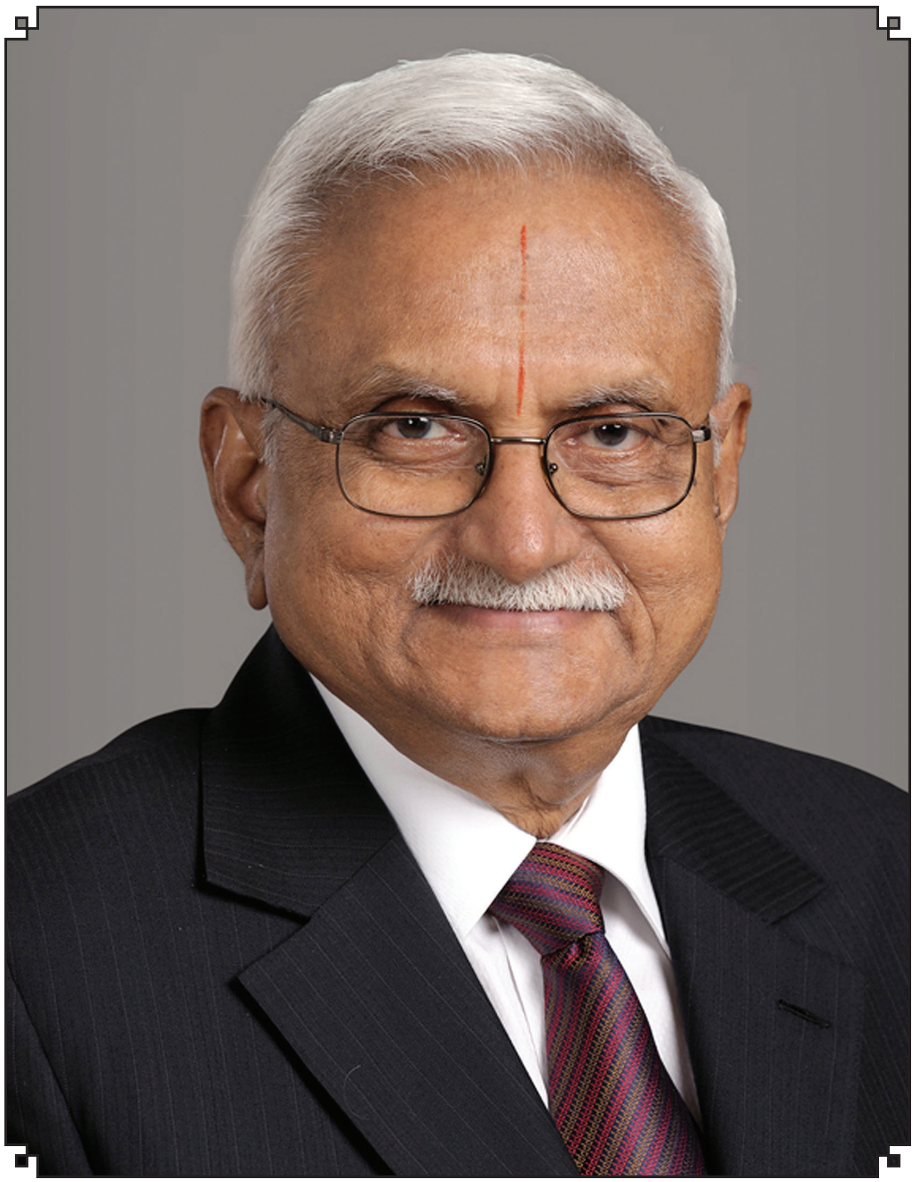
45th
Annual Report
2025 - 2026

Sri Vishnu Shankar Mill Limited
Rajapalaiyam

SHRI P.A.C. RAMASAMY RAJA



"Gurubakthamani"
SHRI P.R. RAMASUBRAHMANEYA RAJHA
Sridharmarakshakar - Ramco Group

Board of Directors

Shri P.R. VENKETRAMA RAJA, B.Tech., M.B.A.,
Chairman

Smt. SHARADHA DEEPA, B.E.,
Managing Director

Shri S.S. RAMACHANDRA RAJA, B.Sc.,

Shri SRIRAMA RAJA, B.E.,

Shri ARUNKUMAR GOENKA, B.Com.,

Shri P.A.S. ALAGHAR RAJA D.T.T., #

Shri S. KANTHIMATHINATHAN, M.Sc.,(Tex), M.B.A.,

Justice Shri P.P.S. JANARTHANA RAJA, B.L

Shri N.S. Krishnamma Raja B.E. (ECE), MBA *

Registered Office

Sri Vishnu Shankar Mill Premises,
Post Box No. 109,
P.A.C. Ramasamy Raja Salai,
Rajapalaiyam - 626 117. Tamil Nadu.

E-mail : svsm@ramcotex.com
Phone : 04563-235555
Fax : 04563-236493
Website: www.vishnushankarmill.co.in

Corporate Identification Number:
U17301TN1981PLC008677

Ceased to be Director from the close of Business hours of 18th May, 2026.

* From 19-05-2026

Bankers

Tamilnad Mercantile Bank Limited
IndusInd Bank Limited
IDBI Bank Limited
The Federal Bank Limited
ICICI Bank Limited
DCB Bank Limited
IDFC First Bank Limited
Indian Bank
State Bank of India

Auditors

M/s. M.S. Jagannathan & N. Krishnaswami
Chartered Accountants,
G5, Abirami Apartments,
14 VOC Road, Cantonment,
Trichy - 620 001.

Secretarial Auditor

Shri M.R.L. Narasimha
'Lotus', 370-A, Alagesan Road,
SB Mission Post,
Coimbatore - 641 011.

Cost Auditor

M/s. SVM & Associates,
AP13, New No.15, 6th Street,1Sector,
K.K. Nagar,
Chennai - 600 078.

Factories

Unit I
P.A.C. Ramasamy Raja Salai,
Rajapalaiyam - 626 117.

Unit II
Subramaniapuram Village,
Srivilliputhur - 626 137.

CONTENTS

NOTICE TO THE MEMBERS

Notice is hereby given that, the 45th Annual General Meeting of the Company will be held at 12:30 PM on Friday, the 28th August, 2026. This Annual General Meeting is being conducted through Video Conferencing (VC) / Other Audio Visual Means (OAVM) the details of which are provided in the Notes to this Notice. The following are the businesses that would be transacted at this Annual General Meeting.

ORDINARY BUSINESS - ORDINARY RESOLUTION

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED THAT the Company's Separate and Consolidated Audited Financial Statements for the year ended 31st March, 2026, and the Reports of the Board of Directors' and Auditor's thereon be and are hereby considered and adopted."

2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED THAT Shri S.S. Ramachandra Raja (DIN: 00331491), who retires by rotation, be and is hereby re-appointed as Director of the Company."

3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED THAT Shri Arunkumar Goenka (DIN: 00393845), who retires by rotation, be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS - ORDINARY RESOLUTION

4. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

   "RESOLVED THAT in accordance with the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, Shri N.S. Krishnamma Raja (DIN: 01655571), appointed as Additional Director of the Company with effect from 19th May, 2026 pursuant to the provisions of Section 161 of the Act, and who holds office upto the date of this Annual General Meeting and being eligible offers himself for the appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to provisions of Section 160 of the Act, signifying his intention to propose the candidate of Shri N.S. Krishnamma Raja for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a term of five (5) consecutive years from the date of his appointment, viz 19th May, 2026."

NOTICE

5. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1,10,000/- (Rupees One Lakh Ten Thousand) plus applicable taxes and out-of-pocket expenses, payable to M/s. SVM & Associates, Practicing Cost Accountants (FRN: 000536) appointed as the Cost Auditors of the Company by the Board of Directors, for the financial year 2026-27 for auditing the Cost Records relating to manufacture of textile products, be and is hereby ratified and confirmed."

SPECIAL BUSINESS - SPECIAL RESOLUTION

6. To consider and pass the following Resolution, as a SPECIAL RESOLUTION:

"RESOLVED THAT in furtherance to the Special Resolution passed at the Annual General Meeting held on 20th August, 2022 and pursuant to Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the consent of the Company be and is hereby accorded for continuing payment of remuneration to Smt. Sharadha Deepa (DIN:00383799), Managing Director at 5% of the net profits of the Company for the remaining tenure of her appointment up to 31-03-2028.

RESOLVED FURTHER THAT when the Company has no profits or its profits are inadequate, in any financial year, the minimum remuneration for the remaining tenure of her appointment up to 31-03-2028 shall be continued to be paid at ₹180 Lakhs per annum along with the following perquisites:

i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 2025;

ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;

iii) Encashment of leave at the end of the tenure; and

iv) Other perquisites as allowed under Section IV of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to fix the components, quantum and periodicity of the remuneration payable to the Managing Director, subject to the aforementioned limits.

NOTICE

RESOLVED FURTHER THAT the remuneration aforesaid shall be exclusive of any fee paid for attending Meetings of the Board or any Committee thereof or for any other purpose, whatsoever as may be decided by the Board as provided in Section 197(5) of the Companies Act, 2013."

By Order of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2026.

NOTICE

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.

2. The Company has chosen to conduct this Annual General Meeting through Video Conference. The Annual General Meeting would be conducted in accordance with:

   (i) General Circular No: 03/2025 dated 22nd September, 2025, issued by Ministry of Corporate Affairs, Government of India; and

   (ii) Such other instructions that may be issued by Statutory Authorities.

3. The Company would be providing the Central Depository Services (India) Limited's (CDSL) system for the Members to cast their vote through remote e-Voting and participate in the Annual General Meeting through Video Conference.

4. Proxies are not being sent to Shareholders, as the meeting is being conducted through Video Conference.

5. The Company is also releasing a Public Notice by way of advertisement being published in English in Business Line (All editions) and in Tamil in Dinamani (Madurai Editions), containing the following information:

   - Convening of Annual General Meeting through Video Conference in compliance with applicable provisions of the Act.
   - Date and Time of the Annual General Meeting.
   - Availability of Notice of the Meeting on the website of the Company and at **http://www.evotingindia.com**.
   - Reference to the link of the Company's website, providing access to the full Annual Report.
   - Requesting the Members who have not registered their E-Mail addresses with the Company, to get the same registered with the Company.

6. The cut-off date will be Friday 21st August 2026 for determining the eligibility to vote by remote e-Voting or in the Annual General Meeting.

NOTICE

7. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed / unpaid dividends lying with the Company on the website of the Company (www.vishnushankarmill.co.in), and also on the website of the Ministry of Corporate Affairs (www.mca.gov.in). The dividends remaining unpaid for a period of over seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Hence, the Members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund.

   The details of due dates for transfer of such unclaimed dividend to the said Funds are:

Financial Year ended	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEP Fund
31-03-2022	20-08-2022	19-08-2029	18-09-2029

8. In accordance with Section 124(5) of the Companies Act, 2013, the Company has transferred the unclaimed / unpaid dividends lying with the Company for a period of over seven years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

9. In accordance with Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more have been transferred by the Company to IEPF. The Shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No. IEPF-5 to the IEPF Authorities. The procedure is available at the website of **www.iepf.gov.in** and website of the Company viz., **www.vishnushankarmill.co.in** and the Form is available at MCA at **www.mca.gov.in**.

10. Dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), has been dispensed with. Such statements are being sent only by E-mail to the Members and to all other persons so entitled. The Annual Report will also be made available on the Company's Website - **www.vishnushankarmill.co.in**.

NOTICE

11. Voting through electronic means

a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members remote e-Voting facility to exercise their right to vote at the 45th Annual General Meeting (AGM) by electronic means and the business may be transacted through such e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

b) The facility for remote e-Voting shall remain open from 9:00 A.M. on Tuesday, the 25th August, 2026 to 5:00 P.M. on Thursday, the 27th August, 2026. During this period, the Members of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off-date, viz., Friday, the 21st August, 2026, may opt for remote e-Voting. Remote e-Voting shall not be allowed beyond 5:00 P.M on Thursday, the 27th August, 2026.

c) Individual Shareholders holding securities in demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants (DP). Shareholders are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-voting facility.

d) Login method for e-Voting and joining the AGM through Video Conference for Individual shareholders holding securities in Demat mode are given below:

Type of Shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL** Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are **https://web.cdslindia.com/myeasitoken/home/** login or visit **https://www.cdslindia.com/** and click on "Login" icon and select "My Easy New (Token)". 2) After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for

Type of shareholders	Login Method
	casting the vote during the remote e-Voting period or joining the Annual General Meeting through Video Conference & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at: **https://web.cdslindia.com/myeasitoken/Registration/** EasiRegistration (or) **https://web.cdslindia.com/ myeasitoken/ Registration/ EasiestRegistration** 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on **https://www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their DPs	You can also login using the login credentials of your demat account through your DP registered with CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the Annual General Meeting through Video Conference & voting during the meeting.

