1,31,900	4.62%	-
Jagdeep Bhargava	13500	0.47%	13,500	0.47%	-
Manjula Vasudeva	27000	0.95%	27,000	0.95%	-
Quality Stainless Pvt Ltd	184200	6.45%	1,84,200	6.45%	-
Quality Bio Green Pvt. Ltd.	230550	8.08%	2,30,550	8.08%	-

			As at 31st March, 2026	As at 31st March, 2025
3	**RESERVES AND SURPLUS:**			
	GENERAL RESERVE			
	As per last Balance Sheet		82.10	82.10
	Add: During the year		-	-
		(a)	82.10	82.10
	SECURITY PREMIUM			
	As per last Balance Sheet		628.00	628.00
	Add: During the year		-	-
		(b)	628.00	628.00
	SURPLUS:			
	Profit and Loss account			
	As per last Balance Sheet		2,019.56	1,877.71
	Less: Transferred to General Reserve		-	-
			2,019.56	1,877.71
	Add: Profit for the period/year		147.07	141.85
		(c)	2,166.63	2,019.56
		Total (a+b+c)	2,876.73	2,729.66

Notes on Financial Statements for the year ended 31st March 2026

	PARTICULARS		As at 31st March, 2026 Amount	As at 31st March, 2025 Amount
4	**LONG TERM BORROWINGS:**			
	SECURED:			
	From Axis Bank Ltd.-Term Loan*		894.44	1,127.78
	From Axis Bank Ltd. - WCTL under ECLGS**		-	60.67
	From ICICI Bank Ltd. - WCTL***		397.22	319.44
	From Sarva Haryana Gramin Bank****		22.09	25.82
	From Mercedes-Banz Fin. Services India Pvt Ltd..*****		9.93	24.48
		(a)	1,323.69	1,558.19
	UNSECURED:			
	From Other parties:			
	- Directors		541.70	553.71
	- Corporate loans		451.72	10.16
		(b)	993.42	563.87
		Total (a+b)	2,317.11	2,122.06

*Loan(s) are secured against: a) First parri-passu charge with other lendors on immovable property, on movable fixed assets of the company except financed exclusively charged by other banks and on present and future current assets of the company. The loan is repayable in monthly instalments. The loan(s) carries rate of interest from 7.65% p.a. to 8.50% p.a.

**Secured by extension of existing charge by equitable mortgage on company's immovable properties and hypothecation of movable fixed asstes both present and future. The loan is repayable in monthly instalments. The loan carries rate of interest ranging from 7.65% p.a. to 8.50% p.a., including current maturities.

***Secured by extension of existing charge by equitable mortgage on company's immovable properties and hypothecation of movable fixed asstes both present and future. The loan is repayable in monthly instalments. The loan carries rate of interest ranging from 7.85% p.a. to 8.50% p.a., including current maturities.

****Secured by hypothecation of vehicles. The loan(s) are repayable in monthly instalments. The loan carries rate of interest @ 8.85% p.a.

*****Secured by hypothecation of vehicles. The loan(s) are repayable in monthly instalments. The loan carries rate of interest @ 7.81% p.a.

Maturity Profile of borrowings are as set out below: (Amount Rs. in Lakhs)

Particulars	Maturity Profile				
	FY 2026-27	FY 2027-28	FY 2028-29	Beyond FY 2028-29	Total
*Axis Bank Ltd.-Term Loan (New)	233.33	233.33	233.33	427.79	1,127.78
**Axis Bank Ltd. - WCTL under ECLGS	60.67	-	-	-	60.67
***ICICI Bank Ltd. - WCTL	300.00	286.11	111.11	-	697.22
****Sarva Haryana Gramin Bank car loan	4.43	4.50	4.60	12.99	26.52
*****Mercedes Benz Fin. Serv.- Car Loan	14.28	9.93	-	-	24.21
Total	**612.71**	**533.87**	**349.04**	**440.78**	**1,936.40**

