

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Sheela Foam Limited

Report on the Audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Sheela Foam Limited (hereinafter referred to as 'the Company') for the year ended March 31, 2026, ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Statement:

(i) is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the Company for the year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone financial results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Standalone Financial Results

This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit, and other comprehensive income and other financial information in accordance with the [recognition and measurement principles laid down in the applicable Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and is in

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compliance with the Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

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- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company 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.

Other Matter

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

For M S K A & Associates LLP (Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No.105047W/W101187

**Nipun
Gupta** Digitally signed
by Nipun Gupta
Date: 2026.05.14
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Nipun Gupta

Partner

Membership No.: 502896

UDIN: 26502896IYYZLX3911

Place: Gurugram

Date: May 14, 2026

SHEELA FOAM LIMITED

Regd. office: 1002 to 1006, The Avenue, International Airport Road, Opp Hotel Leela Sahar, Andheri East, Mumbai, Maharashtra - 400059
Corporate Office: Sleepwell Tower, Plot No.-14, Sector 135, Noida, Gautam Budh Nagar (U.P) - 201301
Tel: Int-91(0)-22-28265686/88/89, Email - investorrelation@sheelafoam.com
CIN- L74899MH1971PLC427835

AUDITED STATEMENT OF STANDALONE FINANCIAL RESULTS FOR QUARTER AND YEAR ENDED MARCH 31, 2026

		(₹ in Crores, Except per share data)				
Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
		(Audited) (refer note 11)	(Unaudited)	(Audited) (refer note 11)	(Audited)	(Audited)
I	Income					
	a) Revenue from operations	819.20	841.64	661.82	2962.27	2675.25
	b) Other Income	16.11	8.17	58.69	40.32	127.42
	Total Income [(a) + (b)]	835.31	849.81	720.51	3002.59	2802.67
II	Expenses					
	a) Cost of materials consumed	427.33	446.28	354.47	1598.62	1504.29
	b) Purchase of stock-in-trade	31.11	29.39	19.37	100.31	81.52
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	5.28	25.23	37.72	(7.73)	(14.58)
	d) Other manufacturing expenses	28.42	28.92	30.32	113.04	121.19
	e) Employee benefits expense	101.18	76.05	71.35	322.58	282.01
	f) Finance costs	15.13	11.29	28.95	70.98	97.08
	g) Depreciation and amortisation expense	16.76	30.78	34.05	110.20	129.86
	h) Other expenses	135.51	151.43	136.31	537.85	521.37
	Total Expenses [(a) to (h)]	760.72	799.37	712.54	2845.85	2722.74
III	Profit before tax and Exceptional Items (I-II)	74.59	50.44	7.97	156.74	79.93
IV	Exceptional items	(15.77)	-	0.03	(7.93)	(30.59)
V	Profit before tax (III-IV)	90.36	50.44	7.94	164.67	110.52
VI	Tax expenses					
	Current tax	-	-	-	-	-
	Earlier tax adjustment	(9.69)	-	(0.99)	(9.44)	(0.99)
	Deferred tax	24.53	11.74	(4.65)	43.54	18.81
	Total Tax Expenses	14.84	11.74	(5.64)	34.10	17.82
VII	Profit for the period/year (V-VI)	75.52	38.70	13.58	130.57	92.70
VIII	Other Comprehensive Income/(Loss)					
	(a) Items that will not be reclassified to profit or loss					
	Remeasurements gain/(loss) of net defined benefit plans	(1.58)	(0.41)	3.62	(1.29)	2.39
	Income tax effect on above	-	-	-	-	-
	(b) Items that will be reclassified to profit or loss					
	Fair value gain/(loss) on investments and other financial instruments	(1.11)	0.47	0.14	(0.80)	0.56
	Income tax effect on above	-	-	-	-	-
	Total Other Comprehensive Income/(Loss) for the period/year (a+b)	(2.69)	0.06	3.76	(2.09)	2.95
IX	Total Comprehensive Income for the period/year (VII+VIII)	72.83	38.76	17.34	128.48	95.65
X	Paid up Equity Share Capital (Face value of ₹ 5/- each)	54.60	54.60	54.59	54.60	54.59
XI	Other Equity				2857.58	2721.82
XII	Earning per share (not annualised)					
	Basic	6.92	3.54	1.24	11.96	8.49
	Diluted	6.90	3.54	1.24	11.93	8.48

The above audited standalone results of Sheela Foam Limited are available on our website www.sheelafoam.com and on the stock exchange websites www.nseindia.com and www.bseindia.com.

Notes:

- These standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors, in their respective meetings held on May 14, 2026.
- These standalone financial results have been prepared in accordance with the recognition and measurement principles laid down as per Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

3 Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :

Particulars	Quarter Ended			Year Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
a) ** Net Worth (₹ in Crores)	2912.18	2837.73	2776.41	2912.18	2776.41
b) Outstanding Unsecured Non-convertible Debentures (₹ in Crores)	362.50	362.50	725.00	362.50	725.00
c) Debt service coverage ratio (Number of times, Not annualised)	0.24	0.17	0.13	0.68	0.50
d) Interest service coverage ratio (Number of times)	5.93	5.47	1.28	3.21	1.82
e) Debt equity ratio (Number of times)	0.16	0.21	0.34	0.16	0.34
f) Current Ratio (Number of times)	0.73	0.64	0.98	0.73	0.98
g) Long term debt to working capital ratio (Number of times)	(1.57)	(1.15)	(33.17)	(1.57)	(33.17)
h) Bad debts to Account receivable ratio (%)	0.0%	0.0%	0.0%	0.0%	0.00
i) Current liability ratio (Number of times)	0.89	0.87	0.67	0.89	0.67
j) Total debts to total assets (Number of times)	0.11	0.14	0.21	0.11	0.21
k) Debtors Turnover Ratio (Number of times, Not annualised)	3.24	3.77	3.10	11.80	11.40
l) Inventory Turnover Ratio (Number of times, Not annualised)	1.86	1.99	1.65	6.86	6.97
m) Basic EPS (In ₹ Not annualised)	6.92	3.54	1.24	11.96	8.49
n) Diluted EPS (In ₹ Not annualised)	6.90	3.54	1.24	11.93	8.48
o) Operating margin (%)	39.9%	37.0%	33.2%	39.1%	0.37
p) Net profit margin (%)	9.2%	4.6%	2.1%	4.4%	0.03