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

NOTICE

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at Toll Free No: 1800 210 99 11.

f) Access through CDSL e-Voting System in case of shareholders holding share in physical mode and non-individual Shareholder in demat mode. Login method for e-Voting and joining the Annual General Meeting through Video Conference for shareholders holding shares in physical form and for shareholders other than individual shareholders holding in Demat form.

1) The Shareholders should log on to the e-voting website www.evotingindia.com
2) Click on "Shareholders" Tab
3) Now enter your User ID as given below:
   - For CDSL: 16 digits Beneficiary ID,
   - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

   For Shareholders holding shares in Physical form and Shareholders holding shares in Demat Form other than individual holders.

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

PAN (Continued)	Shareholders who have not updated their PAN with the Company / DP are requested to use the first two letters of their name and the 8 digits of the Folio No. in the PAN field. In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. to make it 8 digits after the first two characters of the name in CAPITAL letters. Eg. If your name is TILAK RAM. V with folio number 1 then enter TI00000001 in the PAN Field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction F.

After entering these details appropriately, click on "Submit" Tab.

g) Shareholders holding Shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

h) For Shareholders holding Shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

i) Click on the relevant EVSN for SRI VISHNU SHANKAR MILL LIMITED on which you choose to vote.

j) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

NOTICE

k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.

l) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

n) You can also take a printout of the votes cast by clicking on "Click here to Print" option on the Voting page.

o) If a demat account holder has forgotten the login password, then Enter the User ID and the Captcha Code and click on Forgot Password & enter the details as prompted by the system.

p) There is also optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.

q) Facility for Non - Individual Shareholders and Custodians -Remote Voting.

   i) Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.

   ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.

   iii) After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

   iv) The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.

   v) It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

   vi) Alternatively Non Individual Shareholders are required to send the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at **srinivasan.k@msjandnk.in** and to the Company at the email address viz. **svsm@ramcotex.com**, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

r) If you have any queries or issues regarding attending the meeting & e-Voting from the CDSL e-Voting System, you can write an e-mail to **helpdesk.evoting@cdslindia.com** or contact at toll free no.1800 210 99 11.

12. Instructions for Shareholders attending the Annual General Meeting through Video Conference & e-Voting during meeting are as under:

A. The procedure for attending meeting & e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for Remote e-Voting.

B. The Members can join the Annual General Meeting in the VC mode up to 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the Annual General Meeting through Video Conference will be made available to members on first come first served basis. This will not include Members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Auditors, etc. who are allowed to attend the Annual General Meeting.

C. Members are requested to join the Annual General Meeting through Laptops / IPads for better experience and will be required to have webcam and use Internet with a good speed to avoid any disturbance during the meeting.

D. Members are requested to use Stable Wi-Fi or LAN Connection to mitigate Audio/ Video loss due to fluctuation in your network. Please avoid connecting through your Mobile Devices or Tablets or through Laptop via Mobile Hotspot.

E. Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request at least 3 days prior to meeting mentioning your name, Demat account number / Folio number, email ID, mobile number (as registered with the Depository Participant (DP) / Company) to the mail ID: **svsm@ramcotex.com**. Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.

NOTICE

F. Members who do not wish to speak during the Annual General Meeting but have queries may send your queries at least 3 days prior to meeting mentioning your name, demat account number / folio number, email id, mobile number to the mail ID: **svsm@ramcotex.com**. These queries will be replied by the company suitably by email.

G. Non-Individual members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution authorizing their representative to attend on their behalf at the meeting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address with a copy marked to **helpdesk.evoting@cdslindia.com**.

H. The attendance of the Members attending the Annual General Meeting through Video Conference will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

I. The link for Video Conference to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.

J. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the Annual General Meeting.

K. Only those shareholders, who are present in the Annual General Meeting through VC and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Annual General Meeting.

L. If any votes are cast by the Shareholders through the e-Voting available during Annual General Meeting and if the some Shareholder have not participated in the meeting through VC, then the voters cost by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

M. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

13. Process for those shareholders whose E-mail / Mobile No. are not registered with the Company / DP.

a) For Physical Shareholders, please submit Form ISR-1 duly filled to Cameo Corporate Services Limited, our Registrar to an Issue and Share Transfer Agent.

NOTICE

b) For Individual Demat shareholders, please update your E-Mail ID & Mobile Number with your respective DP which is mandatory while e-Voting & joining the Annual General Meeting through VC through Depository.

14. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 21st August, 2026, may obtain the Login ID and Password by following the procedures mentioned in Point No: 11 (D) or (F), as the case may be.

15. The voting rights of Shareholders shall be in proportion to the Shares held by them in the paid up equity Share capital of the Company as on Friday, the 21st August, 2026.

16. Shri K. Srinivasan, Chartered Accountant (Membership No: 021510), Partner, M/s. M.S. Jagannathan & N. Krishnaswami, Chartered Accountants (E-Mail ID: **srinivasan.k@msjandnk.in**) will act as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

17. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through e-Voting in the presence of at least two witnesses not in the employment of the company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and the Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.

18. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at **https://www.vishnushankarmill.co.in** and on the website of CDSL at **www.evotingindia.com** immediately after the declaration of results by the Chairman or a person authorized by him.

19. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to **helpdesk.evoting@cdslindia.com** or call toll free no. 1800 210 99 11.

By Order of the Board
For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2026.

NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee, had appointed Shri N.S. Krishnamma Raja (DIN: 01655571) as an Additional Director, with effect from 19^{th} May, 2026, in accordance with Sections 149, 150, 152 and 161 read with Schedule IV of the Companies Act, 2013, under the category of Non-Executive Independent Director of the Company.

Shri N.S. Krishnamma Raja, has a Bachelor's Degree in Engineering - Electronics and Communication from Madurai Kamaraj University and Master's Degree in Business Administration - Finance and Entrepreneurship from Indiana University, USA

He started his career as an entrepreneur immediately after his education by bringing the unique Dry Mix Concrete technology to India. His experience spans acquisition, manufacturing, marketing, technology transfer and focus on innovation and pioneering initiatives.

He started and built a series of businesses in BPO, Building Materials, Paints and coatings, Waterproofing and Construction Chemicals, and Medical Consumables, has pioneered Green Building Materials, Carbon Credits Trading with World Bank, and 3D printing/manufacturing.

He held the position of Director in various other companies engaged in the fields of BPO, Building Materials, Thermal Insulation Coatings, R&D and pipeline of innovative products.

He is also a Director in the following Companies:

Login Type	Name of the Company	Designation
U24304TN2016PTC113406	VINVENT CHEMILAB PRIVATE LIMITED	Director
U74999TN2008PTC068710	NRK INFRA SYSTEM PRIVATE LIMITED	Director
U26950TN2007PTC063772	N.R.K. CONSTRUCTION SYSTEMS PRIVATE LIMITED	Director
L17111TN1936PLC002298	RAJAPALAYAM MILLS LIMITED	Director
U22210TN2010PLC077293	SHRI HARINI MEDIA LIMITED	Director

NOTICE

He is also a Member in the following Committees:

Name of the Company	Name of the Committee	Position Held (Chairperson / Member)
Rajapalayam Mills Limited	Audit Committee	Member
	Nomination and Remuneration Committee	Member
	Corporate Social Responsibility committee	Member
	Stakeholders Relationship Committee	Member
Shri Harini Media Limited	Audit Committee	Member

In terms of Section 161 (1) he shall hold office up to the date of forthcoming Annual General Meeting and is eligible and offers himself to be appointed as Non-Executive Independent Director of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013, from Shri P.R. Venketrama Raja signifying the candidature of Shri N.S. Krishnamma Raja as Independent Director of the Company. The Company has also received declaration of independence from Shri N.S. Krishnamma Raja.

Shri N.S. Krishnamma Raja is proposed to be appointed as Non-Executive Independent Director of the Company for a term of five (5) consecutive years from the date of his appointment viz 19th May, 2026, not liable to retire by rotation. In the opinion of the Board Shri N.S. Krishnamma Raja fulfills the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and he is independent of the management, of being eligible for appointment as Independent Director. Shri N.S. Krishnamma Raja is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. He is eligible to receive remuneration by way of sitting fees.

He holds 1320 shares in M/s. Sri Vishnu Shankar Mill Limited.

The Board of Directors is of the opinion that his vast knowledge and experience will be of great value to the Company and hence recommends the Resolution for the approval of the Members.

The notice received under Section 160 of the Companies Act, 2013 and a copy of letter of appointment issued to Shri N.S. Krishnamma Raja as Non-Executive Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

NOTICE

Disclosure of Interest:

Except Shri N.S. Krishnamma Raja being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution.

Item No. 5

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), the Company is required to appoint a cost auditor to audit the cost records of Company, relating to manufacture of Textile Products for the financial year 2026-27.

On the recommendation of the Audit Committee at its meeting held on 29th May, 2026, the Board had approved the appointment of M/s. SVM & Associates, Cost Accountants (FRN: 000536) as the Cost Auditor of the Company to audit the Company's Cost Records relating to manufacture of Textile Products at a remuneration of ₹1,10,000/- (Rupees One Lakh Ten Thousand) plus applicable taxes and out-of-pocket expenses for the financial year 2026-27.

The remuneration of the Cost Audit Firm is required to be ratified by the Members, in accordance with the provisions of Section 148(3) of Companies Act and Rule 14 of Companies (Audit & Auditors) Rules, 2014.

The Directors recommended the Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution.

Item No. 6

Pursuant to the approval of the Shareholders dated 20-08-2022, Smt. Sharadha Deepa, was appointed as Managing Director of the Company for a period of five years, effective from 1st April, 2023.

Remuneration as approved at the time of appointment was:

- When the Company earns profits: She shall be paid a remuneration at 5% of the Net Profits of the Company.
- When the Company has no profit or inadequate profits: She shall be paid minimum remuneration of ₹ 180 Lakhs per annum, along with applicable perquisites as prescribed under Section IV of Schedule V of the Companies Act, 2013.

NOTICE

As per Schedule V of the Companies Act, 2013, when a company has no profits or inadequate profits it can pay the said minimum remuneration only for a period of three years, beyond which afresh approval of the Shareholders is required to continue the payment of minimum remuneration till the completion of term of appointment.

Due to inadequate profits, the Company has been giving only minimum remuneration to the Managing Director for the last three years and to continue payment of same minimum remuneration till completion of term of appointment upto 31-03-2028, approval of the Shareholders is sought in accordance with Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Smt. Sharadha Deepa has a Bachelor's Degree in Engineering. She has gained knowledge and experience in Textile Industry for more than two decades. She has been on the Board of Sri Vishnu Shankar Mill Limited, since 2003. Her Skills / Expertise include Strategy Management, Business Management and long term development. She has significantly contributed to the Company's strategic direction and involved in Policy planning.

In recognition of her leadership, expertise, and continued contributions, the Nomination and Remuneration Committee, at its meeting held on 29th May, 2026, recommended the continuation of her existing remuneration as given below till the completion of term of appointment up to 31-03-2028. This recommendation was approved by the Board of Directors at its meeting held on the same day, subject to the approval of shareholders:

Terms of Remuneration:

i. When the Company is having profit;

   5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.

ii. When the Company is having no profit or inadequate profit:

   When the Company has no profits or its profits are inadequate, in any financial year, the minimum remuneration for the remaining tenure of her appointment up to 31-03-2028 shall be continued to be paid at ₹ 180 Lakhs per annum along with the following perquisites:

   (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 2025;

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;

(iii) Encashment of leave at the end of the tenure; and

(iv) Other perquisites as allowed under Section IV of Schedule V of the Companies Act, 2013.

In addition to the above remuneration, she will also be eligible for any fee paid for attending Meetings of the Board or Committee thereof or for any other purpose, whatsoever as may be decided by the Board as provided in Section 197(5) of the Companies Act, 2013.

It is proposed to authorise the Nomination and Remuneration Committee to fix the quantum and periodicity of the remuneration payable to the Managing Director subject to the limits mentioned in the Resolution.

The remuneration proposed to be payable to Managing Director is in accordance with Nomination and Remuneration Policy of the Company.

Considering the continuity of Smt. Sharadha Deepa as the Managing Director, the Directors recommend the Special Resolution for Members' approval.

None of the Directors and Key Managerial Personnel, except Smt. Sharadha Deepa, whose remuneration is being fixed, Shri P.R. Venketrama Raja, Chairman and Shri S.S. Ramachandra Raja, Director and Shri Srirama Raja, Director being relatives of Smt. Sharadha Deepa, may be deemed to be concerned or interested in the Resolution.