Notes on Financial Statements for the year ended 31st March 2026

5	**LONG TERM PROVISIONS:**		
	Long Term Employee Benefits (gratuity)	192.39	202.11
		192.39	202.11
6	**OTHER NON CURRENT LIABILITIES**		
	Securities	-	-
		-	-
	CURRENT LIABILITIES:		
7	**SHORT TERM BORROWINGS:**		
	Secured:		
	From Banks:		
	a. Working Capital Limits	2,640.91	2,431.69
	b. Letter of Credit payable	996.21	797.52
	c. Current maturities of long-term borrowings	612.71	522.71
		4,249.82	3,751.92

Note: Short term borrowings are secured by first pari-passu charge by hypothecation of raw materials, work-in-progress, finished goods, stores and spares, book debts and movable and immovable propery, plant and machinery, land and building of the company. The rate of interest on borrowings ranging from 7.65% p.a. to 8.50% p.a.

8	**TRADE PAYABLES***		
	Due to Micro and Small Enterprises	-	-
	Due to others	87.85	238.55
		87.85	238.55
	*Refer note 28		
9	**OTHER CURRENT LIABILITES**		
	Advance from customers	87.50	13.38
	Statutory dues	14.70	9.38
	Other account payables*	135.33	160.04
		237.53	182.80
	*Including expenses payable.		
10	**SHORT TERM PROVISIONS:**		
	Short Term Employee Benefits (gratuity)	66.21	59.31
		66.21	59.31

Notes on Financial Statements for the year ended 31.03.2026

11 PROPERTY, PLANT AND EQUIPMENTS:

TANGIBLE ASSETS

(Rs. in Lakhs)

	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
Description	Cost as at 31-03-2025	Additions during the year	Adjustments/ Transfers/ (Deductions)	Total Cost as at 31-03-2026	Upto 31-03-2025	During the Year	Adjustments/ Transfers/ (Deductions)	Total upto 31-03-2026	As at 31-03-2026	As at 31-03-2025
Land	185.68	-	-	185.68	-	-	-	-	185.68	185.68
Buildings	905.05	98.14	-	1,003.19	192.49	27.53	-	220.02	783.17	712.56
Plant & Equipments	5,275.69	433.62	-	5,709.30	1,651.92	224.01	-	1,875.93	3,833.38	3,623.77
Office Equipments	88.80	3.68	-	92.47	79.00	2.90	-	81.90	10.57	9.79
Furniture & Fixtures	26.02	0.29	-	26.32	15.64	1.37	-	17.00	9.31	10.39
Vehicles	259.88	-	-	259.88	130.63	27.44	-	158.07	101.81	129.25
Total	6,741.12	535.72	-	7,276.84	2,069.68	283.24	-	2,352.92	4,923.92	4,671.43
Capital Work in Progress	81.60	454.12	535.72	-	-	-	-	-	-	81.60
Total	6,822.72	989.84	535.72	7,276.84	2,069.68	283.24	-	2,352.92	4,923.92	4,753.03
Previous Year's	4,371.76	5,167.64	2,716.68	6,822.72	1,911.38	173.46	15.15	2,069.68	4,753.03	2,460.39

Notes on Financial Statements for the year ended 31st March 2026

12 NON CURRENT INVESTMENTS

Particulars	Face value	As at 31.03.2026 No. of Shares	As at 31.03.2026 AMOUNT	As at 31.03.2025 No. of Shares	As at 31.03.2025 AMOUNT
A. EQUITY SHARES (QUOTED)(At cost) :					
(a) JSW Energy Ltd.	10	8640	8.64	8640	8.64
(b) Orbit Corporation Ltd.	10	50000	20.02	50000	20.02
(c) Videocon Industries Ltd.	10	1300	7.92	1300	7.92
(d) Reliance Power Ltd.	10	27	0.08	27	0.08
Total - A			36.66		36.66
B. EQUITY SHARES (UNQUOTED)(At cost) :					
(a) UB Stainless Ltd. (PAN: AAACW0404B)	10	5000	0.50	5000	0.50
(b) Quality Stainless Pvt. Ltd. (PAN: AAACQ0726A)	10	144600	2.89	144600	2.89
Total - B			3.39		3.39
GRAND TOTAL (A+B)			40.05		40.05
Aggregate Market value of quoted investments			41.75		47.41