Formulas for computation of ratios are as follows:-

Debt service coverage ratio	$\frac{\text{Profit before tax + Finance costs + Depreciation}}{\text{Finance cost + Borrowings (Current) + Lease Liabilities (Current)}}$
Interest service coverage ratio	$\frac{\text{Earnings before interest, tax and exceptional items}}{\text{Finance cost}}$
Debt equity ratio	$\frac{\text{Total Borrowings + Total Lease Liabilities}}{\text{Equity Share Capital + Other Equity}}$
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Long term debt to working capital ratio	$\frac{\text{Non-Current Borrowings + Non-Current Lease Liabilities} + \text{Current Maturities of Long term borrowings and Lease liabilities}}{\text{Current Assets - Current Liabilities}}$
Bad debts to Account receivable ratio	$\frac{\text{Bad Debts}}{\text{Average Trade Receivables}}$
Current liability ratio	$\frac{\text{Total Current liabilities}}{\text{Total liabilities}}$
Total debts to total assets	$\frac{\text{Total Borrowings + Total Lease Liabilities}}{\text{Total Assets}}$
Debtors Turnover Ratio	$\frac{\text{Revenue from operations}}{\text{Average Trade receivables}}$
Inventory Turnover Ratio	$\frac{\text{*Cost of Goods sold}}{\text{Average Inventories}}$
Operating margin	$\frac{\text{Revenue from operations - *Cost of Goods sold}}{\text{Revenue from operations}}$
Net profit margin	$\frac{\text{Profit After Tax (after exceptional item)}}{\text{Revenue from operations}}$

Notes:-

* Cost of goods sold includes Cost of materials consumed, Purchases of Stock-in-trade, Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress and Other manufacturing expenses.

** Net worth has been computed on the basis as stated in Clause(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 i.e. Net worth as defined in subsection (57) of section 2 of the Companies Act, 2013.

- 4 The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there are no reportable segments as per Indian Accounting Standard for Operating Segments (Ind AS 108), prescribed, under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
- 5 The Board of Directors of the Company ("Board") at its meeting held on March 28, 2024, has approved the Scheme of Amalgamation of subsidiary of the Company, i.e., Kurlon Enterprise Limited along with its subsidiaries ("KEL" or "Amalgamating Company") with Sheela Foam Limited ("SFL" or "Amalgamated Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 from Appointed date of October 20, 2023 (the "Appointed date"). Accordingly, the aforesaid scheme of arrangement has been approved by National Company Law Tribunal, Bench at Mumbai ("NCLT") vide order dated September 17, 2025 and the same has been accounted as required under Appendix C (Business Combinations of Entities under Common Control) of Ind AS 103, the comparative accounting periods presented above have been reinstated by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements, i.e. April 01, 2024. There is no recognition of any new assets or liabilities arising from this business combination. The reserves of the KEL have been merged with the respective reserves of the Company.
- 6 On 21 November 2025, the Government of India notified the four new Labour Codes namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020. Provisions of the previous labour Acts and their rules, notifications, etc. continue to remain in force till final notification of new Rules, etc. under the Code, to the extent these are in line with the Codes. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. Accordingly, the company has recognised incremental impact pertaining to past service cost of gratuity and long-term absences aggregating amounting ₹ 4.86 croreS under "Employee Benefits Expense" in the Statement of Profit and Loss as per the applicable requirements of Ind AS 19 and the guidance provided by the Institute of Chartered Accountants of India during the quarter and year ended December 31, 2025 and March 31, 2026 respectively. The Company is in the process of assessing the impact of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes.
- 7 The Company has acquired 17.70% equity stake w.e.f. August 29, 2023 in 'House of Kieraya Limited (Furlenco)' which has been increased to 43.89% during the year ended March 31, 2025. Subsequently, during the year ended March 31, 2026, the company's equity stake got reduced to 34.53% on issuance of fresh issue of 83,72,392 equity shares by House of Kieraya Limited out of which the company subscribed 20,09,377 equity shares.
- 8 Exceptional items:
- a) Results for year ended March 31, 2024 included loss of inventory and fixed assets amounting to ₹ 10.95 Crores due to fire outbreak at Silvassa location on June 28, 2023. Additionally, certain expenses pertaining to the fire amounting to ₹ 0.61 Crores were recorded in the quarter ended March 31, 2024. Subsequently, all these amounts have been recovered from the insurance company and consequently, exceptional income has been recorded in the year ended March 31, 2025.
- b) The company has recognized loss due to fire accident occurred at Jhagadia plant amounting to ₹ 18.71 crores in the previous years in one of the erstwhile subsidiary which has been merged with the company during the FY 2025-26. Subsequently, this amount has been received from insurance company and consequently, the income has been recognised in the year ended March 31, 2025.
- c) Results for the year ended March 31, 2026 includes net gain of ₹ 7.93 Crores on account of sale of certain land and building situated at:
- Industrial Plot no. 54 & 56, Shivangi Estate, Village Lakeshawri, Bhagwanpur, Roorkee, Uttarakhand - 247661
 - Plot no. 22 & 23 6/22/23, Dabaspur Industrial area, Sy. No. 76, Eedehalli Village, Somapura Hobli, Nelmangala Taluk, Rural district, Bangalore
 - 902/4, GIDC, Jhagadia Industrial Estate, Jhagadia, Bharuch, Gujarat – 393110
 - Plot no. 54-57, Shivganga Industrial Estate Village Lakeshawri Bhagwanpur, Roorkee, Haridwar.
- 9 The Property, Plant and Equipment are depreciated on a pro-rata basis on written down value basis over their respective useful lives upto December 31, 2025. With effect from January 01, 2026, the Company has changed its method of depreciation from WDV to Straight Line Method ("SLM") based on the internal technical assessment of the expected pattern of consumption of future economic benefits embodied in the assets as per Ind AS 16. In addition, the Company has also reassessed the useful life of certain plant and machinery from 20 years to 40 years based upon the technical assessment carried out by an independent chartered engineer considering the expected pattern of consumption of the future economic benefits of the assets. Accordingly, the depreciation expense for the quarter and year ended March 31, 2026 is lower and profit before tax is higher by ₹ 14.24 crores. There is no impact on account of such change to the depreciation provided in the results for the comparative quarter ended March 31, 2025, December 31, 2025 and year ended March 31, 2025.
- 10 Subsequent to the year ended March 31, 2026, the Company has executed the sale deed on April 01, 2026 and April 07, 2026 in respect to land and building situated at Shiv Ganga Industrial Estate, Bhagwanpur Roorkee, Haridwar, Hallurmajra B.O., Roorkee H.O. 34, 91, 247667 which had already classified under "Assets held for sale".
- 11 The figures for the quarter ended March 31, 2026 and March 31, 2025 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31st of the respective financial years, which were subject to limited review.
- 12 The Board of Directors, at its meeting held on May 14, 2026, have recommended a final dividend of ₹ 1 per share (20% on an equity share of Rs. 5 each) for the year ended March 31, 2026. The payment is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting of the Company.
- 13 Figures for previous periods/ year have been regrouped/ reclassified wherever necessary to correspond with the current quarter/ year classification.

