



SHELLZ INDIA LIMITED · 14TH ANNUAL REPORT 2025-26

Joy, *reimagined.*

Chocolates and treats that feel new, made by a company that keeps reinventing itself.



Made for every craving



Unwrap something new

To build snack brands people across the world *genuinely enjoy.*

We make chocolates and treats that feel new, exciting and full of life, without losing what people already love. Home of Hugs and Tosca.



Seven chapters, *one year.*

Joy, reimagined 4

The year in numbers 6

From our Chairman 8

1

10

You can never have *enough Hugs.*

Our everyday brand

2

15

Tosca, *reborn.*

Our new-generation brand

3

18

Trusted by *other brands, too.*

Private label and ingredients

4

20

Built to *make more.*

Recipes, Sonipat, food safety

5

22

Every counter, *every corner.*

Our channels

6

25

More from *every rupee.*

Financial review

7

29

The people *behind the joy.*

Board, leadership, governance

Corporate information 35

Statutory reports 36

Financial statements 43

All figures are from the audited financial statements. FY 2025–26 is consolidated (Shellz India Limited and its wholly owned subsidiary, Shellz Overseas Private Limited); earlier years are standalone, as reported. ₹ crore unless stated.

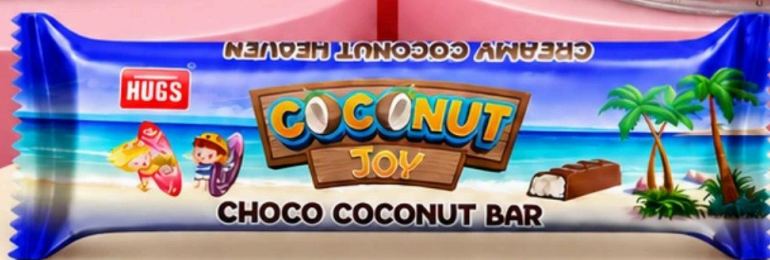
Joy, *reimagined.*



Joy is still simple. A small bite, a familiar taste, a moment that stays. What changed this year is *how we make it.*

We put more chocolate into Hugs. We gave Tosca a new life, with less sugar built in. More brands trusted us to make their treats. We switched on our new home at Sonipat, and it is already improving our margins. We reached more counters. And we got better at turning every rupee into profit.

Here is how, one chapter at a time.



Joy, by the *numbers.*



We kept more from every rupee, widened our range, and started building our new home.

PROFIT AFTER TAX

₹13.2_{cr}

Up 48%, from ₹8.9 cr

EBITDA

₹31.5_{cr}

Up 30%, from ₹24.4 cr

EBITDA MARGIN

16.4%

From 13.0% a year ago

NEW PRODUCTS

19

126 on shelf, across 398 SKUs

NET WORTH

₹60.2_{cr}

Up 43%, from ₹42.0 cr

EARNINGS PER SHARE

₹15.13

Consolidated, after the 11:1 bonus issue

REVENUE

₹192.6_{cr}

From operations, consolidated

SUPER STOCKISTS

344

Reaching shops in around 24 states

EBITDA = profit before tax + finance costs + depreciation – other income, from the audited statements. FY26 consolidated, FY25 standalone. Product counts and brand revenue as certified by the statutory auditors.

We didn't build Shellz to fit the category. We built it to *change it.*

"We earned more from every rupee we sold."

Dear Shareholders,

Joy is simple: a small bite, a familiar taste, a moment that stays. That has not changed. What changed this year is almost everything about how we create it, and the results show it.

Our strongest year yet

Profit after tax rose 48% to ₹13.2 crore. EBITDA rose 30% to ₹31.5 crore, and our EBITDA margin climbed from 13.0% to 16.4%. Net worth grew 43% to ₹60.2 crore, debt to equity improved from 1.86 to 1.68, and consolidated earnings per share were ₹15.13.

None of this was luck. It came from deliberate choices about what we make, how we make it and where we sell it.

Three choices that moved the margin

We put more chocolate into the range.

Chocolate is the treat people remember, and the format that earns the most. A richer mix did more for our margin than anything else.

We launched 19 new products, each built around a format that earns more for us and for the shops that sell it. Our range now stands at 126 products and 398 SKUs.

We switched on Sonipat. Our new plant is active, and it is already delivering better margins.



Sonipat: the biggest bet in our history

Our integrated plant at Barhi, Sonipat, is the most important investment Shellz has ever made. It will bring our operations, today spread across several sites in Delhi, under one roof. Much of this year's cash went into it: ₹26.8 crore in advances to suppliers, largely for machinery. The remaining lines will move across in phases. We would rather get it right than get it fast, because this plant is built for the next decade of Shellz, at home and abroad.

We kept investing in how we run the business too: automated SOPs, real-time monitoring and traceability across our operations.

Two brands, two jobs

Hugs is our everyday brand, built for every Indian household. ₹173.3 crore of what we sold carried the Hugs name. We design for the price first, at ₹1, ₹2, ₹5 and ₹10, and work backwards to the recipe, the pack and the line.

Tosca is our brand for a new generation. We rebuilt it from the wordmark up, for phones, quick commerce and Instagram, and Tosca revenue grew to ₹2.7 crore. Oat Choco, with real oats and about a third less sugar than certain leading chocolate bars, won the Agriculture Innovation Award at Asia Retail Congress.

Trusted by other brands

Our non-branded business, private label plus food and bakery ingredients, reached ₹16.6 crore, up 17%. This year it included better-for-you choco beans we make for a partner brand, with less sugar, no palm oil and natural colours.

Every counter, every corner

India still buys most of its treats at the kirana counter, and that is where we work hardest. Our 344 super stockists reach shops in around 24 states. Online marketplaces and quick-commerce apps have become our digital showroom, telling us in real time what consumers want next.

We are also building beyond India. Exports are growing, and Sonipat is built to the standards international buyers expect.

Why we are confident

Indians ate about 0.39 kg of confectionery per person in FY25, against 9.1 kg in the USA and 14.4 kg in Germany, and treats priced between ₹1 and ₹10 carry 86% of purchase intent.* That is one of the most exciting opportunities in global confectionery, and it rewards exactly what we do well: new formats, smart pricing and reach into every town. Our ambition is simple, and large: to build snack brands that people across the world genuinely enjoy.