13 LONG TERM LOANS AND ADVANCES

(Unsecured and considered good)		
Advances to suppliers of capital goods	-	-
	-	-

14 OTHER NON CURRENT ASSETS

(Unsecured and considered good)		
Security deposits	54.27	61.27
	54.27	61.27

15 INVENTORIES

i. Raw Material	47.89	432.17
ii. Work-in-progress	1,397.39	424.04
iii. Finished Goods	292.50	753.82
iv. Stores, spares and consumeables	693.44	478.25
	2,431.22	2,088.28

16 TRADE RECEIVABLES#

Secured, considered good	-	-
Unsecured, considered good		
i. Less than six months	2,773.09	2,403.55
ii. More than six months	52.80	51.23
Doubtful	-	-
	2,825.89	2,454.79

Refer note 29

17 CASH AND CASH EQUIVALENT

(a) Cash and cash equivalent		
Cash in hand	0.91	0.41
Balance with Banks in Current Accounts	5.66	6.32
(b) Other Bank balances		
In Term deposit accounts (Maturity more than 3 months but less than 12 months*)	133.15	120.85
	139.72	127.59

*Pledged with Banks as margin money.

18 SHORT TERM LOANS AND ADVANCES:

(Unsecured and considered good)		
Advance to suppliers	30.30	26.88
	30.30	26.88

Notes on Financial Statements for the year ended 31st March 2026

19 OTHER CURRENT ASSETS:		
(Unsecured and considered good)		
Balance with revenue authorities	75.34	219.50
Prepaid expenses	17.60	7.48
Advance Income Tax/TDS (Net)	16.40	12.74
Other receivables	32.90	30.78
	142.24	270.50

PARTICULARS	2025-26	2024-25
20 REVENUE FROM OPERATIONS		
Sales of Products	18,278.84	14,877.87
Job Work	116.69	204.32
Export Incentives	5.44	2.55
	18,400.97	15,084.74
21 OTHER INCOME :		
Interest received from Bank and others	71.66	33.91
Dividend received	0.17	0.17
Foreign Currency Fluctuation	1.32	0.55
Liabilities written off	0.64	0.06
Rent Received	2.40	4.82
Profit on sale of fixed assets	-	155.95
	76.20	195.45
22 COST OF MATERIAL CONSUMED		
RAW MATERIAL CONSUMED :		
Opeining Stock	432.17	168.66
Add: Purchases (Net of discounts)	15,659.19	13,213.25
	16,091.37	13,381.92
Less: Closing stock	47.89	432.17
Cost of Material consumed	16,043.48	12,949.74
23 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-PROCESS		
Opening Stock of Finished Goods	753.82	302.21
Opening Stock of work-in-progress	424.04	607.49
	1,177.86	909.69
Closing Stock of Finished Goods	292.50	753.82
Closing Stock of work-in-progress	1,397.39	424.04
	1,689.89	1,177.86
Changes in Inventories	(512.03)	(268.17)
24 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and Other Benefits	618.85	602.28
Contribution to Provident and Other Funds	46.78	44.78
Workmen and staff welfare	14.03	15.39
	679.67	662.45
25 FINANCE COST:		
Interest paid to Banks	339.61	211.77
Interest paid to others	89.39	4.32
Other Financial/incidental Charges	16.83	15.37
	445.83	231.46