Place: Noida
Date: May 14, 2026

For Sheela Foam Limited
RAHUL GAUTAM
(Rahul Gautam)
Managing Director
DIN : 00192999

SHEELA FOAM LIMITED

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AUDITED STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT MARCH 31, 2026

Particulars	(₹ in Crores)	
	As at March 31, 2026	As at March 31, 2025
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	754.06	724.97
Right-of-use assets	92.53	106.79
Capital work-in-progress	25.20	54.06
Intangible assets	1,430.16	1,435.86
Investment property	2.70	2.81
Investments in Subsidiaries and Joint venture	655.97	617.73
Financial assets		
(i) Loans	113.79	79.67
(ii) Other financial assets	48.19	46.81
Non current tax assets (net)	113.23	81.79
Deferred Tax Asset	96.93	140.47
Other non-current assets	7.64	7.14
Total non-current assets	3,340.40	3,298.10
Current assets		
Inventories	279.71	246.36
Financial assets		
(i) Investments	127.92	464.52
(ii) Trade receivables	283.36	218.91
(iii) Cash and cash equivalents	9.34	28.49
(iv) Bank balances other than cash and cash equivalents	2.31	2.23
(v) Loans	1.71	1.04
(vi) Other financial assets	24.62	18.18
Other current assets	82.42	134.23
Total current assets	811.39	1,113.96
Assets held for sale/Assets included in disposal group(s) held for sale	9.94	58.22
Total assets	4,161.73	4,470.28
EQUITY AND LIABILITIES		
Equity		
Equity share capital	54.60	54.59
Other equity	2,857.58	2,721.82
Total equity	2,912.18	2,776.41
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	395.00
(ii) Lease liabilities	46.58	45.17
(iii) Other non current financial liabilities	48.77	66.88
Long-term provisions	3.51	12.78
Other non-current liabilities	43.73	33.52
Total non-current liabilities	142.59	553.35
Current liabilities		
Financial liabilities		
(i) Borrowings	411.29	500.40
(ii) Lease liabilities	17.14	15.38
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	77.83	30.47
- Total outstanding dues of creditors other than micro enterprises and small enterprises	249.04	214.54
(iv) Other financial liabilities	212.60	229.69
Short-term provisions	35.64	30.79
Other current liabilities	103.42	119.25
Total current liabilities	1,106.96	1,140.52
Total liabilities	1,249.55	1,693.87
Total equity and liabilities	4,161.73	4,470.28