A stronger company

In March, Shellz Overseas became our wholly owned subsidiary, bringing the Hugs and Tosca trademarks inside the group. Our board has two independent directors and four committees, and our food safety systems are certified to ISO 22000:2018.

Thank you

To the people of Shellz in Delhi and Sonipat, our super stockists, distributors, retail partners, suppliers, bankers and lenders, and to you, our shareholders: thank you for backing us. At Shellz, we measure success not only in crores, but in smiles. This year, we earned more of both. You can never have enough Hugs.

With confidence and gratitude,

Kapil Garg

Chairman & Managing Director · DIN 00006050

*Source: Ken Research, Indian confectionery market report.



**You can
never have
*enough Hugs.***

Our everyday brand, for everyone, on counters across India.

HUGS

Something for *every craving.*

From Hazel to Dip Sticks, the treats India reaches for every day.



Chocolates ✦ Baked treats ✦ Jellies ✦ Candies ✦ Ch

WHAT WE CHANGED

More chocolate, *new favourites.*

Hugs is built on two pillars: chocolates and baked treats. This year we focused on new chocolate formats, and chocolate cereal bars were a big one: Loops, Berry Berry and American Cow. They sit alongside Hazel, Flak'O and our Ghana Twist and Milk Rose truffles.

Baked treats like Dip Sticks, Push Up and Monster Express keep the range fun, with fruity jellies and candies like Whistler alongside.

Across our brands we launched **19 new products** this year, taking the range to 126 products and 398 SKUs.

@hugs_india on Instagram



19 launches

126 products

398 SKUs

Something new at *every price.*



Whistler



Platinum Bon Bon



Loops



Top Stick

We design for the price first, then work backwards: recipe, pack size, line speed. Prices are MRPs as printed on pack.

HUGS SHARE

90%

of what we sell

CHOCOLATES + BAKED TREATS

76%

of what we sold in FY26

CATEGORIES

4

chocolates, baked, jellies, candies

NOW ON
**quick
commerce**

Blinkit · Swiggy Instamart

Tosca



Now on quick commerce ✨ Taste first ✨ Less sugar ✨



Tosca, *reborn.*

Tosca was ours for years. This year we rebuilt it for quick commerce and a generation that shops on its phone, with less sugar built in.

WHAT WE CHANGED

Taste first. *Less sugar built in.*

Built for quick commerce. A new script wordmark, a new palette and a new voice, built for where a new generation shops: quick commerce, online marketplaces and Instagram, with a content system made for the feed.

Less sugar, still a treat. Tosca Oat Choco puts real oats and creamy white choco into one crunchy bar, with about a third less sugar than certain leading chocolate bars. It won the Agriculture Innovation Award at Asia Retail Congress. Our food technologists are taking the same thinking to sweeteners, fibres and natural colours across the range. Lower-sugar versions of our panned and jelly favourites are now in trials.

Oat Choco, Biscos, Muso Choc Coins, Muso Hearts and jelly beans lead the range. The new Tosca launched in January 2026.

@tosca_india on Instagram



Agriculture Innovation Award

Quick commerce

+64%

Tosca revenue growth this year.



REVENUE

₹2.7 cr

Tosca, FY 2025–26

LESS SUGAR

33%

in Oat Choco vs leading chocolate bars*

AWARD

2026

Agriculture Innovation Award

₹16.6_{cr}

Private label and non-branded revenue this year, up 17%. Private label for partner brands is part of it, alongside food and bakery ingredients.

NOW MAKING
private label
for partner brands



Trusted by *other brands, too.*

Partner brands, bakeries and food makers rely on what we make, to their recipes and ours.

Private label

Food & bakery ingredients

Their brand. *Our quality.*

Private label. We make treats for other brands to their specification, on our lines and to our quality systems. This year that included a better-for-you choco bean for a partner brand: less sugar, no palm oil, natural colours. We make for well-known partner brands as well as bakery and ingredient companies.

Food & bakery ingredients. Chocolate compounds, fillings and premixes for bakeries and food manufacturers. Our customers include bakery and ingredient companies.

Together, our non-branded business brought in **₹16.6 crore**, up 17%.

HOW PRIVATE LABEL WORKS

01

They bring the brief.

A target consumer, a price and a feel. Sometimes a recipe, often just an idea.

02

We develop and make it.

Our food technologists build the recipe and the pack, and it runs on our lines, to our food safety systems.

03

It ships under their name.

Their brand on the pack, our quality inside.

Private label

Bakery ingredients

Non-branded ₹16.6 cr



Our plant at Barhi, Sonipat. Illustration.

Sonipat is switched on.

Built to
make more.



126 products across five bases (fat, milk, cocoa, water and sugar) come off our own lines. Now there is a second plant to grow into.

Five bases. One team. *Our standards.*

01

Five bases, one team.

Our food and packaging technologists work across fat-, milk-, cocoa-, water- and sugar-based formats. That range lets us say yes to a new format quickly, for our own brands and for partners.

02

Sonipat is switched on.

Our new plant at Barhi, Sonipat, is active and already delivering better margins. More of our making moves there in phases, while Delhi keeps running.

03

Safety on every batch.

Our food safety management is certified to ISO 22000:2018, with checks on every production run.

PRODUCTS

126

made in-house

SKUS

398

across four categories

FOOD SAFETY

ISO

22000:2018 certified



344
super stockists

General trade ✦ Online ✦ Quick commerce ✦ Modern

Every counter, *every corner.*

Kirana stores sell most of India's treats, so that is where we work hardest. Then online, quick commerce, modern trade, exports and the brands we make for.

From our kitchen to *your corner store.*

General trade. 344 super stockists take our treats to distributors, wholesalers and kirana shops in around 24 states, and we dispatched 5,744 orders this year, up from 5,268.

Online and quick commerce. Amazon, Flipkart, Meesho, Kirana Club, Blinkit and Swiggy Instamart, where Tosca leads.

Modern trade. Cash-and-carry formats including Walmart, Metro and Lots.

Exports. Hugs and Tosca are reaching customers beyond India, and exports are a growing part of the mix.

Private label. Beyond our own brands, we make treats for partner brands, which puts Shellz-made products on shelves our own names do not reach.

General trade

344 super stockists, ~24 states

Online

Amazon, Flipkart, Meesho, Kirana Club

Quick commerce

Blinkit, Swiggy Instamart

Modern trade

Walmart, Metro, Lots

Exports

Beyond India

Private label

Partner brands

344

super stockists across around 24 states, and abroad.