Notes on Financial Statements for the year ended 31st March 2026

26 OTHER EXPENSES

A	**MANUFACTURING EXPENSES:**		
	Store, Spares and consumables	453.61	416.92
	Power and Fuel	567.87	505.31
	Job charges paid	28.95	14.83
	Freight Inward	40.00	36.87
	Repair and Maintenance - Machinery	8.19	8.73
	Repair and Maintenance - Factory Building	1.63	1.28
	Sub-total	1,100.25	983.95
B	**SELLING, ADMINISTRATIVE & OTHERS:**		
	Advertisement and publicity	0.19	0.66
	Auditors' Remuneration (refer note 31)	0.65	0.65
	Books and Periodicals	0.17	0.17
	Business Promotion Expense	9.31	5.61
	Commission on sales	14.15	15.23
	Quality Allowances	2.08	10.62
	Donations	0.12	0.16
	Fee and Subscription	18.88	18.14
	Freight Outward	95.72	116.21
	Rates and Taxes	0.05	0.04
	Insurance Charges	12.44	10.80
	Legal and Professional Charges	2.24	4.25
	Genaral Expenses	4.94	4.72
	Postage and Telephone	4.85	5.13
	Printing and Stationery	6.51	3.99
	Rent paid	9.14	43.56
	Repair and Maintenance - misc.	2.60	2.08
	Sundry Balances w/off	0.85	0.27
	GST/Input Tax/Service Tax	-	2.00
	Travelling and Conveyance	16.03	25.11
	Vehicles Running and Maintenance	14.18	20.75
	Water Expenses	16.32	13.77
	Sub-total	231.41	303.92
	GRAND TOTAL	1,331.66	1,287.87

Notes on Financial Statements for the Year ended 31st March, 2026

27. Share Capital

i.) Authorised Share Capital: The Authorised Share Capital of the Company as on March 31, 2026 is Rs.4,00,00,000/- divided into 40,00,000 Equity Shares of Rs.10/- each.

ii) The company is a public limited company and is listed on SME Platform of National Stock Exchange of India Ltd. (NSE EMERGE).

28. Trade Payables:

(i) Based on the intimation received from supplier(s) regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below *:

(Rs. In lakhs)

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	Principal amount due outstanding	-	-
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier(s)	-	-
4	Payments made to the supplier(s) beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

* To the extent information available with the company.

(ii).Trade Payables Ageing:

Ageing as at 31.03.2026					Rs. In lakh
Particulars	Less than 1 year	1 year - 2 year	2 year - 3 year	More than 3 year	Total
MSME	-	-	-	-	-
Others	87.85	-	-	-	87.85
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	87.85	-	-	-	87.85

Ageing as at 31.03.2025					Rs. In lakh
Particulars	Less than 1 year	1 year – 2 year	2 year – 3 year	More than 3 year	Total
MSME	-	-	-	-	-
Others	238.55	-	-	-	238.55
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	238.55	-	-	-	238.55

29.Trade Receivables Ageing:

Ageing as at 31.03.2026 Rs. In lakh

Particulars	Not Due	Less than six months	Six months – 1 year	1 year – 2 year	2 year – 3 year	More than 3 years	Total
Undisputed trade receivables- considered good	1197.61	1575.48	9.20	16.03	2.64	-	2800.96
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-	
Disputed trade receivables- considered good	-	-	-	-	-	24.92	24.92
Disputed trade receivables- considered doubtful	-	-	-	-	-	-	
TOTAL	1197.61	1575.48	9.20	16.03	2.64	24.92	2825.88

Ageing as at 31.03.2025 Rs. In lakh

Particulars	Not Due	Less than six months	Six months – 1 year	1 year – 2 year	2 year – 3 year	More than 3 years	Total
Undisputed trade receivables- considered good	1360.11	1043.45	19.18	6.97	1.95	0.60	2432.26
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	22.53	22.53
Disputed trade receivables- considered doubtful	-	-	-	-	-	-	-
TOTAL	1360.11	1043.45	19.18	6.97	1.95	23.13	2454.79