For Sheela Foam Limited

RAHUL GAUTAM

(Rahul Gautam)
Managing Director

DIN : 00192999

Place: Noida
Date: May 14, 2026

SHEELA FOAM LIMITED

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AUDITED STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	₹ in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax and exceptional items	156.74	79.93
Adjustments for:		
Depreciation and amortisation expense	110.20	129.86
Finance costs	70.98	97.08
Gain on termination of lease	(0.32)	(5.43)
Liabilities/provisions no longer required written back	(0.69)	(0.31)
Provision for doubtful receivables	1.71	2.74
Provision for warranty	8.04	21.12
Expenses on employees stock option schemes	6.29	7.42
Amortisation of Government grants	(4.96)	(7.24)
Advances/Balances written off	0.04	0.09
Fair value loss / (gain) on investments (net)	0.94	(14.14)
Profit on sale of investments (net)	(4.96)	(41.48)
Loss on sale of property, plant and equipment (net)	1.93	7.33
Net loss on foreign currency forward contracts	20.61	2.78
Money received as settlement claim under Business Combination	-	(35.70)
Unrealised foreign exchange (gain) / loss (net)	(3.90)	0.20
Rental income (short term lease)	(1.77)	(2.45)
Interest income	(15.00)	(12.23)
Operating profit before working capital changes	345.88	229.57
Changes in working capital:		
(Increase) / Decrease in Inventories	(33.48)	20.50
(Increase) / Decrease in loans and trade receivables	(66.95)	27.91
(Increase) / Decrease in other financial and non-financial assets	(1.21)	33.50
Increase / (Decrease) in trade payables	81.13	(27.73)
(Decrease) in other financial liabilities, non-financial liabilities and provisions	(44.74)	(51.16)
Cash generated from operations	280.63	232.59
Income tax paid (net of refunds)	(22.00)	(0.38)
Net cash flow from operating activities (A)	258.63	232.21
B. Cash flow from investing activities		
Purchase of property, plant and equipment and change in capital work-in-progress	(111.81)	(124.47)
Proceeds from sale of property, plant and equipment	98.23	41.95
Intangible Assets acquired and expenditure on intangibles under development	-	(30.08)
(Decrease) / Increase in creditors for capital goods (net of capital advances)	(2.13)	2.60
Advance received against sale of property	14.49	-
Investment in shares of Subsidiaries (net)	(8.24)	(8.37)
Investment made in Joint Venture	(30.00)	(50.94)
Proceeds from debentures and mutual funds (net)	340.62	111.38
Loans given to Subsidiary Company	(19.08)	(5.59)
Increase in Bank deposits	(0.08)	(0.10)
Rental income (short term lease)	1.77	2.45
Interest income received	8.18	14.99
Net cash flow from investing activities (B)	291.95	(46.18)
C. Cash flow from financing activities		
Net Proceeds from issuance of equity share capital on exercise of employee share options	0.01	-
Repayment of Non-convertible debentures (including interest)	(416.00)	(61.27)
Repayment of long term borrowings	(46.46)	(32.89)
Repayment of short term borrowings (Net)	(63.00)	(31.36)
Payment of lease liabilities (principal and interest)	(20.99)	(20.89)
Finance costs	(23.29)	(26.55)
Net cash flow (used in) Financing Activities (C)	(569.73)	(172.96)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(19.15)	13.07
Cash and cash equivalents at the beginning of the year	28.49	15.42
Cash and cash equivalents at the end of the year	9.34	28.49
Notes to statement of cash flows :		
Components of cash and cash equivalents as under :		
Cash on hand	0.21	0.41
Deposits with bank with original maturity of less than 3 months	0.01	0.01
Balance with banks - Current Accounts	9.12	28.07
	9.34	28.49

For Sheela Foam Limited

**RAHUL
GAUTAM**

(Rahul Gautam)
Managing Director
DIN : 00192999

Place: Noida
Date: May 14, 2026

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Sheela Foam Limited

Report on the Audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Sheela Foam Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity for the year ended March 31, 2026, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries and jointly controlled entity, the aforesaid Statement:

(i) includes the annual financial results of the Holding Company and the following entities

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Staqo Software Private Limited (SSPL)	Wholly Owned Subsidiary
2	Sleepwell Enterprises Private Limited	Wholly Owned Subsidiary
3	Staqo World Private Limited*	Wholly Owned Subsidiary
4	Staqo Incorporated	Wholly Owned Subsidiary of SSPL
5	Staqo Technologies LLC	Subsidiary of SSPL
6	Joyce Foam Pty Limited (JFPL Australia)	Wholly Owned Subsidiary
7	Joyce WC NSW Pty Limited	Wholly Owned Subsidiary of JFPL Australia
8	International Foam Technologies Spain, S.L.U (IFTS Spain)	Wholly Owned Subsidiary
9	Interplasp S.L	Subsidiary of IFTS Spain
10	Sheela Foam Trading L.L.C	Wholly Owned Subsidiary
11	House of Kieraya Limited	Jointly Controlled Entity
12	Kreate One Manufacturing Private Limited (upto 12.05.2025)	Wholly Owned Subsidiary of Jointly Controlled Entity
13	HOK Retail Private Limited (upto 01.11.2025)	Wholly Owned Subsidiary of Jointly Controlled Entity
14	Furlenco Global Pte. Ltd.	Subsidiary of Jointly Controlled Entity

* Merged with SSPL

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(ii) is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated net profit, consolidated other comprehensive income and other financial information of the Group and its jointly controlled entity for the year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated financial results section of our report. We are independent of the Group and its jointly controlled entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated 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 obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

This Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the consolidated net profit, consolidated other comprehensive income and other financial information of the Group and its jointly controlled entity in accordance with the recognition and measurement principles laid down in the applicable Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and is in compliance with the Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. The respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Management and Board of Directors of the Holding Company, as aforesaid.

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In preparing the Statement, the respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for assessing the ability of the Group and its jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its jointly controlled entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its jointly controlled entity to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its jointly controlled entity to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

The Statement includes the audited financial results of 10 subsidiaries whose financial statements reflect total assets of Rs. 1,281.50 crores as at March 31, 2026, total revenue of Rs. 909.79 crores, net profit after tax of Rs. 8.80 crores, total comprehensive income of Rs. 9.51 crores and net cash inflow of Rs. 11.02 crores for the year ended on that date respectively, as considered in the Statement, which have been audited by the other auditors. The other auditors' reports on the financial statements of these entities have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of such other auditors and the procedures performed by us are as stated in paragraph above.

Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

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We have audited these conversion adjustments made by the Holding Company's Management. Our opinion on the Statement, in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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

For M S K A & Associates LLP (Formerly known as M S K A & Associates)

Chartered Accountants

ICAI Firm Registration No.105047W/W101187

Nipun

Digitally signed
by Nipun Gupta

Gupta

Date: 2026.05.14
17:41:19 +05'30'

Nipun Gupta

Partner

Membership No.: 502896

UDIN: 26502896RRAPT18246

Place: Gurugram

Date: May 14, 2026

SHEELA FOAM LIMITED

Regd. office: 1002 to 1006, The Avenue, International Airport Road, Opp Hotel Leela Sahar, Andheri East, Mumbai, Maharashtra - 400059
Corporate Office: Sleepwell Tower, Plot No.-14, Sector 135, Noida, Gautam Budh Nagar (U.P) -201301
Tel: Int-91(0)-22-28265686/88/89, Email - investorrelation@sheelafoam.com
CIN- L74899MH1971PLC427835