ORDERS

5,744

dispatched, up from 5,268

ONLINE

6

marketplaces and quick-commerce apps

STATES

~24

reached by our super stockists

+48%

To ₹13.2 crore. EBITDA up 30%, with the margin at 16.4%, from 13.0%.



More from *every rupee.*

Here are the numbers, where the margin came from, and where the growth is coming from.

Where the margin *came from.*

Profit

A richer mix, 19 new better-margin products and Sonipat coming on stream. EBITDA rose 30% to ₹31.5 cr, and the margin rose to 16.4% from 13.0%. Profit after tax rose 48% to ₹13.2 cr.

Investment

Into our new home at Sonipat. We paid ₹26.8 cr in advances to suppliers, largely for plant machinery.

Balance sheet

Borrowings were ₹100.8 cr at year end. Debt to equity improved to 1.68, from 1.86, as net worth rose 43% to ₹60.2 cr.

Per share

Consolidated earnings of ₹15.13 a share (standalone ₹15.07), on 87,16,704 shares after the 11:1 bonus issue.

What moved the margin

A richer mix

More of the range in chocolate and better-margin formats. This did more for our margin than anything else.

Sonipat, activated

Our new plant is active and already delivering better margins.

19 new products

Each built around a format that earns more for us and for the shops that sell it.

GROWTH

Where the growth *is coming from.*

Six engines that are already moving, and that Sonipat is built to scale.

TOSCA

+64%

Brand revenue grew to ₹2.7 cr after the relaunch, led by quick commerce.

NON-BRANDED

+17%

Private label plus food and bakery ingredients reached ₹16.6 cr.

PRIVATE LABEL

₹2.0 cr

Made for partner brands, up from ₹0.4 cr last year.

NEW PRODUCTS

19

Launched this year; 126 products now on shelf, across 398 SKUs.

ORDERS

+9%

5,744 orders dispatched to the trade, up from 5,268.

NEW CHANNELS

Live

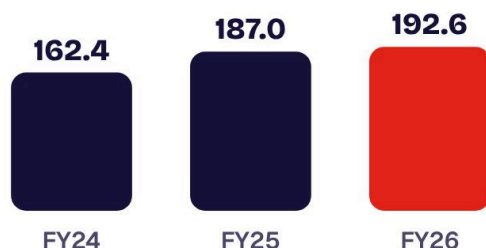
On Blinkit and Swiggy Instamart, with exports growing.

Three years, *in numbers.*

Revenue from operations

₹ cr

+19% in 2 yrs



EBITDA

₹ cr

+29.5%



EBITDA margin

%

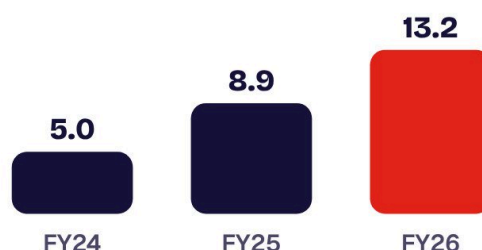
+335 bps



Profit after tax

₹ cr

+48.3%



Net worth

₹ cr

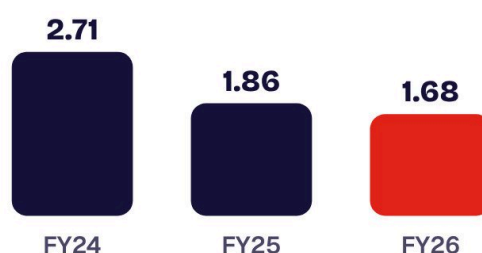
+43.2%



Debt / equity

times

Lower is better



Audited. FY24 and FY25 standalone, FY26 consolidated. EBITDA = profit before tax and exceptional items + finance costs + depreciation – other income. Debt/equity = total borrowings ÷ net worth.

**Public
Ltd**

Converted from a private to a public limited company in February 2025.

220

people on the Shellz team at 31 March 2026, up from 134 a year earlier

2

independent directors on a board of four

4

board committees: Audit, NRC, Stakeholders, CSR

The people *behind the joy.*

Founders who built it, professionals who run it, and a board built for what comes next.

Built by founders. *Run by professionals.*



Kapil Garg

Chairman & Managing Director

Promoter. Around 20 years in confectionery. Built the teams, the portfolio and the growth.



Shalini Garg

Non-Executive Director

Promoter. Guides branding, product design and communication.



Sapna Tomar

Independent Director

Fellow, ICSI. Around 20 years across governance, compliance and legal.



Narinder Sethi

Independent Director

Around 25 years in packaging and converting. Advises on printing, coatings and production.

COMMITTEES

Audit

Sapna Tomar (Chair), Narinder Sethi, Kapil Garg

Stakeholders Relationship

Sapna Tomar (Chair), Narinder Sethi, Shalini Garg

Nomination & Remuneration

Narinder Sethi (Chair), Sapna Tomar, Shalini Garg

CSR

Kapil Garg (Chair), Shalini Garg, Sapna Tomar

The team *behind the treats.*



Sangeeta Thakur

Chief Financial Officer

Around 20 years in finance. Owns budgeting, cost control, compliance and cash flow.



Sumit Kumar

Company Secretary & Compliance Officer

Associate, ICSI. Leads secretarial, legal, compliance and investor relations.



Pavil Garg

Head of Strategy & Operations

Experience across retail and consulting. Graduate of USC, HKUST and Bocconi.



Deepak Panchal

General Manager

Leads engineering at our plants. Over 18 years in engineering and project execution.

KEY MANAGERIAL PERSONNEL

Chairman & Managing Director

Kapil Garg

Company Secretary & Compliance Officer

Sumit Kumar

Chief Financial Officer

Sangeeta Thakur

Statutory auditors

RS&V & Company, Chartered Accountants

Risks we *watch*.

Input costs

Cocoa, fats, sugar and packaging can swing quickly. **What we do:** We reformulate early, buy in bulk and bring more of our making in-house.

Sonipat timing

Moving lines and securing consents takes time. **What we do:** Delhi keeps running while lines move in phases; the Board tracks consents.

Funding

We carry inventory and borrow to fund growth. **What we do:** Long-term debt matched to plant spending; tighter collections.