I. General Information:

1	Nature of Industry			Textiles
2	Date of Commencement of Business			23-06-1981
3	Financial performance based on given indicators			
	Year	Total Turnover in ₹ Crores	Total Comprehensive Income Net of Tax ₹ in Crore	Dividend per share in ₹
	2025-26	242.74	-8.81	Nil
	2024-25	282.08	-19.51	Nil
	2023-24	245.73	-26.33	Nil
4	Foreign investments or collaborations, if any			Nil

II. Information about the appointee:

1	Background Details	Smt. Sharadha Deepa is a Promoter and has been on the Board of the Company, since 2003. She took over the management of the Company as Managing Director in January, 2005 Age : 59 Years No. of Equity Shares held in the Company : 6,83,550
2	Qualification & Experience	Smt. Sharadha Deepa has a Bachelor's Degree in Engineering. She has gained knowledge and experience in Textile Industry for more than two decades. Her skills / Expertise include Strategy Management, Business Management and General Administration.
3	Past Remuneration	Remuneration - ₹ 187.50 Lakhs (including contribution to Provident Fund and Superannuation Fund) Sitting Fees : ₹ 0.60 Lakhs
4	Recognition or awards	—
5	Job profile and her suitability	She has rich experience in Textile Industry for more than two decades.
6	Remuneration proposed	When the Company is having profit: 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013. When the Company is having no profit or inadequate profit: When the Company has no profits or its profits are inadequate, in any financial year, She shall be paid remuneration of ₹ 180 Lakhs along with following perquisites:

NOTICE

II. Information about the appointee: (continued)

		i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax, Act, 2025; ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; iii) Encashment of leave at the end of the tenure; and iv) Other perquisites as allowed under Section IV of Schedule V of the Companies Act, 2013 She will also be entitled for sitting fees for meetings of the Board or its Committees attended by her.
7	Comparative Remuneration profile	Remuneration is comparable with respect to industry, size of the Company, profile of the position and person.
8	Relationship with managerial personnel / Pecuniary relationship directly or indirectly with the Company.	She is the sister of Shri P.R. Venketrama Raja, Chairman, Wife of Shri Srirama Raja, Director and daughter in law of Shri S.S. Ramachandra Raja, Director. She has no pecuniary relationship other than the remuneration, she is entitled to receive. Her transactions with the Company are disclosed under the related party transactions.

NOTICE

III. Other Information:

1	Reasons of loss or inadequate profits	Due to geopolitical challenges and sluggish market conditions.
2	Steps taken or proposed to be sstaken for improvement.	Various measures has been taken for increasing productivity and reduction of cost viz., power, labor and other fixed cost.
3	Expected increase in productivity and profits in measurable terms	The aforesaid steps taken by the Company are expected to improve the Company's performance and profitability in future.

iv. Disclosures

Corporate Governance	Not Applicable

By Order of the Board
For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2026.

NOTICE

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Details of Shri S.S. Ramachandra Raja:

Name of the Director	S.S. Ramachandra Raja
Director Identification Number(DIN)	00331491
Age / DOB	90 Years / 04-09-1935
Qualifications	Shri S.S. Ramachandra Raja has a Bachelors' Degree in Science.
Experience	He has been on the Board of Sri Vishnu Shankar Mill Limited since 1986. He has 4 decades of Industry Experience with the specific knowledge in Textiles, Cement, and Information Technology Sectors.
Terms and conditions of reappointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013.
Date of First Appointment to the Board	25th April, 1986
Details of remuneration sought to be paid	He will be eligible for remuneration by way of sitting fee and reimbursement of expenses for attending meetings of the Board and other Meetings, as determined by the Board from time to time.
Details of remuneration last drawn during FY 2025-26.	Sitting Fees ₹ 0.75 Lakhs
Shareholding in the Company as on Date	13,470 Equity shares of ₹ 10/- each
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is the uncle of Shri P.R. Venketrama Raja, Chairman and Smt. Sharadha Deepa, Managing Director. Father of Shri Srirama Raja, Director of the Company.
No. of Meetings of the Board attended during FY 2025-26.	4 (FOUR)

Other Directorships	1. Ramco Industries Limited 2. Rajapalayam Mills Limited 3. Ramco Management Private Limited 4. Sri Sethu Ramasamy Farms Private Limited 5. Sudharsanam Investments Limited 6. RT Medibus Enterprise Private Limited 7. Rajapalayam Chamber of Commerce and Industry
Memberships and Chairmanships of Committees of other Board	Details Given below:

Name of the Company	Name of the Committee	Position Held
Sri Vishnu Shankar Mill Limited	Corporate Social Responsibility Committee	Member
Rajapalayam Mills Limited	Stakeholders Relationship Committee	Member

Details of Shri Arunkumar Goenka:

Name of the Director	Arunkumar Goenka
Director Identification Number (DIN)	00393845
Age / DOB	73 Years / 24-02-1953
Qualification	Shri Arunkumar Goenka has a Bachelors' Degree in Commerce.
Experience	He has been on the Board of Sri Vishnu Shankar Mill Limited since 1983. He has more than 4 decades of Industry Experience with the specific knowledge in Textiles Market.
Terms and conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013.
Date of First Appointment to the Board	23rd October, 1983
Details of remuneration last drawn during FY 2025-26.	Sitting Fees ₹ 0.45 Lakhs
Shareholding in the Company as on 31-03-2026	5,320 Equity shares of ₹ 10/- each.

NOTICE

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not applicable
No. of Meetings of the Board attended during the FY 2025-26.	3 (Three)
Other Directorships	M/s. Goenka Syndicate Private Limited
Memberships and Chairmanships of Committees of other Board	Not applicable

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 45th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2026.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2026 after charging all expenses but before deducting finance cost and depreciation have resulted in operating profit (EBIDTA) of ₹ 2,214.81 Lakhs against ₹ 1,255.52 Lakhs for the previous financial year 2024-25. Summary of Separate Financial Results of the Company is furnished below:

(₹ in Lakhs)

Financial Results - Separate	**Year ended 31-03-2026**	Year ended 31-03-2025
Revenue	**24,651.65**	28,811.65
Operating Profit :		
Profit before Interest, Depreciation and Tax (PBIDT)	**2,214.81**	1,255.52
Less: Interest	**2,088.19**	2,217.13
Profit / (Loss) before Depreciation and Tax (PBDT)	**126.62**	(961.61)
Less: Depreciation	**1,421.74**	1,450.52
Profit / (Loss) before Exceptional Item	**(1,295.12)**	(2,412.13)
Exceptional Items	**(10.28)**	(4.44)
Profit / (Loss) Before Tax	**(1,305.40)**	(2,416.57)
Less: Tax Expenses		
Deferred Tax Expenses /(Savings)	**(381.09)**	(465.65)
Current Tax	**-**	-
Profit / (Loss) after Tax (PAT)	**(924.31)**	(1,950.92)
Other Comprehensive Income for the Year (Net of Tax)	**43.16**	(0.37)
Total Comprehensive Income / (Loss) for the Year (TCI)	**(881.15)**	(1,951.29)

2. SHARE CAPITAL

The Paid-up Capital of the Company is ₹ 150.00 Lakhs (PY: ₹ 150.00 Lakhs) consisting of 15,00,000 Equity Shares of ₹ 10/- each.

DIRECTORS' REPORT

3. DIVIDEND

In view of the loss incurred by the Company for the financial year ended 31-03-2026 and considering financial position of the Company, your Directors are unable to recommend any dividend for the Current year.

4. TAXATION

The Company has opted to pay tax under Section 115BAA of the Income Tax Act, 1961. The Company is not liable to pay Income Tax and not provided any amount towards Current Tax provision. Deferred Tax (Asset) / Liability of ₹ (381.09) Lakhs (PY: ₹ (465.65) Lakhs) has been provided for the year 2025-26.

5. MANAGEMENT DISCUSSION AND ANALYSIS

TRADE CONDITIONS

5.1 COTTON

The cotton production in India for the cotton season 2024-25 was 313 lakh bales (170 Kgs) compared to 327 Lakh bales, a drop of 4% due to reduction in acreage.

At the beginning of the cotton season 2025-26, the CAI estimated the cotton crop for the new season to be 305 Lakh bales (compared to the previous year's 302 Lakh bales). However, the revised estimate of cotton arrivals reached to 320 Lakh bales. The Cotton Corporation of India (CCI) covered 91 Lakhs bales during Cotton season 2025-26 (as on 05-02-2026) and further increased the MSP price per quintal of medium staple cotton and long staple cotton by 8%. Despite some price correction in cotton, the fall in yarn prices was much sharper, leading to a wider disparity that affected the margins of yarn spinners across India.

International Cotton prices were traded in the range of 74.05 US cents per LB to 78.81 US cents per LB compared to domestic cotton which traded in the range of 78.75 US cents per LB to 81.50 US cents per LB.

The Company strategically shifted its focus to more value-added counts, and imported more high-quality cotton when prices were at reasonable levels. This strategy helped the company procure diversified varieties of cotton from across the globe and offer competitive prices for its yarn. Government of India in order to enhance availability of raw cotton in domestic market, to stabilize cotton price and to reduce input cost had allowed import duty exemption on cotton from 30-09-2025 to 31-12-2025.

5.2 YARN PRODUCTION

The production volume of yarn has increased to 70.09 Lakhs Kgs during the financial year 2025-26 as against 64.81 Lakhs Kgs of last year, due to better utilization.

5.3 SALE OF YARN

During FY 2025-26, the Company's sale volume was 69.97 Lakhs Kgs as against 65.13 Lakhs Kgs of previous year. The sale value of yarn decreased to ₹ 242.74 Crores during the FY 2025-26 as compared to ₹ 282.09 Crores of last year.

Due to geopolitical challenges and sluggish market demand for cotton yarn, there was severe hit in margins for Spinning Mills. This situation forced many spinning mills across India to operate at lower capacity, with many spinning mills cutting down their production due to huge losses in yarn production. However, the Company's focus on producing flexible and wide range products helped it to protect its sales volume during this sluggish period. Further, the red sea crisis has caused significant impact on Exports resulting higher freight cost, insurance cost and shipping delays.

The Company's focus on strengthening its infrastructure to produce diverse products, including various high-quality value-added yarn and collaborating with customers to manufacture innovative products helped it maintain capacity utilization and sales volume in export market. Sale volume of value-added yarn such as Modal / Tencel, Gassing, High Twist, Melange and Mercerized Yarn to 288 tonnes during the FY 2025-26, a 53% decline from 610 tonnes during the previous year.

5.4 EXPORTS

The Company has made export of Cotton Yarn (including merchant exports) during the financial year 2025-26 with a value of ₹ 29.28 Crores as compared to ₹ 43.32 Crores in the previous year. The Company's focus on Product enhancement through technology advancement, traceability of entire production process, continuous customer-centricity and production of unmatched quality helped it to achieve this export.

5.5 POWER COST

During the financial year 2025-26, the Company was able to consume power from its own wind farms to the extent of 53% (PY: 51%) of the total power requirement. In spite of increase in power tariff by Tamil Nadu Power Distribution Corporation Limited and increased consumption, the power cost was decreased to ₹ 21.28 Crores, from ₹ 24.66 Crores in the previous year, due to better wind velocity, favourable weather conditions and Company's endeavor towards optimization of renewable power.

5.6 FINANCE COST

The Finance cost has decreased to ₹ 20.88 Crores during the financial year 2025-26 from ₹ 22.17 Crores in the previous financial year mainly due to reduction in cost of borrowings.

5.7 DIVIDEND INCOME

During the financial year 2025-26, the Company has received dividend income of ₹ 62.07 Lakhs (PY: ₹ 77.58 Lakhs) and the particulars of dividend received are provided under Note No.46 (a) (v).

6. MODERNISATION / EXPANSION

During the FY 2025-26, the Company has not invested to any amount for modernisation / expansion.

7. PROSPECTS FOR THE CURRENT YEAR

The volatility in cotton prices continues, with prices of both cotton and yarn experiencing wide fluctuations. According to data published by the Foreign Agricultural Service of USDA, world cotton production for the 2026-27 season is expected to decrease by 5% on account of lower projection in production for Australia, Brazil, China, Pakistan, Turkey, and United States. However, global cotton consumption is projected to grow by 1.33% on account of larger global cotton supplies, replenishment of inventories across the textile and product supply chain, and prospects for global economic growth..

India-UK Free Trade Agreement signed on May, 2025 opens new Export opportunities for Textile Industry. Similarly, India-Europe Free Trade Agreement hailed as "Mother of all deals" has been signed on January, 2026 which is a strategic breakthrough in India's Global Trade engagement.

The Company is continuously monitoring various process parameters and implementing various system controls to deliver consistent quality yarn to end customers and leading brands. Strengthening its product lines with more value-added customized yarn counts such as Modal, Tencel, High Twist, Elitwist, Bamboo, and Mercerized Yarn will help the Company mitigate the impact of falling demand for commodity counts.