AUDITED STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2026

		(₹ in Crores, Except per share data)				
Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
		(Audited) (refer note 12)	(Unaudited)	(Audited) (refer note 12)	(Audited)	(Audited)
I	Income:					
	a) Revenue from operations	1,050.06	1,074.43	849.61	3,820.84	3,439.20
	b) Other Income	18.34	15.66	60.56	54.27	130.92
	Total Income [(a) + (b)]	1,068.40	1,090.09	910.17	3,875.11	3,570.12
II	Expenses:					
	a) Cost of materials consumed	568.80	555.56	472.09	2,054.52	1,981.93
	b) Purchase of stock-in-trade	34.02	32.49	19.37	106.40	81.88
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(18.58)	38.10	24.18	(11.64)	(58.20)
	d) Other manufacturing expenses	39.89	37.29	39.65	149.65	153.48
	e) Employee benefits expense	147.78	119.48	109.62	495.13	432.11
	f) Finance costs	20.88	17.03	35.28	95.15	120.55
	g) Depreciation and amortisation expense	35.60	47.34	49.88	178.58	182.61
	h) Other expenses	161.53	177.12	157.97	633.41	603.02
	Total Expenses [(a) to (h)]	989.92	1,024.41	908.04	3,701.20	3,497.38
III	Profit before tax and Exceptional Items (I-II)	78.48	65.68	2.13	173.91	72.74
IV	Exceptional items	(15.77)	-	0.03	(7.93)	(30.59)
V	Profit before tax (III-IV)	94.25	65.68	2.10	181.84	103.33
VI	Tax expenses					
	Current tax	(1.03)	5.11	0.89	7.24	5.64
	Earlier tax adjustment	(9.69)	(0.11)	(1.00)	(9.55)	(1.07)
	Deferred tax	27.52	11.11	(10.30)	44.69	9.84
	Total Tax Expenses	16.80	16.11	(10.41)	42.38	14.41
VII	Profit for the period/year after tax and before share of profit/(loss) of Joint venture accounted for using equity method (V-VI)	77.45	49.57	12.51	139.46	88.92
VIII	Share in profit/(loss) of Joint venture accounted for using equity method	14.32	3.00	0.77	21.39	1.17
IX	Profit for the period/year (VII + VIII)	91.77	52.57	13.28	160.85	90.09
X	Other Comprehensive Income/(Loss)					
	(a) Items that will not be reclassified to profit or loss					
	Re-measurements gain/(loss) of the net defined benefit plans	(1.30)	(0.39)	3.73	(0.93)	2.49
	Income tax effect on above	(0.07)	(0.01)	(0.03)	(0.09)	(0.03)
	Share of Other Comprehensive Income of Joint venture accounted for using equity method	(0.17)	-	-	(0.17)	-
	(b) Items that will be reclassified to profit or loss					
	Fair value gain/(loss) on investments and other financial instruments	(1.11)	0.47	0.14	(0.80)	0.56
	Income tax effect on above	-	-	-	-	-
	Share of Other Comprehensive Income of Joint venture accounted for using equity method	-	-	-	-	-
	(c) Exchange difference on translation of foreign operations	20.54	8.74	10.09	69.91	4.22
	Total Other Comprehensive Income/(Loss) for the period/year (a+b+c)	17.89	8.81	13.93	67.92	7.24
XI	Total Comprehensive Income/(Loss) for the period/year (IX + X)	109.66	61.38	27.21	228.77	97.33
XII	Profit for the period/year attributable to:					
	Shareholders of the parent company	91.28	52.13	13.08	159.61	89.35
	Non-controlling Interest	0.49	0.44	0.20	1.24	0.74
XIII	Other Comprehensive Income/(loss) for the period/year attributable to:					
	Shareholders of the parent company	17.89	8.81	13.93	67.92	7.24
	Non-controlling Interest	-	-	-	-	-
XIV	Total Comprehensive Income/(Loss) for the period/year attributable to:					
	Shareholders of the parent company	109.17	60.94	27.01	227.53	96.59
	Non-controlling Interest	0.49	0.44	0.20	1.24	0.74
XV	Paid up Equity Share Capital (Face value of ₹ 5/- each)	54.60	54.60	54.59	54.60	54.59
XVI	Other Equity				3,197.36	2,962.07
XVII	Earning per share (not annualised)					
	Basic	8.36	4.77	1.20	14.62	8.18
	Diluted	8.34	4.76	1.20	14.59	8.17

The above audited consolidated results of Sheela Foam Limited are available on our website www.sheelafoam.com and on the stock exchange websites www.nseindia.com and www.bseindia.com.

Notes:

- These consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors, in their respective meetings held on May 14, 2026.
- These consolidated financial results of Sheela Foam Limited ("the Holding Company") and its subsidiaries ("the Group") together with jointly controlled entity for the quarter and year ended March 31, 2026 have been prepared in accordance with the recognition and measurement principles laid down as per Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

3 Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :

Particulars	Quarter Ended			Year Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
a) ** Net Worth (₹ in Crores)	3,260.25	3,149.29	3,024.15	3,260.25	3,024.15
b) Outstanding Unsecured Non-convertible Debentures (₹ in Crores)	362.50	362.50	725.00	362.50	725.00
c) Debt service coverage ratio (Number of times, Not annualised)	0.20	0.16	0.12	0.59	0.45
d) Interest service coverage ratio (Number of times)	4.76	4.86	1.06	2.83	1.60
e) Debt equity ratio (Number of times)	0.28	0.33	0.48	0.28	0.48
f) Current Ratio (Number of times)	0.76	0.69	0.95	0.76	0.95
g) Long term debt to working capital ratio (Number of times)	(2.06)	(1.65)	(15.73)	(2.06)	(15.73)
h) Bad debts to Account receivable ratio (%)	0.0%	0.0%	0.0%	0.2%	0.2%
i) Current liability ratio (Number of times)	0.81	0.79	0.63	0.81	0.63
j) Total debts to total assets (Number of times)	0.18	0.21	0.27	0.18	0.27
k) Debtors Turnover Ratio (Number of times, Not annualised)	2.57	2.87	2.54	9.71	9.70
l) Inventory Turnover Ratio (Number of times, Not annualised)	1.70	1.84	1.54	6.19	6.26
m) Basic EPS (In ₹ Not annualised)	8.36	4.77	1.20	14.62	8.18
n) Diluted EPS (In ₹ Not annualised)	8.34	4.76	1.20	14.59	8.17
o) Operating margin (%)	40.6%	38.3%	34.6%	39.8%	37.2%
p) Net profit margin (%)	8.7%	4.9%	1.6%	4.2%	2.6%