30. Capital Work-in-progress (CWIP):

Aging schedule as on 31.03.2026

(Rs. In Lakhs)

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

Aging schedule as on 31.03.2025

(Rs. In Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	81.60	-	-	-	81.60

Projects temporarily suspended	-	-	-	-	-

31. Auditors' remuneration:

	31.03.2026	31.03.2025
		(Rs. In lakh)
(a) Statutory audit fee	0.35	0.35
(b) Tax audit fee and other certification	0.30	0.30

32. Contingent Liabilities (To the extent not provided for):

	31.03.2026	31.03.2025
		(Rs. In lakh)
(a) Bank Guarantees	31.92	28.92
(b) Corporate Guarantees	1155.00	1585.00

33. Information regarding Related parties and transactions with them:

A. List of Key Management Personnel and related parties:

a. Key Management Personnel:

i. Sh. Kuldip Bhargava - Chairman & Director
ii. Sh. Tejasvi Bhargava - Managing Director
iii. Sh. Mohan Lal - Director
iv. Sh. Birdhi Chand Jain - Chief Financial Officer
v. Mr Vikas - Company Secretary

Relatives of Key Management Personnel:

i. Smt. Divya Bhargava
ii. Smt. Preet Bhargava
iii. Smt. Anita Jain

b. Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have taken place during the year:

i. Quality Stainless Pvt Ltd.
ii. Quality Bio Green Pvt. Ltd.
iii. Quality Bioenergy LLP
iv. Aurum Fabrication

c. Transactions with related parties: Rs. in lakhs

Particulars	Nature of relationship	Name of related party	31st March. 2026	31st March. 2025
Managerial Remuneration	KMP	Sh. Kuldip Bhargava	42.52	61.42
		Sh. Tejasvi Bhargava	39.52	49.42
		Sh. Mohan Lal	3.66	3.42
		Sh. Birdhi Chand Jain	13.34	12.58
		CS Amelia Nelson	2.30	3.53
		CS Vikas	3.19	-
Interest paid	KMP	Sh. Kuldip Bhargava	38.49	3.30
		Sh. Tejasvi Bhargava	13.99	0.72
		Quality BioGreenPLtd	0.82	-

Remuneration	Relatives of KMP	Mrs. Divya Bhargava Mrs. Preet Bhargava Mrs. Anita Jain	6.22 6.22 6.23	6.22 6.22 6.23
Sales and other services	Associate concern	Quality Stainess Pvt Ltd Quality BioenergyLLP Aurum Fabrication	152.49 2.83 0.70	72.34 3.01 0.95
Purchases and other services	Associate concern	Quality Stainess Pvt. Ltd. Quality BioenergyLLP	237.18 0.52	116.93 -
Payable to	Associate concern	Quality BioGreen Pvt. Ltd	250.83	-
Payable to	KMP	Sh Kuldip Bhargava Sh.Tejasvi Bhargava	541.70 -	413.06 140.65

34. Additional information: (Rs. In Lakhs)

			Current Year		Previous Year
i)	Gross Income from Job Work:		116.69		204.32
ii)	Raw material Consumption:				
	SS Strips and other goods		16043.48		12949.74
iii)	Break-up of consumption of Raw Materials and Stores & Spares into Imported and Indigenous:				
a.	Raw	%	Rs.	%	Rs.
	Imported:	-	-	-	-
	Indigenous	100	16043.48	100	12949.74
b.	Stores & Spares:				
	Imported:	15.81	71.70	0.53	2.22
	Indigenous	84.19	381.91	99.47	414.70
v)	Value of Imports on CIF Basis- Capital Goods Store & spares		 - 71.70		 892.34 2.22
vi)	Earnings in foreign exchange: FOB value of exports		 427.17		 166.67
vii)	Expenditure in Foreign Currency: Foreign Travelling		 2.25		 4.12

35. Earnings Per share: Rs. In lakhs

S NO.	Particulars	Current Year	Previous Year
1	Net profit for computation of Basic and Diluted EPS- From ordinary activities From extraordinary items	 147.07 -	 141.85 -

2	Weighted average number of equity shares for Basic and Diluted EPS (Previous year at Rs. 10/- each)	2854000	2854000

The Earnings per Share {EPS} has been computed in accordance with the Accounting Standards on Earnings per Share.