The Company's modernization of spinning machines is expected to help the Company increase its revenue and protect its margins during the current year. The Company's spinning capacities are expected to complement each other in the coming years and enable the Company to offer wide range of textile products in a quick turnaround time. Many brands in domestic and international markets are approaching the Company for sourcing yarn. The Company has secured "A Grade" in Social Audit Compliance and leading brands in Domestic and International Markets are approaching the Company for sourcing yarns. The Company is confident that these measures will help to post a decent growth in its top line and enable sustainable profitability in the years ahead.

8. WIND MILL

The Company has windmills with installed capacity of 13.35 MW for its captive power consumption. During the FY 2025-26, the wind farm generated 242 Lakhs Kwh, which is highter than 201 Lakhs Kwh generated in the previous year. This was due to high wind velocity and favourable weather conditions during the current year. All the Units generated by the windmills were adjusted for captive consumption at our Mills. Monetary value of power generated by the windmill division during the year was ₹ 18.89 Crores, as compared to ₹ 16.13 Crores in the previous year.

9. ASSOCIATE COMPANY

The Company has three Associate Companies viz., M/s. The Ramco Cements Limited, M/s. Rajapalayam Mills Limited and M/s. The Ramaraju Surgical Cotton Mills Limited

As per Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's Associates' is attached in Form AOC-1 as **Annexure - I**.

10. CONSOLIDATED FINANCIAL STATEMENTS

As per provisions of Section 129(3) of the Companies Act, 2013, Companies are required to prepare consolidated financial statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of the Company.

Accordingly, the consolidated financial statements incorporating the accounts of Associate Companies, viz. M/s. The Ramco Cements Limited, M/s. Rajapalayam Mills Limited and M/s. The Ramaraju Surgical Cotton Mills Limited, along with the Auditors' Report thereon, forms part of this Annual Report. As per Section 136 (1) of the Companies Act, 2013, the Financial Statements including Consolidated Financial Statements are available at the Company's website at the following link at **www.vishnushankarmill.co.in**.

The consolidated Net Profit / (Loss) after tax of the Company amounted to ₹ (42.23) Lakhs for the year ended 31st March, 2026 as compared to ₹ (1,479.99) Lakhs of the previous year.

The Consolidated Total Comprehensive Income / (Loss) for the year under review is ₹ 2.34 Lakhs as compared to ₹ (1,492.78) Lakhs of the previous year.

11. INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5) (e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements. The ERP System developed by Ramco Systems Limited has been installed for online monitoring of all functions and management information reports are being used to have better internal control system and to make timely decisions.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with Section 177(9) and (10) of the Companies Act, 2013 the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The Policy provides a mechanism for the receipt, retention and treatment of complaints and to protect the confidentiality and anonymity of the stakeholders. The complaints can be made in writing to be dropped into the Whistle Blower Drop Boxes or sent through E-Mail to dedicated mail addresses accessible only by the Corporate Ombudsman. The Policy also provides complainant with access to the Chairman of the Audit Committee.

13. DIRECTORS

The Board of Directors at their meeting held on 26-05-2022, based on the recommendation of the Nomination and Remuneration Committee, have re-appointed Smt. Sharadha Deepa (DIN:00383799) as Managing Director for a further period of five years from 01-04-2023. The Shareholders of the Company have approved her re-appointment at the AGM held on 20-08-2022, by passing a Special Resolution.

Shri. P.A.S. Alaghar Raja (DIN: 00487312) ceased to be a Non-executive independent director of the Company upon completion of his second term of five consecutive years with effect from close of business hours on 18th May, 2026.

Subsequently, based on the recommendations of the Nomination and Remuneration Committee the Board of Directors have appointed Shri N.S. Krishnamma Raja (DIN: 01655571) as an Additional Director of the Company in the capacity of Independent Director for a period of 5 (five) consecutive years w.e.f. 19-05-2026 and his first term of office shall end on 18-05-2031.

As per the provisions of Section 161 of the Companies Act, 2013, an additional director can hold office up to the next AGM of the Company. It is proposed to regularise the appointment of Shri N.S. Krishnamma Raja (DIN: 01655571) as an Independent Director to hold office for period of 5 (five) consecutive years from 19-05-2026 to 18-05-2031 at the ensuing AGM. Hence, his name along with brief profile be included in the Notice of the Annual General Meeting.

In the opinion of the Board, the above Independent Director possess integrity, expertise and experience for being appointed as an Independent Director.

According to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company, the following Directors retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

1. Shri S.S. Ramachandra Raja, (DIN: 00331491)

2. Shri Arunkumar Goenka, (DIN: 00393845)

Pursuant to Rule 8(5) (iii) of Companies (Accounts) Rules, 2014, there have been no changes in the Directors or Key Managerial Personnel during the year.

The Independent Directors hold office for a fixed term of 5 years from the date of their appointment and are not liable to retire by rotation.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013, stating that they meet the independence criteria provided in Section 149(6) of the Companies Act, 2013.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. The Company has formulated a Code of Conduct for the Directors and Senior Management Personnel, which has been complied with.

The Audit Committee has three members, out of which two are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013, it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

The Company has a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and other employees duly approved by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, in accordance with Section 178(3) of the Companies Act, 2013.

As per Provisio to Section 178(4), the salient features of the Nomination and Remuneration Policy should be disclosed in the Board's Report. Accordingly, the following disclosures are given:

Salient Features of the Nomination and Remuneration Policy:

The objective of the Policy is to ensure that:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;

(c) remuneration to directors, key managerial personnel and senior management shall be appropriate to the working of the company and its goals; and

The Nomination and Remuneration Committee and this Policy are in compliance with the Companies Act, 2013. During the year under review, there has been no change in the policy.

14. EVALUATION OF BOARD

Pursuant to Section 134(3) (p) of the Companies Act, 2013, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters.

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of re-appointment of Independent Director.

DIRECTORS' REPORT

As per Section 178(2) of the Companies Act, 2013, the Board of Directors have evaluated the performance of the Committees of the Board.

The Board of Directors have reviewed and observed that the evaluation framework of the Board of Directors was adequate and effective.

The Board's observations on the evaluations for the year were under review similar to their observations for the previous year. No specific actions have been warranted based on current year observations. The Company would continue to familiarize its Directors on the industry, technological and statutory developments, which have a bearing on the Company and the industry, so that Directors would be effective in discharging their expected duties.

15. MEETINGS

MEETINGS OF THE BOARD

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No.	Name of the Director, Director Identification Number (DIN) & Directorship	Board Meetings held on				Attendance at last AGM 29-08-2025
		29-05-2025	12-08-2025	11-11-2025	13-02-2026	
1.	Shri P.R. Venketrama Raja, Chairman, DIN:00331406 Directorship : P & NE	Yes	Yes	Yes	Yes	No
2.	Smt. Sharadha Deepa, Managing Director DIN: 00383799 Directorship : P & E	Yes	Yes	Yes	Yes	Yes
3.	Shri S.S. Ramachandra Raja DIN : 00331491, Directorship : NE	Yes	Yes	Yes	Yes	No
4.	Shri Srirama Raja DIN:00383912 : Directorship : NE	Yes	Yes	Yes	Yes	Yes
5.	Shri Arunkumar Goenka DIN:00393845 Directorship : NE	Yes	Yes	Leave	Yes	Yes
6.	Shri S. Kanthimathinathan DIN:01124581 Directorship : NE	Yes	Yes	Yes	Yes	No
7.	Shri P.A.S. Alaghar Raja DIN:00487312 Directorship : NE & ID	Yes	Yes	Yes	Yes	Yes
8.	Justice Shri P.P.S. Janarthana Raja DIN:6702871 Directorship : NE & ID	Yes	Yes	Yes	Yes	Yes

P- Promoter E - Executive NE - Non Executive ID - Independent

MEETING OF THE COMMITTEES

AUDIT COMMITTEE

The composition of the Audit Committee and attendance of each Member at the Audit Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	Audit Committee Meetings held on			
		29-05-2025	12-08-2025	11-11-2025	13-02-2026
1.	Justice Shri P.P.S. Janarthana Raja	Yes	Yes	Yes	Yes
2.	Shri S. Kanthimathinathan	Yes	Yes	Yes	Yes
3.	Shri P.A.S. Alaghar Raja	Yes	Yes	Yes	Yes

NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee and attendance of each Member at the Nomination and Remuneration Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	Nomination and Remuneration Committee Meetings held on
		29-05-2025
1.	Justice Shri P.P.S. Janarthana Raja	Yes
2.	Shri S. Kanthimathinathan	Yes
3.	Shri P.A.S. Alaghar Raja	Yes

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition of the Corporate Social Responsibility Committee and attendance of each Member at the Corporate Social Responsibility Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	CSR Committee Meetings held on
		29-05-2025
1.	Shri P.R. Venketrama Raja	Yes
2.	Shri S.S. Ramachandra Raja	Yes
3.	Justice Shri P.P.S. Janarthana Raja	Yes

INDEPENDENT DIRECTORS COMMITTEE

The composition of the Independent Directors Committee and attendance of each Member at the Independent Directors Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	Independent Directors Meetings held on
		13-02-2026
1.	Justice Shri P.P.S. Janarthana Raja	Yes
2.	Shri P.A.S. Alaghar Raja	Yes

16. SECRETARIAL STANDARD

As required under clause 9 of Secretarial Standard 1, the Board of Directors confirms that the Company has complied with applicable Secretarial Standards.

17. PUBLIC DEPOSITS

Pursuant to Rule 8(5)(v) & (vi) of Companies (Accounts) Rules, 2014, it is reported that the Company has not accepted any deposit from public during the financial year under review. There was no outstanding of deposits as on 31-03-2026 (Previous year: NIL). The Company has no deposit, which is not in compliance with the Chapter V of the Companies Act, 2013.

18. ORDERS PASSED BY REGULATORS

Pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, it is reported that, no significant and material orders have been passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, it is reported that:

(a) The particulars of loans are provided under Note No. 46(b)(i)

(b) The particulars of investments are provided under Note No.11 & 12 respectively of Notes forming part of financial statements.

20. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy, which is based on the philosophy that "As the Organization grows, the Society and Community around it also grows.

Pursuant to Section 135(5) of the Companies Act, 2013, there is no CSR obligation for the Company for the financial year ended 31-03-2026. The Company has not spent CSR amount during the period from 01-04-2025 to 31-03-2026.

The Annual Report on CSR activities as prescribed under Company [Corporate Social Responsibility policy] Rules, 2014 is attached as Annexure - II.

21. AUDITS

STATUTORY AUDIT

M/s. M.S. Jagannathan & N.Krishnaswami, Chartered Accountants (FRN : 001208S), who have been appointed as the Statutory Auditors of the Company at the 41st Annual General Meeting, would be the Auditors of the Company till the conclusion of the 46th Annual General Meeting to be held in the year 2027.

The Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The report of the Statutory Auditors for the year ended 31st March, 2026 does not contain any qualification, reservation or adverse remark and no instance of fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDIT

Shri M.R.L. Narasimha, a Practicing Company Secretary is the Secretarial Auditor of the Company. Pursuant to Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditor for the year ended 31st March, 2026 is attached as Annexure - III. The report does not contain any qualification, reservation or adverse remark.

COST AUDIT

As per the Section 148(1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly such records and accounts are made and maintained.

The Board of Directors had approved the appointment of M/s. SVM & Associates, Cost Accountants as the Cost Auditor of the Company to audit the Company's Cost Records for the year 2026-27 at a remuneration of ₹1,10,000/- (Rupees One Lakh Ten Thousand Only) exclusive of GST and out-of-pocket expenses.

The remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of Companies (Audit and

Auditors) Rules, 2014. Accordingly, the matter is being placed before the Members for ratification at the ensuing Annual General Meeting.

The Cost Audit Report for the financial year 2024-25 due to be filed with Ministry of Corporate Affairs by 01-09-2025 had been filed on 27-08-2025. The Cost Audit Report for the financial year 2025-26 is due to be submitted by the cost auditor within 180 days from the closure of the financial year will be filed with the Ministry of Corporate Affairs, within 30 days thereof.

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

Pursuant to Section 134(3) (m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure - IV.

23. ANNUAL RETURN

In Accordance with Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of Companies (Management and Administration) Rules, 2014, the copy of the Annual Return for the year ended 31-03-2025 has been placed on the website of the Company and web link of such Annual Return is - **http://www.vishnushankarmill.co.in /pdf/annual-return-31-03-2025.pdf**

24. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration are provided in Annexure - V.