Concentration

Most sales come from the north and larger stockists. **What we do:** Building the south and west, online, private label and exports.

Food safety

One bad batch can hurt a brand built over years. **What we do:** ISO 22000:2018 systems and checks on every production run.

Competition

Big brands and new entrants fight for the same counter. **What we do:** Formats people haven't seen, launched often.

Regulation

FSSAI, labelling and tax rules can change. **What we do:** A compliance team that tracks changes before they land.

Brands

Almost all revenue is sold as Hugs or Tosca. **What we do:** Both trademarks now sit inside the group.

Reviewed by the Board through the Audit Committee. The Board reviews these every year.

Share capital, *at a glance.*

PAID-UP CAPITAL

₹8.72_{cr}

87,16,704 shares of ₹10 each

AUTHORISED

₹13.0_{cr}

1,30,00,000 shares of ₹10

DEMATERIALISED

100%

of shares, with NSDL and CDSL

During the year

Sep 2025

₹5.0 crore of fresh capital

33,557 equity shares allotted at ₹1,490 each on a preferential basis, to fund Sonipat.

Nov 2025

An 11:1 bonus issue

79,90,312 bonus shares, issued by capitalising the securities premium account.

Mar 2026

Shellz Overseas joins the group

Our wholly owned subsidiary, which holds the Hugs and Tosca trademarks.

This report is not an offer or invitation to buy or sell securities.

WHAT'S NEXT

More joy, *made better.*

Two things we will be judged on in FY 2026–27.

01

A new plant, switched on.

All of our making moves into the new plant at Barhi, Sonipat, in phases, so more of what we sell earns its better margins.

02

New lines, activated.

New production lines come on stream at Sonipat, giving us room for more chocolate, more formats and more of what the trade asks for.

AND ONE MORE THING

A bigger table is *being laid.*

More on that in next year's report.



WHAT WON'T CHANGE

Price first

We design for the price on the counter, then work backwards.

Kirana first

The corner store stays where we work hardest.

Taste first

Less sugar only counts if it still tastes like a treat.

Forward-looking statements reflect current plans and are subject to risks and uncertainties. This report is not an offer or invitation to buy or sell securities.

Who's who, and *where.*

COMPANY

Shellz India Limited
(formerly Shellz India Private Limited)
CIN U15490DL2012PLC235397

REGISTERED & CORPORATE OFFICE

39/35, 2nd Floor, Main Rohtak Road, West
Punjabi Bagh, Shivaji Park (West Delhi), Delhi
110026

PLANTS

Delhi: 99, Main Chowk, Industrial Area,
Samaypur, Delhi 110042
Sonipat: 427F-1, HSIIDC Industrial Estate, Barhi,
Sonipat, Haryana 131101

SUBSIDIARY

Shellz Overseas Private Limited (wholly owned)
CIN U65923DL1996PTC078653

STATUTORY AUDITORS

R S A V & Company, Chartered Accountants
FRN 022058N, New Delhi

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
Office S6-2, 6th Floor, Pinnacle Business Park,
Mahakali Caves Road, Andheri (East), Mumbai
400093
investor@bigshareonline.com

CHIEF FINANCIAL OFFICER

Sangeeta Thakur

COMPANY SECRETARY & COMPLIANCE OFFICER

Sumit Kumar (M. No. 51236)
investor@shellz.in

WEBSITE

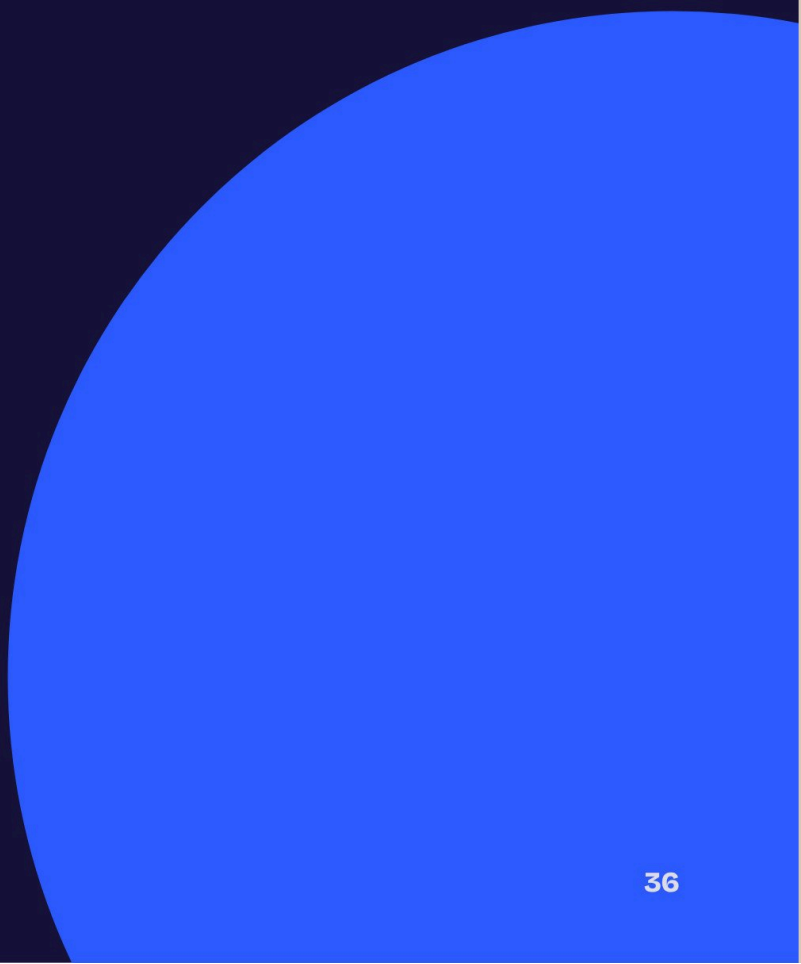
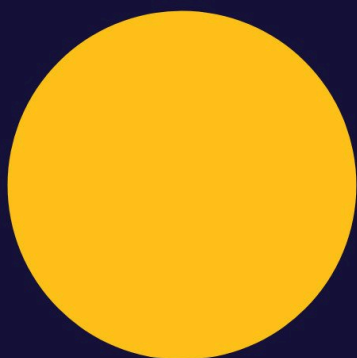
www.shellz.in
Investor filings: www.shellz.in/investor-relations



This report and our investor filings are at www.shellz.in/investor-relations.