36. Ratios:

Ratios	Numerator	Denominator	FY 2025-26	FY 2024-25	Variance	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	1.20	1.17	2.56%	-
Debt-equity ratio	Total Borrowings	Total equity	2.08	1.95	6.50%	-
Debt service coverage ratio	Profit before tax, interest, deprecitaion	Net finance cost+principal repayments of long term borrowings	0.94	0.55	71.55%	due to increase in PBDIT
Return on Equity	Profit after tax	Total equity	4.65%	4.70%	-1.04%	-
Inventory turnover (no. of days)	Average Inventory	Cost of production	48	45	5.88%	-
Trade receivables turnover (no. of days)	Average Trade receivables	Sale of products	52	59	11.23%	-
Trade payables turnover (no. of days)	Average Trade payables	Cost of material consumed+ changes in inventory	3.84	3.54	8.34	-
Net capital turnover	Net sales	Current assets-current liabilities	22.12	12.40	78.42%	due to decrease in net w.capital and increase in sales
Net profit margin (%)	Profit after tax	Total revenue	0.80	0.93	-14.41%	-
Return on capital employed	Profit before tax and interest	TNW+ total debts	11.32 %	8.81%	28.46%	Due to increase in PBIT

Interest service coverage ratio	PBDIT	Interest paid	2.10	2.80	-25.15%	Due to increase in financial cost
Return on investments	Current MV – cost of investments	Cost of investments	-	-	-	-

37. The company has been sanctioned working capital limits in excess of five crores in aggregate from banks and/or financial institutions on the basis of security of current assets and the quarterly returns and monthly statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.

38. Information available as on date based on Annual Tax Statement in form 26AS; AIS and TIS have been taken into books of accounts.

39. Deferred tax has been provided in accordance with Accounting Standard 22 on Accounting for taxes on Income issued by the ICAI.

40. Previous year's figures have been re-arranged and/ or re-grouped wherever considered necessary and practicable to make them comparable with current year's figures.

Signatures to Notes `1' to `40':

Auditor's Report
As per our report of even date attached.

For and on behalf of the Board of Directors of
Quality Foils (India) Limited

FOR KANSAL JAIN & ASSOCIATES
Chartered Accountants
(Firm's registration no.)

Sd/-
TEJASVI BHARGAVA
(Managing Director)
(DIN: 00011205)

Sd/-
KULDIP BHARGAVA
(Chairman & Director)
(DIN: 00011103)

Sd/-

(CA AKHIL JAIN)
Partner
(M.NO.: 517602)
UDIN: 26517602VVLUZU8064
Place: Hisar
Dated: May 27, 2026

Sd/-
CS VIKAS
(Company Secretary)

Sd/-
BIRDHI CHAND JAIN
(Chief Financial Officer)

Date: May 27, 2026

To,
The Manager,
Listing Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra kurla Complex, Bandra (East),
Mumbai-400051

Scrip Code – QFIL
ISIN: INE0O1M01015

Subject: Declaration regarding Auditors Report with Unmodified Opinion for the Financial Results of the Company for the Quarter and Financial Year ended on March 31, 2026

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and other applicable provisions read with SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that M/s. Kansal Jain & Associates, (Chartered Accountants), Statutory Auditors of the Company have issued Statutory Audit Report with unmodified opinion on the Audited Financial Results of the Company for the Financial Year ended on March 31, 2026.

You are requested to please take the same in your record.
Thanking you,
Yours Faithfully,

For Quality Foils (India) Limited
Sd/-
Birdhi Chand Jain
Chief Financial Officer