25. INDUSTRIAL RELATIONS AND PERSONNEL

The Company has 1,143 employees as on 31-03-2026 (PY: 1,245). Industrial relations with employees remained cordial during the year. The Company focused more on Human Resources Development activities and imparting training and to develop the skill-set of the employees to enable them to face the challenges in the work environment.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the following are the details of complaints:

S. No	Particulars	Remark
1.	Number of Complaints of sexual harassment received in the year	NIL
2.	Number of complaints disposed of during the year	NIL
3.	Number of cases pending for more than ninety days	NIL

26. RELATED PARTY TRANSACTION

Prior approval / Omnibus approval is obtained from the Audit Committee for all related party transactions and the transactions are periodically placed before the Audit Committee for its approval. Transaction with the related party which are material in nature, in accordance with Company's "Related Party Transaction Policy" and required to be disclosed in Form AOC-2 is attached as Annexure VI. In accordance with Indian Accounting Standard - 24 (Related Party Disclosure), the details of transactions with the related parties are set out in Note No. 46 of disclosures forming part of Financial Statements.

27. RISK MANAGEMENT POLICY

Pursuant to Section 134(3) (n) of the Companies Act, 2013, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimization of risk thereof.

28. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Year wise amount of unpaid / unclaimed dividend lying in the unpaid account and corresponding shares, which are liable to be transferred to IEPF and due dates for such transfer, are tabled below:

Year	Type of Dividend	Date of Declaration of Dividend	Last date for claiming Unpaid Dividend	Due date for transfer to IEP Fund	No. of Shares of ₹ 10/- each	Amount of unclaimed / unpaid Dividend as on 31-03-2026 - ₹
2021-2022	Dividend	20-08-2022	19-08-2029	18-09-2029	1,29,383	1,25,971*

* Net of TDS

29. MATERIALS CHANGES SINCE 1st APRIL, 2026

There have been no changes affecting the financial position of the Company between the end of the financial year (31-03-2026) and till the date of this report (28-05-2026)

30. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

(a) they had followed the applicable accounting standards along with proper explanation relating to material departures, if any, in the preparation of the annual accounts for the year ended 31st March, 2026;

(b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2026 and the loss of the Company for the year ended on that date;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the Annual Accounts on a going concern basis;

(e) they had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

(f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year under review and there is no such proceeding pending as at the end of the financial year 2025-26 to report.

32. The Company has not entered into any one time settlement with Banks / Financial Institutions, during the period under review.

33. The Board of Directors confirms that the Company has complied with the provisions of the Maternity Benefit Act, 1961, during the financial year under review. The Company extends all statutory maternity benefits to eligible women employees in accordance with the applicable provisions of the Act and has adequate policies and systems in place to ensure compliance with the said legislation. No instance of non-compliance was reported during the year.

34. During the financial year under review, there was no change in the nature of business of the Company.

ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2026.

ANNEXURE I TO DIRECTORS' REPORT

Form AOC - 1

[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Associate Companies

PART A - SUBSIDIARY COMPANY

There is no Subsidiary Company

PART B - ASSOCIATE COMPANY

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Particulars	2025-26		
Name of the Associate Company	The Ramco Cements Limited	Rajapalayam Mills Limited	The Ramaraju Surgical Cotton Mills Limited
Last audited Balance Sheet Date	**31-03-2026**	**31-03-2026**	**31-03-2026**
Date on which the Associate was associated / acquired	01-04-2016	01-04-2016	01-04-2016
No. of Shares held as on 31st March 2026.	30,94,200	37,174	3,200
Amount of Investment in Associate as on 31st March 2026 (₹ In Lakhs)	19.18	51.06	2.40
Extent of Shareholding % as on 31st March 2026	1.31	0.40	0.06
Description of how there is significant influence		Note (1)	
Reason why Associate is not consolidated		Not applicable	
Net worth attributable to Shareholding (₹ In Lakhs)	8,09,388	2,42,743	19,322
Profit / (Loss) for the year (Consolidated) (₹ in Lakhs)	69,902	11,350	(4,116)
a) Considered in Consolidation (₹ in Lakhs)	892	(5)	(3)
b) Not considered in Consolidation (₹ In Lakhs)	69,010	11,355	(4,119)

Note: 1) Significant influence exists based on combined voting rights.

2) Name of associates or joint ventures which are yet to commence operation - Nil

3) Names of associate or joint ventures which have been liquidated or sold during the year - NIL

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

ANNEXURE II TO DIRECTORS REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy.

   The objective of the CSR Policy is:

   a. to ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, whole recognizing the interests of all its stockholders.

   b. to directly or indirectly take up programs that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.

   c. to generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

2. The Composition of the CSR Committee:

S.No	Name of the Director	Designation / Nature of Directorship	No.of meetings of CSR held during the year	No.of meetings of CSR attended during the year
1	Shri P.R. Venketrama Raja	Chairman of the Committee Non-executive & Non-Independent Director	1	1
2	Shri S.S. Ramachandra Raja	Non-executive & Non- Independent Director	1	1
4	Justice Shri P.P.S. Janarthana Raja	Non-executive & Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: **www.vishnushankarmill.co.in**

4. Provide the executive summary along with web-link(s) of impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

ANNEXURE II TO DIRECTORS REPORT

5. a) Average net Profit of the Company as per Section 135(5): The Company has incurred loss in the last financial year.

   b) Two percent of Average net profit of the Company as per sub-section (5) of Section 135: Not Applicable

   c) Surplus arising out of the CSR Projects or Programmes or activities of the previous financial year: Not Applicable

   d) Amount required to be set off for the financial year, if any - Nil

   e) Total CSR obligation for the financial year [(b)+(c) -(d)] - Nil

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Not Applicable.

   b) Amount Spent in Administrative Overheads - NIL

   c) Amount Spent on Impact Assessment, if applicable - Not Applicable

   d) Total amount spent for the financial year (a + b + c) - Not Applicable

   e) CSR Amount spent or unspent for the financial year.

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Not Applicable	NIL	NIL	NIL	NIL	NIL

f. Excess amount for set off, if any

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

Including excess amount spent under CSR in earlier years, the Company has an amount of ₹ NIL Lakhs available for set-off against future CSR obligations.

ANNEXURE II TO DIRECTORS REPORT

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹ In Lakhs)	Amount spent in the reporting Financial year (₹ In Lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	(₹ In Lakhs)	Date of Transfer	
1	2024-25	Nil	3.62	NA	Nil	NA	NA
2	2023-24	Nil	0.61	NA	Nil	NA	NA
3	2022-23	Nil	6.22	NA	Nil	NA	NA
	Total		**10.45**				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

   If Yes, enter the number of Capital assets created / acquired: NA.

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration no	Name	Registered Address
NA							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) - Not applicable

The Company has complied with the provision of Section 135(5) of the Companies Act, 2013.

Shri P.R. VENKETRAMA RAJA	**Smt. SHARADHA DEEPA**
CHAIRMAN	MANAGING DIRECTOR
(DIN: 00331406)	(DIN: 00383799)

RAJAPALAIYAM,
29th May, 2026.

ANNEXURE III TO DIRECTORS REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To

The Members,
Sri Vishnu Shankar Mill Limited,
[CIN:U17301TN1981PLC008677]
Sri Vishnu Shankar Mill Premises,
P.A.C Ramasamy Raja Salai,
Post Box No.109, Rajapalayam - 626 117

I have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **SRI VISHNU SHANKAR MILL LIMITED** (hereinafter called "the Company") during the financial year from 1st April, 2025 to 31st March, 2026 ("the year"/ "audit period"/ "period under review"). I conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing my opinion thereon.

I am issuing this report based on my verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the year as well as after 31st March, 2026 but before the issue of this audit report and the information provided by the Company, its officers, agents and authorized representatives during my conduct of the Secretarial Audit.

1. I hereby report that:

1.1. In my opinion, during the audit period covering the financial year ended on 31st March 2026, the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The Members are requested to read this report along with my letter of even date annexed to this report as Annexure - A.

ANNEXURE III TO DIRECTORS REPORT

1.2. I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act), and the rules made thereunder.

(ii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.

(iii) The following laws, that are specifically applicable to the Company.

(a) Essential Commodities Act 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17th April, 2003); and

(b) The Electricity Act, 2003.

1.3 I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India and

1.4. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2026 but before the issue of this report, the Company has, to the best of my knowledge and belief and based on the records, information and explanations furnished to me, complied with the applicable provisions / Clauses of the Acts, Rules, Regulations, Agreements, Guidelines and Standards mentioned under paragraphs 1.2 and 1.3 above.

1.5. I am informed that, during / in respect of the year:

i) Due to non-occurrence of certain events, the Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:

a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

ANNEXURE III TO DIRECTORS REPORT

b) Securities and Exchange Board of India (Share Based Employee Benefits) and Sweat Equity Regulations, 2021;

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

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

e) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

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

g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

ii) There was no law other than these specified in paragraph 1.2 above, that was specifically applicable to the Company, considering the nature of its business. Hence, the requirement to report on compliance with specific laws did not arise.

2. I further report that:

2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has one Woman Director as on 31-03-2026. There is no change in composition of the Board of Directors during the period under review.

2.2 Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent at least seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and

(ii) Additional subjects / information / presentations and supplementary notes.

Consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.

2.3 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters discussed during the year that were required to be captured and recorded as part of the minutes.

3. I further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

M.R.L. Narasimha
Practicing Company Secretary
Membership No: 2851
Certificate of Practice: 799
Peer Review No: 1420/2021
“Lotus”, 370-A, Alagesan Road,
SB Mission Post, Coimbatore - 641 001.
UDIN: F002851H000528189

COIMBATORE,
29-05-2026.

ANNEXURE III TO DIRECTORS REPORT

Annexure - A to Secretarial Audit Report of even date

To

The Members,
Sri Vishnu Shankar Mill Limited,
[CIN:U17301TN1981PLC008677]
Sri Vishnu Shankar Mill Premises,
P.A.C Ramasamy Raja Salai,
Post Box No.109, Rajapalayam - 626 117.

My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2026 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed such audit practices and processes as i considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, i have also considered compliance related action taken by the Company after 31st March, 2026 but before the issue of this report.
4. I have verified the secretarial records furnished to me on a test basis to see whether the correct facts are reflected therein. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
5. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
6. I have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
7. My Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

M.R.L. Narasimha
Practicing Company Secretary
Membership No: 2851
Certificate of Practice: 799
Peer Review No: 1420/2021
“Lotus”, 370-A, Alagesan Road,
SB Mission Post, Coimbatore - 641 001.
UDIN: F002851H000528189

COIMBATORE,
29th May, 2026.

ANNEXURE IV TO DIRECTORS REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

A. CONSERVATION OF ENERGY

The Company pays attention at all levels to reduce energy consumption, by continuous monitoring maintenance and improvements.

(i)	the steps taken or impact on conservation of energy;	:	1. Installed common suction tube system in spinning machines in place of individual suction. 2. Optimization of Fan Speeds in Waste collection systems. 3. Optimization of Chute Blow room. Controlled air leakages in air lines and insulation in Air compressor & Air duct for improved temperature efficiency.
	Impact on conservation of energy	:	The above has resulted in energy saving of 55,480 units per annum.
(ii)	the steps taken by the company for utilizing alternate sources of energy	:	The Company had entered into group captive arrangement for purchase of 'Solar power' to the extent of 6.5 MW.
(iii)	The capital investment on energy Conservation equipments	:	Nil

B. TECHNOLOGY ABSORPTION

i)	The efforts made towards technology absorption and	:	Nil
ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	:	Cost reduction and quality improvement

ANNEXURE IV TO DIRECTORS REPORT

ii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	: Nil
(a)	The details of technology imported;	: Nil
(b)	The year of import;	: Nil
(c)	Whether the technology been fully absorbed;	: Not Applicable
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	: Not Applicable
(iv)	the expenditure incurred on Research and Development	: Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(i)	The Foreign Exchange earned in terms of actual inflows during the year and	: ₹ 1,844.31 Lakhs
(ii)	The Foreign Exchange outgo during the year in terms of actual outflows.	: ₹ 8,515.79 Lakhs

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2026.

ANNEXURE V TO DIRECTORS REPORT

DISCLOSURE RELATING TO REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1), (2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars of Top 10 employees in the terms of remuneration drawn and Particulars of Employees Employed throughout the financial year 2025-26 and were in receipt of remuneration in the aggregate of not less than ₹ 102 Lakhs.

Sl. No.	Name	Age (Yrs)	Designation	Remuneration Paid / Payable ₹ in lakhs	Qualification and experience (Years)	Date of Commencement of employment	Last Employment
1	Smt. Sharadha Deepa	59	Managing Director	187.50	B.E. (22)	31-01-2005	–

Note:

1. The Managing Director's employment is contractual.
2. Remuneration includes Salary, Medical Reimbursement Company's contribution to Provident Fund and Superannuation Fund, but does not include Provision for Gratuity and Leave Salary. However, leave salary will be included in the year in which actual payment has been made by the Company to the employees on surrendering of accumulated leave salary.
3. None of the employees mentioned above is related to any Director of the company except Smt. Sharadha Deepa, Managing Director who is related to Shri P.R.Venketrama Raja Chairman, Shri Srirama Raja, Director, Shri S.S. Ramachandra Raja, Director.