Formulas for computation of ratios are as follows:-

Debt service coverage ratio	$\frac{\text{Profit before tax} + \text{Finance costs} + \text{Depreciation}}{\text{Finance cost} + \text{Borrowings (Current)} + \text{Lease Liabilities (Current)}}$
Interest service coverage ratio	$\frac{\text{Earnings before interest, tax and exceptional items}}{\text{Finance cost}}$
Debt equity ratio	$\frac{\text{Total Borrowings} + \text{Total Lease Liabilities}}{\text{Equity Share Capital} + \text{Other Equity}}$
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Long term debt to working capital ratio	$\frac{\text{Non-Current Borrowings} + \text{Non-Current Lease Liabilities} + \text{Current Maturities of Long term borrowings and Lease liabilities}}{\text{Current Assets} - \text{Current Liabilities}}$
Bad debts to Account receivable ratio	$\frac{\text{Bad Debts}}{\text{Average Trade Receivables}}$
Current liability ratio	$\frac{\text{Total Current liabilities}}{\text{Total liabilities}}$
Total debts to total assets	$\frac{\text{Total Borrowings} + \text{Total Lease Liabilities}}{\text{Total Assets}}$
Debtors Turnover Ratio	$\frac{\text{Revenue from operations}}{\text{Average Trade receivables}}$
Inventory Turnover Ratio	$\frac{\text{*Cost of Goods sold}}{\text{Average Inventories}}$
Operating margin	$\frac{\text{Revenue from operations} - \text{*Cost of Goods sold}}{\text{Revenue from operations}}$
Net profit margin	$\frac{\text{Profit After Tax (after exceptional item)}}{\text{Revenue from operations}}$

Notes:-

* Cost of goods sold includes Cost of materials consumed, Purchases of Stock-in-trade and Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress and Other manufacturing expenses.

** Net worth has been computed on the basis as stated in Clause(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 i.e. Net worth as defined in subsection (57) of section 2 of the Companies Act, 2013.

- 4 Segment Reporting as per Indian Accounting Standard for Operating Segments (Ind AS 108), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder:

The Group is mainly engaged in manufacturing of the products of same type/class, and therefore there is no reportable Business Segments. The Group has geographical segments as given below:

Geographical Segment:

The analysis of the geographical segment based on sales made within India and outside India by the Group is as under:

Particulars	Quarter Ended			Year Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Audited) (refer note 12)	(Unaudited)	(Audited) (refer note 12)	(Audited)	(Audited)
Revenue from operations :					
Within India	825.08	844.55	662.57	2,974.70	2,679.13
Outside India	224.98	229.88	187.04	846.14	760.07
Non Current Assets :					
Within India				2,950.96	2,884.38
Outside India				855.95	819.58