The fine *print.*

Statutory reports: the Board's Report and its annexures, and the Notice of our 14th Annual General Meeting. The AGM was held on 15 September 2026; the Notice is reproduced as circulated.



STATUTORY REPORTS

Notice of the 14th Annual General Meeting

NOTICE is hereby given that the 14th Annual General Meeting of the Members of Shellz India Limited will be held on **Tuesday, 15 September 2026 at 10:00 a.m.** at the Registered Office of the Company at 39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Delhi 110026, to transact the following business at shorter notice:

Ordinary business

Item No. 1: Adoption of accounts. To consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31 March 2026 and the Reports of the Board of Directors and Auditors thereon, and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31 March 2026 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted."

Item No. 2: Re-appointment of Mr. Kapil Garg, Managing Director, liable to retire by rotation. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Kapil Garg (DIN: 00006050), who retires by rotation and, being eligible, offers himself for re-appointment, be and is hereby appointed as Managing Director of the Company."

By order of the Board of Directors
For Shellz India Limited

Kapil Garg
Managing Director · DIN: 00006050
Place: Delhi · Date: 6 September 2026

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his or her behalf, and the proxy need not be a member of the Company.
2. Proxies, to be effective, must be duly filled, signed and lodged at the registered office not less than 48 hours before the commencement of the meeting.
3. Institutional and corporate shareholders are required to send a scanned copy (PDF/JPG) of the certified true copy of the Board or governing body resolution, authorisation or power of attorney, with the specimen signature of the authorised representative, to cs@shellz.in.
4. Members who have not registered or updated their email addresses are requested to do so by writing to cs@shellz.in with their details and folio number.

5. Members are requested to bring their duly filled attendance slip and a copy of the annual report to the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170, the Register of Contracts or Arrangements under Section 189, and the documents referred to in the Notice will be available for inspection at the registered office on all working days between 9:30 a.m. and 6:00 p.m. up to the date of the AGM, and at the venue.
7. In the case of joint holders attending the meeting, the first in the order of names will be entitled to vote.
8. Members are requested to notify the Company immediately of any change in their address, and members holding multiple folios in identical names are requested to consolidate them into one folio.
9. The route map to the venue, the proxy form (MGT-11) and the attendance slip formed part of the Notice circulated to Members.

Manufacturing unit: 99, Main Chowk, Industrial Area, Samaypur, Delhi 110042 · Registered office: 39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Delhi 110026 · CIN U15490DL2012PLC235397 · www.shellz.in

STATUTORY REPORTS

Directors' Report

Dear Members,

The Directors of your Company have pleasure in presenting their fourteenth Report for the year ended 31 March 2026, pursuant to Section 134(3) of the Companies Act, 2013.

1 Financial summary

STANDALONE, ₹ LAKH	2025-26	2024-25
Revenue from operations	19,269.52	18,697.32
Profit before depreciation, exceptional items and tax	2,288.85	1,632.57
Less: depreciation, amortisation, impairment and obsolescence	359.85	383.78
Profit before tax	1,929.00	1,248.79
Less: provision for tax	618.08	361.08
Profit for the year carried to the balance sheet	1,310.92	887.71

2 State of the Company's affairs

For operational convenience, the Company, with effect from 08.10.2025, has shifted its registered office from 99, Main Chowk, Samaypur, Delhi to its corporate office at 39/35, 2nd Floor, Main Rohtak Road, Near Shivaji Park Metro Station, West Punjabi Bagh, Delhi 110026.

3 Capital and finance

During the year under review, the Company issued and allotted: (i) 33,557 fully paid-up equity shares of face value ₹10 each on a preferential basis on 29.09.2025, for an aggregate consideration of ₹4,99,99,930 at an issue price of ₹1,490; and (ii) 79,90,312 fully paid-up equity shares of face value ₹10 each as bonus shares to the existing equity shareholders, in the proportion of 11 new fully paid-up equity shares for every 1 existing fully paid-up equity share held as on 10 November 2025.

4 Capital expenditure

During the year under review, the Company continued to utilise the industrial property bearing Plot No. 427 F, Phase I, HSIIDC Industrial Estate, Barhi, Sonipat, Haryana 131101, taken on lease from Pluchi Texnit Private Limited, for its manufacturing operations. The Company has installed machinery at the facility and commenced its utilisation for operational requirements. The Company is also in the process of installing additional machinery and equipment to augment manufacturing capacity, improve operational efficiency and support its future expansion plans.

5 Amount carried to general reserve

The Company has not transferred any amount from profit and loss to general reserve during the financial year.

6 Dividend

Your Directors do not recommend any dividend for the year ended 31 March 2026.

7 Material changes and commitments

There are no material changes affecting the financial position of the Company between the end of the financial year and the date of the report.

8 Conservation of energy, technology absorption, foreign exchange

Conservation of energy: the Company has taken necessary steps relating to conservation of energy to the extent applicable. Regular and periodic maintenance keeps all machines and equipment in working condition, to enhance their efficiency and reduce power consumption. At the new manufacturing facility at Barhi, Sonipat, the Company shall continue utilising alternate sources of energy by using solar panels to reduce traditional power consumption.

Technology absorption: multiple technology advancement efforts are being made in the design of the Company's existing and proposed projects.

Foreign exchange: during the year, the Company earned foreign exchange equivalent to ₹103.06 lakh and incurred expenditure equivalent to ₹51.85 lakh.

DIRECTORS' REPORT, CONTINUED**9 Directors and Key Managerial Personnel**

None of the Directors and KMPs were appointed or resigned during the financial year. Mr. Kapil Garg, Managing Director, retires by rotation at the 14th Annual General Meeting and offers himself for re-appointment. The Notice convening the AGM includes the proposal for his re-appointment.

10 Declaration by Independent Directors

Declarations under Section 149(6) of the Act have been received from the Independent Directors, and the Board is satisfied as to their integrity, expertise, experience and proficiency. The Independent Directors met once, in compliance with Clause VII of Schedule IV of the Act.

11 Subsidiaries, joint ventures and associates

During the year, in March 2026, the Company acquired 18,57,675 equity shares, constituting almost 100% of the paid-up share capital of Shellz Overseas Private Limited (CIN U65923DL1996PTC078653), making it a wholly owned subsidiary of the Company.