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2026.

ANNEXURE VI TO DIRECTORS REPORT

Form AOC - 2

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Particulars of Contracts / Arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

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

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

Particulars	I	II
Name(s) of the related party and nature of relationship	**RAJAPALAYAM MILLS LIMITED** Relationship: M/s. Rajapalayam Mills Limited (RML) is a member of Promoter group of Sri Vishnu Shankar Mill Limited (SVSM). SVSM is a Member of Promoter group of RML. M/s. Rajapalayam Mills Limited holds 2.56% of Equity shares in SVSM. SVSM holds 0.40% Equity shares in RML.	**GOENKA SYNDICATE PRIVATE LIMITED** Relationship: Shri Arunkumar Goenka is a Director in M/s. Goenka Syndicate Private Limited. He is also a promoter in M/s. Goenka Syndicate Private Limited and holds 25% of Equity Shares in M/s. Goenka Syndicate Private Limited
Nature of Contracts / arrangements / transactions	1. Purchase of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / availing of services; 2. Sale of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / rendering of services; and 3. Any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length basis and in compliance with applicable laws, as approved by the Audit Committee.	1. Sale of Yarn, Textile products, & other products / rendering of services; and 2. Any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length basis and in compliance with applicable laws, as approved by the Audit Committee.

ANNEXURE VI TO DIRECTORS REPORT

Particulars	I	II
Duration of the contracts / arrangements / transactions	Two Year (FY 2024-25 & 2025-26)	One Year (FY 2025-26)
Salient terms of the contracts or arrangements or transactions including the value, if any	Price: would be the market price prevailing on the date of the transaction. It's continuing business transactions. Aggregate value up to ₹ 120 Crores (excluding duties and taxes).	Price: would be the market price prevailing on the date of the transaction. Its continuing business transactions. Aggregate value up to ₹ 50 Crores (excluding duties and taxes)..
Date(s) of approval by the Board, if any	13-02-2024	13-11-2024
Amount paid as advances, if any	Nil	Nil

On behalf of the Board,

For **SRI VISHNU SHANKAR MILL LIMITED**,

P.R. VENKETRAMA RAJA

CHAIRMAN

(DIN: 00331406)

RAJAPALAIYAM,

29th May, 2026.

SEPARATE FINANCIAL STATEMENTS

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AUDITORS' REPORT TO SHAREHOLDERS

INDEPENDENT AUDITOR'S REPORT

To the Members of Sri Vishnu Shankar Mill Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Separate ("Standalone") Financial Statements drawn in accordance with the Indian Accounting Standards, of Sri Vishnu Shankar Mill Limited ("Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year ended on 31 March 2026 and a notes to the Standalone Financial Statements, including material accounting policies and other explanatory information ("Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards, of the State of Affairs ("Financial Position") of the Company as at 31 March 2026, its Loss ("Financial Performance including Other Comprehensive Income"), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements 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 Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the Standalone Financial Statements, Consolidated Financial statements and our audit report thereon.

AUDITORS' REPORT TO SHAREHOLDERS

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of the Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and 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 is also responsible for overseeing the Company's financial reporting process.

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

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

AUDITORS' REPORT TO SHAREHOLDERS

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

(i) Planning the scope of our audit work and in evaluating the results of our work; and

(ii) To evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company as far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

   d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   f. We have enclosed our report in "Annexure B" with respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations and claims against the Company as at 31 March 2026 on its financial position in its Standalone Financial Statements - Refer Note No.43 in the Standalone Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts that were required to be transferred by the Company to the Investor Education and Protection Fund.

(iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding whether recorded in writing or otherwise, that the Intermediary shall:

- Whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"), or
- Provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity including Foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries"), or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.; and

(c) Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material misstatement.

AUDITORS' REPORT TO SHAREHOLDERS

v. There is no dividend declared or paid during the year by the Company and hence the requirement of compliance with Section 123 of the Act does not arise.

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

h. With respect to the matter to be included in the Audit Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

S. SRIVATSAN
Partner
Membership No. 021880
UDIN: 26021880GHYXEW4974

Bengaluru
29th May, 2026

AUDITORS’ REPORT TO SHAREHOLDERS

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal & Regulatory Requirements" of our report of even date to the Standalone Financial Statements of the Company for the year ended 31 March 2026)

We state the following after considering the information and explanations given to us by the Company and on the basis of examination of the records of the Company:

1. In respect of the Company's Property Plant and Equipment and Intangible Assets

    1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and equipment. The Company has also maintained proper records showing full particulars of intangible assets.

    1.2 The Property Plant and Equipment were physically verified during the year by the Company in accordance with the phased program of verification which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed during such verification.

    1.3 The title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.

    1.4 The Company has not revalued its Property, Plant and Equipment and/or intangibles during the year and accordingly, we have nothing to comment as per the provisions of clause 3(i)(d) of the Order.

    1.5 The Company does not hold any benami Property and no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and accordingly, we have nothing to comment as per the provisions of clause 3(i)(e) of the Order.

2. Inventory and Working Capital

    2.1 The Company has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.

    2.2 The Company has been sanctioned Working Capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

3. Investments made, Guarantees provided, Loans given, and Advances in the nature of loans given during the year.

AUDITORS' REPORT TO SHAREHOLDERS

3.1 The details of investments made, guarantee provided, loans and advances in the nature of loans granted during the year are given below:

(₹ In Lakhs)

Particulars	Investments	Guarantees	Loans
Aggregate amount granted / invested during the year:			
(i) Associates	0.00 (PY: 0.00)	-	-
(ii) Other Companies	41.69 (PY: 0.00)	-	-
(iii) Others	-	-	-
Balance outstanding at Balance sheet date:			
(i) Associates	72.64 (PY: 72.64)	-	-
(ii) Other Companies	455.67(PY:419.60)	-	-
(iii) Others	-	-	-

3.2 The Investments made during the year are not prejudicial to Company's interest.

3.3 The Company has not advanced any loans and advances and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(c) of the Order.

3.4 The Company has not advanced any loans and advances and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(d) of the Order.

3.5 No loan granted by the Company, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the existing loans given to the same parties and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(e) of the Order.

3.6 The Company has not advanced any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(f) of the order.

4. The Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security.

5. The Company has not accepted any deposit or amounts which are deemed to be deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76, or any other relevant provisions of the Act and the rules made thereunder with regard to the deposits accepted from the public are not applicable and accordingly, we have nothing to comment with respect to provisions of clause 3(v) of the Order.

6. The Company has maintained accounts and records which have been specified by the Central Government under Section 148(1) of the Act.

AUDITORS' REPORT TO SHAREHOLDERS

7. Undisputed and disputed taxes and duties

   7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Goods and Service Tax, Duty of Excise, Cess and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

   7.2 There were no disputed statutory dues that have not been deposited with appropriate authorities.

8. There have been no transactions which were not previously recorded in the books of account but have been surrendered or disclosed as income during the year in the tax assessments by the Company, under the Income Tax Act, 1961 and accordingly, we have nothing to comment as per the provisions of clause 3(viii) of the Order.

9. Default in Respect of Payment of Loans or Interest during the year

   9.1 The Company has not defaulted in repayment of dues to financial institutions, Banks, Government, Debenture holders or any other lender.

   9.2 The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

   9.3 The term loans were applied for the purpose for which the loans were obtained.

   9.4 Funds raised on short term basis by the Company were not utilised for long term purposes.

   9.5 The Company has not taken any funds from any entity or person on account of or to meet the obligations of the subsidiaries, joint ventures or associates and accordingly the reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

   9.6 The Company has not raised any loans during the year on the pledge of securities held in subsidiaries, joint ventures, or associate companies and accordingly, we have nothing to comment as per the provisions of clause 3(ix)(f) of the Order.

10. Funds Raised

   10.1 The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, we have nothing to comment as per the provision of clause 3(x)(a) of the Order.

   10.2 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and accordingly, we have nothing to comment as per the provisions of clause 3(x)(b) of the Order.

AUDITORS' REPORT TO SHAREHOLDERS

11. Fraud and Whistle Blower System

    11.1 We report that no fraud by the Company or on the Company by its Officers or employees has been noticed or reported during the year.

    11.2 No report under sub-section (12) of Section 143 of the Act has been filed by the auditors in respect of the Company, in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

    11.3 The Company's management has not received any whistle blower complaints during the year.

12. The Company is not a Nidhi Company and accordingly the reporting under clause 3(xii) of the Order is not applicable to the Company.

13. All the transactions with the related parties by the Company, are in compliance with Section 177 and 188 of Act and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.

14. The Company has an internal audit system commensurate with the size and nature of its business. The reports of the internal auditor have been taken into consideration.

15. The Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, we have nothing to comment as per the provisions of clause 3(xv) of the Order.

16. Registration

    16.1 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

    16.2 The Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, we have nothing to comment as per the provisions of clause 3(xvi)(b) of the Order.

    16.3 The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

    16.4 The Group does not have any CIC as part of it and accordingly the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

17. The Company has incurred no cash losses in the current financial year. The company has incurred cash losses in the immediately preceding financial year amounting to ₹ 966.05 Lakhs.

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

AUDITORS' REPORT TO SHAREHOLDERS

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Variations in ratios over 25% on comparison with previous year has also been disclosed in the notes accompanying Standalone financial statements.

20. CSR Compliance

    20.1 The Company had no unspent amount in relation to the other than ongoing projects which needs to be transferred to a fund as specified in schedule VII, hence the clause 3(xx)(a) is not applicable to the Company.

    20.2 The Company had no remaining unspent amount under sub-section (5) of Section 135 of the Act pursuant to ongoing project, which has to transferred to special account in compliance with provision of sub-section (6) of Section 135. Hence the Clause 3(xx)(b) is not applicable.

21. There has been no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) report of the Companies included in the Consolidated Financial Statements.

For M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

S. SRIVATSAN
Partner
Membership No. 021880
UDIN: 26021880GHYXEW4974

Bengaluru,
29th May, 2026.

AUDITORS’ REPORT TO SHAREHOLDERS

"Annexure B" to the Independent Auditor's Report

(Referred in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

Opinion

We have audited the Internal Financial Controls over financial reporting of Sri Vishnu Shankar Mill Limited. ("the Company") as of 31 March 2026, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on 31 March 2026.

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

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibilities

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the SAs, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

S. SRIVATSAN
Partner
Membership No. 021880
UDIN: 26021880GHYXEW4974

Bengaluru,
29th May, 2026.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in Lakhs)

	Note No.	As at 31-03-2026		As at 31-03-2025	
I ASSETS					
(1) Non-Current Assets					
(a) Property, Plant and Equipment	7	**14,811.07**		15,888.88	
(b) Capital Work-in-progress	8	**153.58**		-	
(c) Investment Property	9	**174.45**		177.25	
(d) Financial Assets					
Investment in Associates	10	**72.64**		72.64	
Other Investment	11	**455.67**		419.60	
Other Financial Assets	12	**963.62**		1,096.37	
(e) Deferred Tax Assets (Net)	13	**1,750.04**		1,385.48	
(f) Other Non-Current Assets	14	**0.05**	**18,381.12**	29.33	19,069.55
(2) Current Assets					
(a) Inventories	15	**6,486.72**		5,067.02	
(b) Financial Assets					
Trade Receivables	16	**2,476.82**		4,406.61	
Cash and Cash Equivalents	17	**1.41**		1.89	
Bank Balance other than Cash and Cash Equivalents	18	**37.31**		75.88	
Other Financial Assets	19	**357.48**		203.50	
(c) Current Tax Assets (net)	20	**17.76**		37.13	
(d) Other Current Assets	21	**1,644.83**	**11,022.33**	2,249.57	12,041.60
TOTAL ASSETS			**29,403.45**		31,111.15
II EQUITY & LIABILITIES					
(1) Equity					
(a) Equity Share Capital	22	**150.00**		150.00	
(b) Other Equity	23	**159.55**		1,040.69	
Total Equity			**309.55**		1,190.69
(2) Liabilities					
A) Non Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	24	**8,289.35**		11,850.22	
(b) Other Non-current Liabilities	25	**770.05**	**9,059.40**	842.13	12,692.35
B) Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	26	**18,228.38**		15,178.27	
(ii) Trade Payables					
(a) *Total outstanding dues of micro enterprises and small enterprises*	27	**-**		-	
(b) Total outstanding dues of creditors othe than micro enterprises and small enterprises	27	**394.48**		511.28	
(iii) Other Financial Liabilities	28	**988.88**		1,136.82	
(b) Provisions	29	**422.76**		393.54	
(c) Provision for Taxation	30	**-**	**20,034.50**	8.20	17,228.11
TOTAL EQUITY AND LIABILITIES			**29,403.45**		31,111.15
Material Accounting Policies, Judgements and Estimates	1-6				
See accompanying notes to the financial statements.	7-55				