- 5 The Board of Directors of the Holding Company ('Board') at its meeting held on March 28, 2024, has approved the Scheme of Amalgamation of subsidiary of the holding company, i.e., Kurlon Enterprise Limited along with its subsidiaries ("KEL" or "Amalgamated Company") with Sheela Foam Limited ("SFL" or "Amalgamated Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 from Appointed date of October 20, 2023 (the "Appointed date"). Accordingly, the aforesaid scheme of arrangement has been approved by National Company Law Tribunal, Bench at Mumbai ("NCLT") vide order dated September 17, 2025 and the same has been accounted as required under Appendix C (Business Combinations of Entities under Common Control) of Ind AS 103, the comparative accounting periods presented above have been reinstated by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements, i.e. April 01, 2024. There is no recognition of any new assets or liabilities arising from this business combination. The reserves of the KEL have been merged with the respective reserves of SFL ("Holding Company").
- 6 The Board of Directors of the Holding Company ('Board') at its meeting held on September 16, 2024, has approved the Scheme of Amalgamation between two wholly owned subsidiaries of the Holding Company, i.e., Staqa World Private Limited ("SWPL" or "Transferor Company" or "Amalgamated Company") with Staqa Software Private Limited ("SSPL" or "Transferee Company" or "Amalgamated Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 from Appointed date of April 01, 2024 (the "Appointed date"). Accordingly, the aforesaid scheme of arrangement has been approved by National Company Law Tribunal, Bench at New Delhi ("NCLT") vide order dated November 21, 2025 and the same has been accounted as required under Appendix C (Business Combinations of Entities under Common Control) of Ind AS 103, the comparative accounting periods presented above have been reinstated by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the consolidated financial statements, i.e. April 01, 2024. There is no recognition of any new assets or liabilities arising from this business combination. The reserves of the SWPL have been merged with the respective reserves of the SSPL.
- 7 On 21 November 2025, the Government of India notified the four new Labour Codes namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020. Provisions of the previous labour Acts and their rules, notifications, etc. continue to remain in force till final notification of new Rules, etc. under the Code, to the extent these are in line with the Codes. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. Accordingly, the Holding company has recognised incremental impact pertaining to past service cost of gratuity and long-term absences aggregating amounting ₹ 6.15 crores under "Employee Benefits Expense" in the Statement of Profit and Loss as per the applicable requirements of Ind AS 19 and the guidance provided by the Institute of Chartered Accountants of India during the quarter and year ended December 31, 2025 and March 31, 2026 respectively. The Holding Company is in the process of assessing the impact of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes.
- 8 The Holding Company has acquired 17.70% equity stake w.e.f. August 29, 2023 in 'House of Kieraya Limited (Furlenco)' which has been increased to 43.89% during the year ended March 31, 2025. Subsequently, during the quarter ended December 31, 2025 and year ended March 31, 2026, the holding company's equity stake got reduced to 34.53% on issuance of fresh issue of 83,72,392 equity shares by House of Kieraya Limited out of which the holding company subscribed 20,09,377 equity shares.
- 9 Exceptional items:
- a) Results for year ended March 31, 2024 included loss of inventory and fixed assets amounting to ₹ 10.95 Crores due to fire outbreak at Silvassa location on June 28, 2023. Additionally, certain expenses pertaining to the fire amounting to ₹ 0.61 Crores were recorded in the quarter ended March 31, 2024. Subsequently, all these amounts have been recovered from the insurance company and consequently, exceptional income has been recorded in the year ended March 31, 2025.
- b) The Holding company has recognized loss due to fire accident occurred at Jhagadia plant amounting to ₹ 18.71 crores in the previous years in one of the erstwhile subsidiary which has been merged with the holding company during the FY 2025-26. Subsequently, this amount has been received from insurance company and consequently, the income has been recognised in the year ended March 31, 2025.
- c) Results for the year ended March 31, 2026 includes net gain of ₹ 7.93 Crores on account of sale of certain land and building situated at:
- Industrial Plot no. 54 & 56, Shivangi Estate, Village Lakeshawri, Bhagwanpur, Roorkee, Uttarakhand - 247661
- Plot no. 22 & 23 6/22/23, Dabaspur Industrial area, Sy. No. 76, Edehalli Village, Somapura Hobli, Nelmangala Taluk, Rural district, Bangalore
- 902/4, GiDC, Jhagadia Industrial Estate, Jhagadia, Bharuch, Gujarat – 393110
- Plot no. 54-57, Shivganga Industrial Estate Village Lakeshawri Bhagwanpur, Roorkee, Haridwar
- 10 The Property, Plant and Equipment are depreciated on a pro-rata basis on written down value basis over their respective useful lives upto December 31, 2025. With effect from January 01, 2026, the Group has changed its method of depreciation from WDV to Straight Line Method ("SLM") based on the internal technical assessment of the expected pattern of consumption of future economic benefits embodied in the assets as per Ind AS 16. In addition, the Group has also reassessed the useful life of certain plant and machinery from 20 years to 40 years based upon the technical assessment carried out by an independent chartered engineer considering the expected pattern of consumption of the future economic benefits of the assets. Accordingly, the depreciation expense for the quarter and year ended March 31, 2026 is lower and profit before tax is higher by ₹ 14.37 crores.
- There is no impact on account of such change to the depreciation provided in the results for the comparative quarter ended March 31, 2025, December 31, 2025 and year ended March 31, 2025.
- 11 Subsequent to the quarter, the Holding Company has executed the sale deed on April 01, 2026 and April 07, 2026 in respect to land and building situated at Shiv Ganga Industrial Estate, Bhagwanpur Roorkee, Haridwar, Hallurmajra B.O., Roorkee H.O. 34, 91, 247667 which had already classified under "Assets held for sale".
- 12 The figures for the quarter ended March 31, 2026 and March 31, 2025 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31st of the respective financial years, which were subject to limited review.
- 13 The Board of Directors of Holding Company, at its meeting held on May 14, 2026, have recommended a final dividend of ₹ 1 per share (20% on an equity share of Rs. 5 each) for the year ended March 31, 2026. The payment is subject to the approval of the shareholders of the Holding Company at the ensuing Annual General Meeting of the Holding Company.
- 14 Figures for previous periods/ year have been regrouped/ reclassified wherever necessary to correspond with the current quarter/ year classification.

Place: Noida
Date: May 14, 2026

For Sheela Foam Limited

**RAHUL
GAUTAM**

(Rahul Gautam)
Managing Director
DIN:00192999

Digitally signed by Rahul Gautam
DN: cn=Rahul Gautam, o=Sheela Foam Limited, email=rahul.gautam@sheelafoam.com, c=IN
Date: 2026.05.14 11:22:22 +05'30'

SHEELA FOAM LIMITED

Regd. office: 1002 to 1006, The Avenue, International Airport Road, Opp Hotel Leela Sahar, Andheri East, Mumbai, Maharashtra - 400059
 Corporate Office: Sleepwell Tower, Plot No.-14, Sector 135, Noida, Gautam Budh Nagar (U.P.) -201301
 Tel: Int-91(0)-22-28265686/88/89, Email - investorrelation@sheelafoam.com
 CIN- L74899MH1971PLC427835