12 Deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Act and the rules framed thereunder.

13 Cost records

Maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

14 Protection of women at the workplace

The Company is committed to a safe and inclusive workplace free from sexual harassment, and has a policy on protection of women's rights at the workplace, which has been widely disseminated. No cases of sexual harassment were received during the year ended 31 March 2026.

15 Insolvency and Bankruptcy Code, 2016

During the year, Baba Industries, a packaging material supplier, filed an insolvency petition (IB-256/ND/2025) on 07.04.2025 against the Company, which was dismissed as withdrawn by order of the Hon'ble NCLT, Delhi dated 27.02.2026. After the close of the year, in May 2026, Rotopack Inc., a packaging material supplier, filed a petition (IB/261/ND/2026) on 20.05.2026 before the Hon'ble NCLT, Delhi; the Company has amicably settled the matter by a settlement agreement dated 18.08.2026. Accordingly, as on the date of this Report, no proceedings under the Code are pending against the Company, save the Rotopack petition, which has been settled and shall be withdrawn.

16 One-time settlement

The Company has not made any one-time settlement with banks or financial institutions, and this clause is therefore not applicable.

17 Maternity Benefit Act, 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961.

18 Risk management framework

The Company has a mechanism to inform the Board about risk assessment and minimisation initiatives, and periodically reviews risk to ensure that executive management controls it through a properly designed framework.

19 Corporate social responsibility

On the recommendation of the CSR Committee and in accordance with the CSR Policy, the Board approved a contribution of ₹17,00,000 to Global Social Welfare Organisation, an organisation engaged in education and related activities, towards the Company's CSR obligation.

20 Depository system

As on 31 March 2026, 100% of the Company's paid-up share capital, representing 87,16,704 equity shares, is held in dematerialised form.

21 Meetings of the Board

During the year, eleven meetings of the Board were held, on 09.05.2025, 01.08.2025, 07.09.2025, 16.09.2025, 29.09.2025, 08.10.2025, 10.11.2025, 24.02.2026, 11.03.2026, 25.03.2026 and 30.03.2026. The gap between two consecutive meetings did not exceed 120 days.

DIRECTORS' REPORT, CONTINUED**22 Directors' responsibility statement**

As required under Section 134(3)(c) of the Act, the Directors, to the best of their knowledge and belief, state that: (i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation of material departures; (ii) they have selected accounting policies, applied them consistently and made reasonable and prudent judgements and estimates 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 its profit for the year; (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; (iv) they have prepared the annual accounts on a going concern basis; and (v) they have devised proper systems to ensure compliance with all applicable laws, and such systems were adequate and operating effectively.

23 Frauds reported by auditors

There were no frauds committed against the Company during FY 2025–26 by its officers or employees which are required to be disclosed under Section 143(12) of the Act.

24 Committees of the Board

The Board has constituted the following Committees: Audit Committee (Mrs. Sapna Tomar, Chairperson; Mr. Narinder Sethi; Mr. Kapil Garg); Nomination and Remuneration Committee (Mr. Narinder Sethi, Chairperson; Mrs. Sapna Tomar; Mrs. Shalini Garg); Stakeholders' Relationship Committee (Mrs. Sapna Tomar, Chairperson; Mr. Narinder Sethi; Mrs. Shalini Garg); and Corporate Social Responsibility Committee (Mr. Kapil Garg, Chairperson; Mrs. Shalini Garg; Mrs. Sapna Tomar).

25 Auditors' report and secretarial audit

The Statutory Auditors' report does not contain any qualification, observation, comment or adverse remark. Secretarial audit under Section 204 of the Act is not applicable to the Company for the year under review.

26 Loans, investments, guarantees and security

Except for acquiring almost 100% of the paid-up share capital of Shellz Overseas Private Limited, the Company has not made any investment, given guarantees or provided security.

27 Contracts with related parties

The Board approved the related party transactions for 2025–26. All were in the ordinary course of business and at arm's length; details are given in Annexure A. There are no materially significant related party transactions that may conflict with the interest of the Company.

28 Vigil mechanism

The Whistle Blower Policy meets the requirements of the vigil mechanism under the Act, provides adequate safeguards

against victimisation and direct access to the Chairperson of the Board.

29 Internal financial controls

The Company has a process-driven framework for internal financial controls within the meaning of Section 134(5)(e). For the year ended 31 March 2026, the Board is of the opinion that these controls are sound, commensurate with the nature and size of the business, operating effectively, and that no material weaknesses exist.

30 Secretarial standards

The Company has complied with the Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

31 Auditors

M/s R S A V and Company, Chartered Accountants (FRN 022058N), were appointed Statutory Auditors from the conclusion of the 12th AGM until the conclusion of the 17th AGM.

32 Significant and material orders

No significant and material orders were passed by regulators, courts or tribunals impacting the going concern status and the Company's operations in future.

33 Annual return

The Company has initiated modifications to its website to upload the Annual Return as on 31.03.2026 in Form MGT-7, in accordance with Section 92(3) of the Act.

34 Designated person for beneficial interest

Mr. Kapil Garg, Managing Director, is the designated person for furnishing information and extending co-operation to the ROC in respect of beneficial interest in shares of the Company.

35 Other disclosures

No disclosure is required under Section 67(3)(c) of the Act in respect of voting rights not exercised directly by employees.

36 Acknowledgement

Your Directors thank the customers, supply chain partners, financial institutions, banks, Central and State Government authorities, regulatory authorities and all other stakeholders for their continued co-operation and support.

For and on behalf of the Board

Shalini Garg	Kapil Garg
Non-Executive Director · DIN	Managing Director · DIN
00006159	00006050

Place: Delhi · Date: 6 September 2026

ANNEXURE A TO THE DIRECTORS' REPORT

Form AOC-2

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, including certain arm's length transactions under the fourth proviso. [Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Contracts or arrangements not at arm's length: not applicable.