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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

(₹ in Lakhs)

		Note No.		For the year ended 31-03-2026		For the year ended 31-03-2025
	INCOME					
I	Revenue from Operations	31		**24,661.93**		28,816.09
II	Other Income	32		**379.83**		363.22
III	**Total Income (I+II)**			**25,041.76**		29,179.31
IV	**EXPENSES**					
	Cost of Materials Consumed	33		**14,565.16**		15,071.96
	Purchases of Stock-in-Trade	34		**501.19**		3,255.90
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	35		**(426.46)**		609.37
	Employee Benefit Expenses	36		**3,129.11**		3,219.97
	Finance Costs	37		**2,088.19**		2,217.13
	Depreciation and Amortisation Expenses	38		**1,421.74**		1,450.52
	Other Expenses	39		**5,057.95**		5,766.59
	Total Expenses			**26,336.88**		31,591.44
V	**Profit / (Loss) Before Exceptional items and Tax (III-IV)**			**(1,295.12)**		(2,412.13)
VI	**Exceptional Items [Refer to Note No.52]**					
	Profit / (Loss) on Sale of Property, Plant and Equipment		**(10.28)**	**(10.28)**	(4.44)	(4.44)
VII	**Profit / (Loss) Before Tax (V+VI)**			**(1,305.40)**		(2,416.57)
VIII	**Tax Expenses / (Savings)**					
	Current Tax		**-**		-	
	Income Tax Provision earlier years - (Savings)		**(2.19)**		-	
	Deferred Tax Expenses / (Savings) [Refer to Note No. 40]		**(378.90)**	**(381.09)**	(465.65)	(465.65)
IX	**Profit / (Loss) for the year (VII-VIII)**			**(924.31)**		(1,950.92)
X	**Other Comprehensive Income**					
	Item that will not be reclassified to Profit or Loss:					
	Remeasurement Gain / (Losses) on defined benefit obligations (net)			**56.97**		(2.53)
	Fair Value gain / (loss) on Equity Instruments through OCI (net)			**0.53**		1.58
	Current Tax		**-**		-	
	Defferred Tax Expenses / (Savings) [Refer Note No. 40]		**14.34**	**14.34**	(0.58)	(0.58)
	Other Comprehensive Income / (Loss) for the year, net of tax			**43.16**		(0.37)
XI	**Total Comprehensive Income / (Loss) for the year, net of tax (IX+X)**			**(881.15)**		(1,951.29)
XII	**Earnings per Equity Share of face value of ₹10/- each**					
	Basic & Diluted (in Rupees) [Refer to Note No.45]			**(61.62)**		(130.06)
	Material Accounting Policies, Judgements and Estimates	1-6				
	See accompanying notes to the financial statements.	7-55				

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

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Managing Director
(DIN: 00383799)
Rajapalayam

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

A. Equity Share Capital [Refer to Note No.22] **(₹ in Lakhs)**

(1) For the year ended 31-03-2026	
Balance as at 01-04-2025	150.00
Changes in Equity Share Capital during the year 2025-26	–
Balance as at 31-03-2026	150.00
(2) For the year ended 31-03-2025	
Balance as at 01-04-2024	150.00
Changes in Equity Share Capital during the year 2024-25	–
Balance as at 31-03-2025	150.00

B. Other Equity [Refer to Note No.23]

(1) For the year ended 31-03-2026

Particulars	Reserves and Surplus				Items of OCI		Total Other Equity
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	
Other Equity as at 01-04-2025	**23.77**	**25.00**	**4,000.00**	**(3,008.86)**	**0.79**	**-**	**1,040.69**
Financial year 2025-26							
Add : Loss for the year	–	–	–	(924.31)	–	–	(924.31)
Add : Other Comprehensive Income / (Loss)					0.53	42.63	43.16
Total Comprehensive Income	**–**	**–**	**–**	**(924.31)**	**0.53**	**42.63**	**(881.15)**
Less : Transfer to Retained Earnings	–	–	–	–	–	(42.63)	(42.63)
Add : Transfer from OCI				42.63			42.63
Balance as at 31st March, 2026	**23.77**	**25.00**	**4,000.00**	**(3,890.54)**	**1.32**	**–**	**159.55**

(2) For the year ended 31-03-2025

Particulars	Reserves and Surplus				Items of OCI		Total Other Equity
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	
Other Equity as at 01-04-2024	**23.77**	**25.00**	**4,000.00**	**(1,056.00)**	**(0.79)**	**–**	**2,991.99**
Financial year 2024-25							
Add : Loss for the year	–	–	–	(1,950.92)	–	–	(1,950.92)
Add : Other Comprehensive Income / (Loss)					1.58	(1.95)	(0.37)
Total Comprehensive Income	**–**	**–**	**–**	**(1,950.92)**	**1.58**	**(1.95)**	**(1,951.29)**
Less : Transfer to Retained Earnings	–	–	–	–	–	1.95	1.95
Add : Transfer from OCI				(1.95)			(1.95)
Balance as at 31st March, 2025	**23.77**	**25.00**	**4,000.00**	**(3,008.87)**	**0.79**	**–**	**1,040.69**

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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

(₹ in Lakhs)

Particulars		31-03-2026	31-03-2025
A. Cash Flow from Operating Activities:			
Profit / (Loss) before Extraordinary items and Tax		**(1,305.40)**	(2,416.57)
Adjustments to reconcile proft before tax to net cash flows:			
Depreciation & Amortisation		**1,421.74**	1,450.52
Finance Costs		**2,088.19**	2,217.13
Interest Income		**(150.44)**	(223.47)
Dividend Income		**(62.07)**	(77.58)
Rent Receipts from Investment Properties		**(16.64)**	(16.23)
Profit on Sales of Assets		**(10.28)**	(4.44)
Operating Profit before Working Capital Changes		**1,965.10**	929.36
Movements in Working Capital			
Trade Receivables		**1,929.79**	(401.27)
Loans and Advances		**604.59**	(628.78)
Inventories		**(1,419.70)**	1,330.05
Gratuity		**56.97**	(2.53)
Government Grants		**(72.08)**	809.47
Trade Payables & Current Liabilities		**(235.52)**	(298.49)
Cash generated from Operations		**2,829.15**	1,737.81
Direct Taxes (Paid) / Refund Received (Net)		**21.56**	(1.76)
Net Cash generated from Operating Activities	**A**	**2,850.71**	1,736.05
B. Cash Flow from Investing Activities :			
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)		**(540.30)**	(102.28)
Purchase of Equity Shares of Investment - Others		**(41.69)**	–
Proceeds from Sale of Share Investment - Others		**6.15**	–
Proceeds from Sale of Assets		**55.88**	4.44
Interest Received		**150.44**	223.47
Dividend Received		**62.07**	77.58
Rent Receipts from Investment Properties		**16.64**	16.23
Net Cash from / (used) in Investing Activities	**B**	**(290.81)**	219.44

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

(₹ in Lakhs)

Particulars		31-03-2026	31-03-2025
C. Cash Flow from Financing Activities:			
Proceeds from Long Term Borrowings		**-**	5,416.80
Repayment of Long Term Borrowings		**(5,349.89)**	(4,296.23)
Proceeds from Loan - Related Parties		**3,458.03**	2,358.05
Availment / (Repayment) of Short Term Borrowings (Net)		**1,381.10**	(3,164.14)
Interest Paid		**(2,088.19)**	(2,217.13)
Net cash used in Financing Activities	**C**	**(2,598.95)**	(1,902.65)
Net Increase / (Decrease) in Cash and Cash Equivalents	**D = (A+B+C)**	**(39.05)**	52.84
Opening balance of Cash and Cash Equivalents	**E**	**77.77**	24.93
Closing balance of Cash and Cash Equivalents	**D + E**	**38.72**	77.77

Notes:

(i) The Cash Flow from operating activities under the above statement of Cash flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.

(ii) Bank Borrowings including Cash Credits are considered as Financing Activities.

(iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-03-2026	31-03-2025
Cash and Cash Equivalents (Refer to Note No.17)	**1.41**	1.89
Bank Balances other than Cash and Cash Equivalents (Refer to Note No. 18)	**37.31**	75.88
	38.72	77.77

(iv) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:

Particulars	31-03-2026	31-03-2025
Balance at the beginning of the year		
Long Term Borrowings	**11,850.22**	11,941.88
Short Term Borrowings	**15,178.27**	14,772.13
Long Term Lease Liabilities	**-**	-
Short Term Lease Liabilities	**-**	-
Interest accrued	**-**	-
Sub-Total Balance at the beginning of the year	**27,028.49**	26,714.01

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

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Cash flows during the year		
Proceeds from Long Term Borrowings	**-**	5,416.80
Repayment of Long Term Borrowings	**(5,349.89)**	(4,296.23)
Proceeds from of Loan from Related Parties, Net	**3,458.03**	2,358.05
Proceeds from / (Repayment) of Short Term Borrowings, Net	**1,381.10**	(3,164.14)
Payment of Principal portion of Lease Liabilities	**-**	-
Interest Paid including interest on Lease Liabilities	**(2,088.19)**	(2,217.13)
Sub-Total Cash flows during the year	**(2,598.95)**	(1,902.65)
Non-cash changes		
Interest accrual for the year	**-**	-
Fair Value Movement	**-**	-
Sub-Total Non-cash changes during the year	**-**	
Balance at the end of the year		
Long Term Borrowings	**8,289.35**	11,850.22
Short Term Borrowings	**18,228.38**	15,178.27
Long Term Lease Liabilities	**-**	-
Short Term Lease Liabilities	**-**	-
Interest accrued	**-**	-
Balance at the end of the year	**26,517.73**	27,028.49

See accompanying notes to the financial statements. [Refer to Note No. 7 - 55]

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

NOTES TO SEPARATE FINANCIAL STATEMENTS

1. Corporate Information

Sri Vishnu Shankar Mill Limited ("the Company") is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The Registered office of the Company is located at Sri Vishnu Shankar Mill Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.

The Company is engaged in the manufacture of Cotton Yarn. The Company is also engaged in generation of electricity from its windmills for its captive requirements.

2. Presentation & Rounding Norms

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 29-05-2026.

The financial statements are presented in Indian Rupees, which is the Company's functional currency, rounded to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Lakhs.

Previous year figures have been re-grouped / restated, wherever it may be appropriate.

3. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III to the Companies Act, 2013.

4. New standard or amendments to the existing accounting standards issued and effective from 01-04-2025 onwards.

During the year, the Company has adopted the following amendments to Ind AS notified under the Companies (Indian Accounting Standards) Amendment Rules, 2025, which are effective for annual periods beginning on or after April 1, 2025:

1. Amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

The amendment introduces guidance for assessing whether a currency is exchangeable into another currency and requires an entity to estimate the spot exchange rate when such exchangeability is lacking. It also prescribes enhanced disclosure requirements relating to the nature, financial impact and risks associated with non-exchangeable currencies. The Company has applied this amendment act, based on its assessment, did not have a material impact on its financial statements.

2. Amendments to Ind AS 1 - Presentation of Financial Statements

The Company has adopted the amendments to Ind AS 1 which clarify the principles for classification of liabilities as current or non-current, particularly in relation to the entity's right existing at the reporting date to defer settlement for at least twelve months after the reporting period and the definition of settlement. The adoption of these amendments did not have a material impact on the classification or measurement of liabilities in the financial statements.

3. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

The Company has also adopted amendments to Ind AS 7 and Ind AS 107 which introduce additional disclosure requirements for supplier finance arrangements, including information about their impact on liabilities, cash flows and exposure to liquidity risk. The Company has been voluntarily providing such disclosures over the past two years and has aligned its existing disclosures with the revised requirements. Accordingly, the adoption of these amendments did not have a material impact on the financial statements, other than enhancement of disclosures.

(b) New standards or amendments to the existing accounting standards issued but not effective.

1. Amendments to Ind AS 1 - Presentation of Financial Statements

Certain amendments to Ind AS 1 relating to classification of liabilities as current or non-current, including detailed guidance on the impact of covenant conditions and timing of assessment, have been notified and are effective for annual periods beginning on or after April 1, 2026. These amendments also introduce enhanced disclosure requirements to enable users of financial statements to understand the risk of liabilities becoming repayable within twelve months. Based on a preliminary assessment, the Company does not have instances of covenant breaches as at the reporting date and, accordingly, does not expect a material impact on the classification of liabilities, other than additional disclosures, where applicable.