AUDITED STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT MARCH 31, 2026

(₹ in Crores)		
Particulars	As at	As at
	March 31, 2026	March 31, 2025
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	1,175.83	1,026.19
Right-of-use assets	208.21	281.46
Capital work-in-progress	27.37	131.24
Intangible assets	1,766.81	1,724.35
Intangible assets under development	4.82	-
Investment property	46.78	48.33
Investments accounted for using the equity method	453.49	402.27
Financial assets		
(i) Loans	0.42	1.89
(ii) Other financial assets	54.66	51.17
Deferred tax assets	114.49	156.33
Non current tax assets (net)	115.96	82.98
Other non-current assets	7.64	7.14
Total non-current assets	3,976.48	3,913.35
Current assets		
Inventories	392.60	349.91
Financial assets		
(i) Investments	134.39	470.44
(ii) Trade receivables	441.53	345.61
(iii) Cash and cash equivalents	33.12	41.25
(iv) Bank balances other than cash and cash equivalents	3.27	6.23
(v) Loans	1.94	1.36
(vi) Other financial assets	20.68	18.76
Current tax assets (net)	0.01	0.27
Other current assets	101.97	162.19
Total current assets	1,129.51	1,396.02
Assets held for sale/Assets included in disposal group(s) held for sale	10.78	58.22
Total assets	5,116.77	5,367.59
EQUITY AND LIABILITIES		
Equity		
Equity share capital	54.60	54.59
Other equity	3,197.36	2,962.07
Equity attributable to shareholders of the parent Company	3,251.96	3,016.66
Non-controlling Interest	8.29	7.49
Total equity	3,260.25	3,024.15
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowing	96.91	529.84
(ii) Lease liabilities	150.24	208.97
(iii) Other non current financial liabilities	48.77	66.88
Long-term provisions	9.50	16.96
Other non-current liabilities	48.27	37.34
Deferred tax liabilities	7.99	7.41
Total non-current liability	361.68	867.40
Current liabilities		
Financial liabilities		
(i) Borrowing	616.86	686.65
(ii) Lease liabilities	43.97	36.89
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	79.24	30.69
- Total outstanding dues of creditors other than micro enterprises and small enterprises	377.28	318.75
(iv) Other financial liabilities	216.48	234.35
Short-term provisions	46.35	39.47
Current tax liabilities (net)	-	0.35
Other current liabilities	114.66	128.89
Total current liabilities	1,494.84	1,476.04
Total liabilities	1,856.52	2,343.44
Total equity and liabilities	5,116.77	5,367.59

For Sheela Foam Limited

RAHUL GAUTAM

(Rahul Gautam)

Managing Director

DIN:00192999

Place: Noida
Date: May 14, 2026

SHEELA FOAM LIMITED

Regd. office: 1002 to 1006, The Avenue, International Airport Road, Opp Hotel Leela Sahar, Andheri East, Mumbai, Maharashtra - 400059
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AUDITED STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	(₹ in Crores)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax and exceptional items	173.91	72.74
Adjustments for:		
Depreciation and amortisation expense	178.58	182.61
Finance costs	95.15	120.55
Gain on Termination of Lease	(0.32)	(5.43)
Advances/Balances written off (including bad debts)	0.77	2.38
Provision for doubtful receivables	2.03	0.93
Provision for warranty provided/(written back)	7.95	21.73
Expenses on employees stock option schemes	6.29	7.42
Subsidy income	-	(0.30)
Amortisation of Government grants	(5.39)	(7.24)
Net loss on foreign currency forward contracts	20.61	2.78
Money received as settlement claim under Business Combination	-	(35.70)
Fair value (gain)/loss on investments (net)	(0.03)	(14.31)
Profit on sale of investments (net)	(4.35)	(41.79)
Liabilities/provisions no longer required written back	(0.83)	(1.31)
Unrealised foreign exchange (gain) (net)	(0.98)	-
Rental Income (Short term lease)	(11.64)	(7.52)
Interest income	(12.37)	(9.25)
Loss on sale of property, plant and equipment (net)	1.90	2.41
Operating profit before working capital changes	451.28	290.70
Changes in working capital:		
(Increase) in Inventories	(24.46)	(1.29)
(Increase) / Decrease in loans and trade receivables	(74.12)	15.93
Decrease / (Increase) in other financial and non-financial assets	14.11	(6.36)
Increase / (Decrease) in trade payables	85.90	(26.96)
(Decrease) in other financial liabilities, non-financial liabilities and provisions	(12.35)	(18.38)
Cash generated from operations	440.36	253.64
Income tax paid (net of refunds)	(31.04)	(6.25)
Net cash flow from operating activities (A)	409.32	247.39
B. Cash flow from investing activities		
Purchase of property, plant and equipment and change in capital work-in-progress	(131.04)	(113.97)
Intangible Assets acquired and expenditure on intangibles under development	(6.02)	(32.36)
Proceeds from Sale of property, plant and equipment	98.33	42.01
(Decrease) / Increase in creditors for capital goods (net of capital advances)	(2.13)	2.60
Deposit matured/made during the period (net)	2.96	(1.30)
Investment in debentures and mutual funds (net)	340.47	113.49
Investment made in Joint Venture	(30.00)	(50.94)
Rental Income (Short term lease)	11.64	7.52
Interest income received	11.93	9.07
Net cash flow / (used in) from investing activities (B)	296.14	(23.88)
C. Cash flow from financing activities		
Payment of Dividend during the year	0.25	(0.09)
Net Proceeds from issuance of paid up equity share capital (including security premium)	0.01	-
Repayment of Non-convertible debentures (including interest)	(416.00)	(61.27)
Repayment of long term borrowings	(123.79)	(56.98)
Repayment from short term borrowings (including working capital loan)	(80.50)	(16.21)
Payment of lease liabilities (principal and interest)	(55.24)	(48.90)
Finance costs	(40.45)	(42.87)
Net cash (used in) Financing Activities (C)	(715.72)	(226.32)
Net (decrease) in cash and cash equivalents (A+B+C)	(10.26)	(2.81)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	2.13	0.04
Cash and cash equivalents at the beginning of the year	41.25	44.02
Cash and cash equivalents at the end of the year	33.12	41.25
Notes to statement of cash flows :		
Components of cash and cash equivalents as under :		
Cash on hand	0.34	0.47
Deposits with bank with original maturity of less than 3 months	1.44	0.19
Balance with banks - Current Accounts	31.34	40.59
	33.12	41.25

For Sheela Foam Limited

**RAHUL
GAUTAM**

(Rahul Gautam)
Managing Director
DIN:00192999

Place: Noida
Date: May 14, 2026

Digitally signed by RAHUL GAUTAM
DN: cn=RAHUL GAUTAM, o=Sheela Foam Limited, ou=Sheela Foam Limited, email=rahul.gautam@sheelafoam.com, c=IN
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