2. Material contracts or arrangements at arm's length:

RELATED PARTY	RELATIONSHIP	NATURE	₹ LAKH
Kapil Garg	Chairman & Managing Director	Remuneration	15.00
		Unsecured loan received	138.54
Narinder Sethi	Independent Director	Sitting fee	1.30
Sapna Tomar	Independent Director	Sitting fee	1.30
Shalini Garg	Non-Executive Director	Sitting fee	1.30
		Unsecured loan received	116.61
Pavil Garg	Relative of director	Salary	12.00
Sumit Kumar	KMP	Salary	10.32
Sangeeta Thakur	KMP	Salary	10.99
Winola India Pvt Ltd	Common directorship	Sale	78.63
Shellz Overseas Pvt Ltd	Wholly owned subsidiary	Purchase · sale · interest	—
Skyway Polymers Pvt Ltd	Common directorship	Purchase	262.10
		Sale	55.35
		Unsecured loan paid	193.00
Euroville Pvt Ltd	Relatives are directors	Purchase	6.24
		Sale	1.12
Sunbeen Impex Pvt Ltd	Relatives are directors	Purchase	—

All contracts are ongoing and in the ordinary course of business. Amount paid as advances: nil. Date of approval by the Board: 01.04.2026.

ANNEXURE TO THE DIRECTORS' REPORT

CSR, and Form AOC-1

Annual report on CSR activities under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

1 CSR policy

The Company's CSR activities are undertaken in accordance with its CSR Policy and the recommendations of the CSR Committee, with a focus on education and related activities.

2 CSR Committee

Mr. Kapil Garg (Chairperson), Mrs. Shalini Garg and Mrs. Sapna Tomar.

3 Spend

CSR expense recognised in FY 2025–26 (audited)	₹16.89 lakh
Contribution approved by the Board	₹17.00 lakh
Implementing organisation	Global Social Welfare Organisation
Area	Education and related activities
Shortfall at the end of the year	Nil

Kapil Garg
Chairperson, CSR Committee
DIN 00006050

Shalini Garg
Director
DIN 00006159

Form AOC-1 • Subsidiary

Salient features of the financial statements of the subsidiary under Section 129(3). ₹ lakh.

Name of the subsidiary	Shellz Overseas Private Limited
Became a subsidiary	22 March 2026
Reporting period • currency	Same as the Company • INR
Share capital • Reserves and surplus	185.77 • 91.73
Total assets • Total liabilities	515.36 • 237.86
Investments • Turnover	Nil • 80.56
Profit before tax • Tax • Profit after tax	4.71 • 1.55 • 3.16
Proposed dividend • Shareholding	Nil • 100%

Part B (associates and joint ventures): not applicable. No subsidiary is yet to commence operations, and none was liquidated or sold during the year.

Kapil Garg
Chairman & Managing Director
DIN 00006050

Shalini Garg
Non-Executive Director
DIN 00006159

Place: New Delhi • Date: 6 September 2026

The numbers, in *full*.

Standalone and consolidated financial statements for the year ended 31 March 2026, with the Independent Auditor's Reports.

Audited, signed 6 September 2026 by RSAV & Company, Chartered Accountants.

₹192.6_{cr}

Revenue from operations

FY 2025–26, consolidated.

₹31.5_{cr}

EBITDA

₹13.2_{cr}

Profit after tax

₹60.2_{cr}

Net worth



Standalone balance sheet

Standalone · Shellz India Limited · as at 31 March · ₹ lakh unless stated

PARTICULARS	31 MAR 2026	31 MAR 2025
Equity and liabilities		
Shareholders' funds		
Share capital	871.67	69.28
Reserves and surplus	5,139.32	4,130.81
	6,010.99	4,200.09
Non-current liabilities		
Long-term borrowings	4,582.33	2,117.04
Deferred tax liabilities (net)	—	—
Long-term provisions	39.65	27.19
	4,621.98	2,144.23
Current liabilities		
Short-term borrowings	5,471.68	5,701.43
Trade payables: micro and small enterprises	222.79	139.34
Trade payables: others	3,161.89	3,191.94
Other current liabilities	1,027.04	938.49
Short-term provisions	608.86	437.75
	10,492.27	10,408.95
Total	21,125.26	16,753.28
Assets		
Non-current assets		
Property, plant and equipment	1,658.63	1,811.27
Capital work-in-progress	1,132.78	393.58
Long-term loans and advances	—	2,437.09
Other non-current assets	658.33	612.03
Non-current investments	2,498.57	—
Deferred tax assets (net)	24.51	35.27
	5,972.82	5,289.24
Current assets		
Inventories	6,984.72	6,565.88
Trade receivables	4,797.48	3,555.14
Cash and cash equivalents	90.06	47.19
Short-term loans and advances	2,677.19	919.49
Other current assets	602.97	376.33
	15,152.44	11,464.04
Total	21,125.26	16,753.28

Audited, signed 6 September 2026 (RSAV & Company, FRN 022058N; partner Abhinaya Verma, M. No. 511290). Some lines are grouped; the signed statements, notes and the Independent Auditor's Report show each line.

Standalone statement of profit and loss

Standalone · Shellz India Limited · year ended 31 March · ₹ lakh unless stated

PARTICULARS	FY 2025–26	FY 2024–25
Revenue from operations	19,269.52	18,697.32
Other income	56.58	41.93
Total income	19,326.09	18,739.24
Expenses		
Cost of materials consumed	12,797.91	15,689.67
Changes in inventories	1,350.63	(896.55)
Employee benefits expense	809.52	637.67
Finance costs	921.64	842.82
Depreciation and amortisation	359.85	383.78
Other expenses	1,157.55	830.84
Total expenses	17,397.10	17,488.23
Profit before exceptional items and tax	1,929.00	1,251.01
Exceptional items	—	2.22
Profit before tax	1,929.00	1,248.79
Tax expense		
Current tax	607.32	394.62
Deferred tax	10.76	(33.54)
Total tax	618.08	361.08
Profit for the year	1,310.92	887.71
EPS, basic and diluted (₹)	15.07	132.82
EPS after bonus issue, retrospective (₹)	15.07	10.25

Audited, signed 6 September 2026 (RSAV & Company, FRN 022058N; partner Abhinaya Verma, M. No. 511290). Some lines are grouped; the signed statements, notes and the Independent Auditor's Report show each line. FY 2024–25 EPS of ₹132.82 is before the 11:1 bonus issue; ₹10.25 after it.

Standalone cash flow statement

Standalone · Shellz India Limited · year ended 31 March · ₹ lakh unless stated

PARTICULARS	FY 2025–26	FY 2024–25
A. Operating activities		
Net profit before extraordinary items	1,310.92	887.71
Provision for tax	618.08	361.08
Depreciation and amortisation	359.85	383.78
Interest expense	782.20	842.82
Interest and other income	(14.31)	16.55
Gratuity, leave encashment and other items	27.62	35.44
Operating profit before working capital changes	3,084.36	2,527.40
Change in inventories	(418.84)	(1,085.24)
Change in trade receivables	(1,240.71)	2,016.59
Change in loans and advances	(1,757.70)	1,211.96
Change in other current assets	(226.32)	(1,281.38)
Change in trade payables, other liabilities and provisions	140.30	(128.30)
Cash generated from operations	(418.90)	3,261.04
Direct taxes paid (net)	(451.68)	(336.35)
Net cash from operating activities	(870.58)	2,924.69
B. Investing activities		
Purchase of fixed assets	(946.41)	(632.28)
Non-current assets (net)	(46.30)	(323.56)
Long-term loans and advances	2,437.09	—
Interest and other income	14.31	16.55
Purchase of investments	(2,498.57)	(2,497.87)
Net cash used in investing activities	(1,039.89)	(3,437.15)
C. Financing activities		
Long-term borrowings received	4,565.59	—
Repayment of long-term borrowings	(2,100.31)	(518.01)
Short-term borrowings (net)	(229.75)	1,082.77
Issue of share capital	500.00	633.09
Interest paid	(782.20)	(842.82)
Other flows	—	33.54
Net cash from financing activities	1,953.34	388.57
Net change in cash and cash equivalents	42.87	(123.88)
Opening cash and cash equivalents	47.19	171.07
Closing cash and cash equivalents	90.06	47.19

Audited, signed 6 September 2026 (RSAV & Company, FRN 022058N; partner Abhinaya Verma, M. No. 511290). Some lines are grouped; the signed statements, notes and the Independent Auditor's Report show each line.

Consolidated balance sheet

Consolidated · Shellz India Limited and its subsidiary · as at 31 March · ₹ lakh unless stated

PARTICULARS	31 MAR 2026
Equity and liabilities	
Shareholders' funds	
Share capital	871.67
Reserves and surplus	5,144.81
	6,016.48
Non-current liabilities	
Long-term borrowings	4,597.87
Deferred tax liabilities (net)	—
Long-term provisions	39.65
	4,637.52
Current liabilities	
Short-term borrowings	5,484.70
Trade payables: micro and small enterprises	225.05
Trade payables: others	3,318.27
Other current liabilities	1,077.70
Short-term provisions	603.84
	10,709.56
Total	21,363.55
Assets	
Non-current assets	
Property, plant and equipment	1,686.32
Intangible assets	2,221.46
Capital work-in-progress	1,132.78
Other non-current assets	688.24
Deferred tax assets (net)	44.98
	5,773.78
Current assets	
Inventories	7,022.08
Trade receivables	4,859.69
Cash and cash equivalents	114.16
Short-term loans and advances	2,987.96
Other current assets	605.88
	15,589.77
Total	21,363.55

Audited, signed 6 September 2026 (RSAV & Company, FRN 022058N). These are the Company's first consolidated statements: Shellz Overseas Private Limited became a wholly owned subsidiary on 22 March 2026, so there is no FY 2024–25 consolidated figure to compare against; the standalone statements carry the prior year. Some cash flow lines are grouped; the signed statement shows each line.

Consolidated statement of profit and loss

Consolidated · Shellz India Limited and its subsidiary · year ended 31 March · ₹ lakh unless stated

PARTICULARS	FY 2025–26
Revenue from operations	19,261.52
Other income	56.61
Total income	19,318.13
Expenses	
Cost of materials consumed	12,825.57
Changes in inventories	1,314.81
Employee benefits expense	809.52
Finance costs	921.24
Depreciation and amortisation	360.17
Other expenses	1,157.35
Total expenses	17,388.65
Profit before tax	1,929.48
Tax expense	
Current tax	602.28
Deferred tax	10.81
Total tax	613.09
Profit for the year	1,316.39
Earnings per share, basic and diluted (₹)	15.13

Audited, signed 6 September 2026 (RSAV & Company, FRN 022058N). These are the Company's first consolidated statements: Shellz Overseas Private Limited became a wholly owned subsidiary on 22 March 2026, so there is no FY 2024–25 consolidated figure to compare against; the standalone statements carry the prior year. Some cash flow lines are grouped; the signed statement shows each line.

Consolidated cash flow statement

Consolidated · Shellz India Limited and its subsidiary · year ended 31 March · ₹ lakh unless stated

PARTICULARS	FY 2025–26
A. Operating activities	
Net profit after tax	1,316.39
Provision for tax	613.08
Depreciation and amortisation	360.17
Interest expense	782.12
Interest and other income	(14.32)
Gratuity, leave encashment and other items	27.62
Operating profit before working capital changes	3,085.07
Change in inventories	(454.66)
Change in trade receivables	(1,233.36)
Change in loans and advances	(1,900.74)
Change in other current assets	(226.81)
Change in trade payables, other liabilities and provisions	79.20
Cash generated from operations	(651.30)
Direct taxes paid (net)	(451.68)
Net cash used in operating activities	(1,102.98)
B. Investing activities	
Purchase of fixed assets	(946.41)
Paid for the acquisition	(47.54)
Non-current assets, loans and advances (net)	205.03
Interest and other income	14.32
Net cash used in investing activities	(774.60)
C. Financing activities	
Long-term borrowings received	4,565.60
Repayment of long-term borrowings	(2,109.17)
Short-term borrowings (net)	(229.75)
Issue of share capital	500.00
Interest paid	(782.12)
Net cash from financing activities	1,944.55
Net increase in cash and cash equivalents	66.97
Opening cash and cash equivalents	47.19
Closing cash and cash equivalents	114.16

Audited, signed 6 September 2026 (RSAV & Company, FRN 022058N). These are the Company's first consolidated statements: Shellz Overseas Private Limited became a wholly owned subsidiary on 22 March 2026, so there is no FY 2024–25 consolidated figure to compare against; the standalone statements carry the prior year. Some cash flow lines are grouped; the signed statement shows each line.

Same joy. *Brand new everything.*



Shellz India Limited
39/35, 2nd Floor, Main Rohtak Road, West Punjabi Bagh, Delhi 110026
CIN U15490DL2012PLC235397 · investor@shellz.in · www.shellz.in

Shellz
INDIA

Made with love in India

Joy in every bite