5. Material Accounting Policies

A. Inventories

(i) Raw-materials, Stores & Spares, Fuel, packing materials etc., are valued at cost, determined on a weighted average basis, or net realisable value whichever is lower. However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

(ii) Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower.

(iii) Finished goods are valued at cost or net realisable value whichever is lower.

B. Statement of Cash Flows

(i) Cash flows from operating activities is presented using Indirect Method.

(ii) Cash and cash equivalents for the purpose of Statement of Cash Flows comprise cash and cheques in hand, bank balances, demand deposits, with banks where the original maturity is three months or less and other short-term highly liquid investments, which are subject to insignificant risk of changes in value.

(iii) Bank borrowings including Bank overdrafts / Cash Credits, which are repayable on demand, form an integral part of the Company's cash management.

C. Income Taxes

(i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.

(ii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

(iii) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

(iv) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(v) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.

(vi) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in Other Comprehensive Income.

D. Property, Plant and Equipments (PPE)

(i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost includes directly attributable cost of bringing the asset to its working condition for the intended use and borrowing cost if capitalisation criteria are met.

(ii) Spares, which meet the definition of PPE, are capitalised from the date when it is available for use. The Company identifies the significant parts of plant and equipment separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives.

(iii) The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.

(iv) Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

(v) The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Type of Plant and Machinery	Useful life of such components ranging from
Textile Machineries / Equipment	2 to 20 years
Wind Mills	22 to 30 years
HFO / DG Set	12 to 25 years
Electrical Machineries	3 to 25 years

(vi) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balance cash transaction amount. Fair market value is determined either for the assets acquired or for asset given up, whichever is more clearly evident.

(vii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

(viii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

(xi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work-in-Progress / Capital Advances

(x) Capital work-in-progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

(xi) Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'.

E. Leases

Company as a Lessee

(i) The Company recognises a Right-to-use (RoU) asset and a lease liability at the lease commencement date for all leases where non-cancellable leases is more than 12 months.

(ii) The RoU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of right-of-use asset or the end of the lease term, as follows:

Nature of RoU	Useful life ranging from
Land	99 Years
Building	20 Years

(iii) The estimated useful lives of right-of-use assets are determined on the same basis as those of property plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

(iv) The lease liability is measured at cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase extension or termination option.

(v) When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

(vi) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance sheet.

(vii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease Improvement

(viii) Lease improvements on a right-of-use asset (RoU) made by the Company, which enhance the value, functionality, or extend the useful life of the leased asset, shall be recognized as assets and capitalized in the same category of RoU asset under 'Property, Plant and Equipment', if capitalization criteria are met.

(ix) Lease improvements recognized as assets shall be initially measured at cost, which includes all directly attributable costs incurred to bring the improvements to their present condition and location.

(x) The lease improvements on RoU assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of lease improvement or the end of the lease term.

Company as a Lessor

(xi) Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company does not have any finance leases arrangements.

F. Revenue from Operations

(i) Sale of Products including Scrap Sales

Revenue from product sales including scrap sales is recognized at the point in time when the obligation of delivery of goods is fulfilled in accordance with the agreed delivery terms while control of such goods is transferred to customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. The financing component with regard to sale of products are excluded from Revenue from operations and recognized as Interest Receipts over the credit periods as per Ind AS 115. The Company does not have any non-cash consideration.

(ii) Power generated from Windmills

Power generated from windmills that are covered under Wheeling and Banking arrangement with TANGEDCO are consumed at mills. The monetary value of such power generated that are captively consumed are not recognized as revenue but have been set off against the cost of Power & Fuel.

The value of unadjusted units available if any, at the end of the financial year and sold to the Electricity Board at an agreed rate / tariff rate are recognized and shown as income from Wind Mills.

G. Other Income

i. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

ii. Dividend income is recognised when the Company's right to receive dividend is established.

iii. Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease.

H Employee Benefits

Short Term Employee Benefits

(i) Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

Post-Employment Benefits

Defined Contribution Plan

(ii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.

(iii) The Company contributes to Superannuation Fund at a sum equivalent to 15% of the officer's eligible basic salary as the case may be, based on the option exercised by such officers.

(iv) Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

(v) The Company contributes to Defined Benefit Plan viz., an approved Gratuity Fund, for its employees including employees in subsidiary Company. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the valuation by an independent external actuary, the Company makes annual contributions to the trust administered by the Company as at the reporting date using Projected Unit Credit method. The funds are managed by LIC of India.

(vi) Re-measurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

Other Long Term Employee Benefits

(vii) The Company provides for expenses towards compensated absence provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as the Balance Sheet date, using Projected Unit Credit method. The Company presents the entire compensated absences as 'Short-Term provisions' since employee has an unconditional right to avail the leave at any time during the year.

(viii) Voluntary Retirement Scheme (VRS) benefits are recognised as an expenses when the Company is obligated to pay them. This occurs when an employee accepts the offer of voluntary redundancy and the Company can no longer withdraw the offer. The VRS benefits are estimated based on the expected number of employees accepting the offer. Payments due more than 12 months after the reporting period are discounted to their present value.

I Government Grants

(i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

(ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other Income" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets".

(iii) Government grants related to acquisition of specific assets have been deducted in arriving at the carrying amount of the respective assets.

(iv) Government grants for creation of infrastructure in the backward areas under State Industrial Promotion Scheme, it is recognized as deferred income and credited to the statement of profit and loss on a systematic basis over the useful life of the asset.

(v) Export benefits are accounted for the year of exports based on eligibility and when there is uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

J Impairment of Non-Financial Assets

(i) The carrying amount of assets i.e., property, plant and equipment, including right- of-use-asset, investment properties, cash generating units and intangible assets other than inventories and deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.

(ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight-line basis.

K Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

(ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for Contingent Assets are not recognised.

(iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

L Intangible Assets

(i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

(ii) The cost incurred for right to un-restricted usage of power transmission system for drawal of power from State grid to its Mills were capitalized as it is expected to yield future economic benefits.

(iii) The useful lives of intangible assets are assessed as either finite or indefinite, Intangible Assets with finite lives are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life based on straight-line method. The Company does not have any with indefinite lives. The estimated useful lives of intangible assets with finite are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule of the Companies Act, 2013:

Nature of Intangible Assets	Estimated useful life
Computer software	6 years
Power Transmission System	5 years

(iv) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

(v) The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

M Investment Properties

(i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

(ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land, which is carried at cost.

(iii) The Company identifies the significant parts of investment properties separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice.

(iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as indicated under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings under Investment properties	60 years

(v) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

N Operating Segments

Operating segments are identified on the basis of nature and usage of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker. The Company's business operation comprises of two operating segment viz., Textile and Windmills.

O Financial Instruments

(i) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorised as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.

(ii) Fair Value Hedges

Changes in the fair value of forwards contracts that are designated and qualify as fair value hedges are recognised in the income statement, together with the changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, changes in the fair value of the hedged item attributable to the hedged risk are no longer recognized in the income statement. When a hedged item in a fair value hedge is a firm commitment (or a component thereof) to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the hedged item that was recognised in the balance sheet, with a corresponding gain or loss recognised in Profit or loss.

Financial Assets

(iii) Financial assets comprise of investments in equity, loans, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition and Measurement

(iv) All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

(v) Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

(vi) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent Measurement

(vii) For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

(a) The Company's business model for managing the financial asset and,

(b) The contractual cash flow characteristics of the financial asset:

Based on the above criteria, the Company classifies its financial assets into the following categories:

Classification	Name of Financial Assets
Amortised Cost	Trade receivables, Loans to employees and related parties, deposits, IPA receivable, interest receivable and other advances recoverable in cash.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind As 32) other than Associate as an irrevocable option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.

(viii) Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised Cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

(ix) The Company has accounted for its investments in associates at cost.

(x) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Name of Financial asset	Impairment Testing Methodology
Trade Receivables	The Company uses simplified approach wherein Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

(xi) Financial liabilities comprise of Borrowings, Trade payables, lease liabilities and other financial liabilities.

Initial recognition and measurement

(xii) All the financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

(xiii) Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 2 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input)

(xiv) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent Measurement

(xv) All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through Profit or Loss (FVTPL).

(xvi) Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the highter of the amount of less allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

P Fair value measurement

(i) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

(ii) All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 : Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3 : Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

(iii) For assets and liabilities that are recognised in the Balance Sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

(iv) For the purpose of fair value disclosures, the Company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

6. Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) Revenue Recognition

Significant management judgement is exercised in determining the transaction price and discounts to customer, which is based on market factors namely demand and supply. The Company offers credit period to customers and management judgment is exercised in assessing whether a contract contains a significant financing component.

(ii) Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws under new tax regime and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law and applicable judicial precedence.

(iv) Deferred Tax Asset

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(v) Provisions

The timing of recognition requires application of judgement to existing facts and circumstances that may be subject to change. The litigations and claims to which the company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(vi) Segment Reporting

Management's judgement is exercised to aggregate two or more business segments as single operating segment, based on economic characteristics, products, production process and types of customer, which are similar in nature.

(vii) Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) Classification of Investment

Management judgement is exercised in determining the following criteria while making classification of investments:

- the intention of the Company to sell the investment immediately;
- the sale is highly probable;
- it is unlikely that significant change to the sale plan will be made and;
- that plan will not be withdrawn.

Based on this judgement, the investments are classified as "Investment held for sale", if all the above criteria are met and continue to classify the investment as "Non-current investment", if the above criteria are not met

(ix) Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

(x) Impairment of Non-financial assets (PPE / Intangible Assets / Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

(xi) Impairment of Investments in Associates

Significant management judgement is exercised in determining whether the investment in associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

(xii) Defined Benefit Plans and Other Long Term Benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable.

Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(xiii) Determination of lease term of contracts as non-cancellable term

Significant management judgement is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(xiv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(xv) Interests in Other Entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 7

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Year	Gross Block				Depreciation				Net Block	
		As at the beginning of the year	Additions	Deductions/ Adjustments	As at the end of the year	As at the beginning of the year	For the Year (Refer Note No. 38)	Deductions/ Adjustments	As at the end of the year	As at the end of the year	As at the Beginning of the year
Land - Free hold	2025-26	319.70	5.67	-	325.37	-	-	-	-	325.37	319.70
	2024-25	319.70	-	-	319.70	-	-	-	-	319.70	319.70
Own Buildings	2025-26	3,994.31	4.71	-	3,999.02	1,513.29	90.65	-	1,603.94	2,395.08	2,481.02
	2024-25	3,955.43	65.06	26.18	3,994.31	1,431.51	90.21	8.43	1,513.28	2,481.03	2,523.92
Plant and Machinery	2025-26	31,791.83	365.34	483.39	31,673.78	19,335.97	1,236.95	441.13	20,131.79	11,541.99	12,455.87
	2024-25	31,675.41	176.47	60.05	31,791.83	18,127.63	1,259.61	51.27	19,335.97	12,455.86	13,547.78
Electrical Machinery	2025-26	1,509.17	6.32	0.70	1,514.79	969.11	68.09	0.68	1,036.52	478.27	540.06
	2024-25	1,476.64	32.53	-	1,509.17	902.16	66.95	-	969.11	540.06	574.48
Furniture & Office Equipments	2025-26	218.81	4.67	11.66	211.82	160.46	13.65	10.96	163.15	48.67	58.35
	2024-25	210.79	8.02	-	218.81	139.67	20.80	-	160.47	58.35	71.12
Vehicles	2025-26	127.29	-	7.09	120.20	93.41	9.60	4.50	98.51	21.69	33.88
	2024-25	127.29	-	-	127.29	83.25	10.16	-	93.41	33.88	44.04
Total	2025-26	37,961.11	386.71	502.84	37,844.98	22,072.24	1,418.94	457.27	23,033.91	14,811.07	15,888.88
	2024-25	37,765.26	282.09	86.23	37,961.11	20,684.21	1,447.72	59.69	22,072.24	15,888.88	17,081.03

Notes: (i) Borrowings cost of ₹ 00.00 Lakhs have been capitalised for current year (PY: ₹ 00.00 Lakhs)

(ii) All the moveable fixed assets have been pledged as security for borrowings.

(iii) The Company has opted to present the government grants related to assets as deduction from the carrying value of eligible assets in accordance with Ind AS20. No grants related to assets had been received during financial year 2025-26 (PY: NIL).

(iv) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

(v) All the title deeds of immovable properties are held in the name of the Company.

NOTES TO SEPARATE FINANCIAL STATEMENTS

(vi) Deductions / Adjustments in Gross Block comprises of:

(₹ in Lakhs)

Particulars	2025-26				2024-25			
	Sale of Assets	Scrap of Assets	Government Grants	Total	Sale of Assets	Scrap of Assets	Government Grants	Total
Land - Free hold					-	-	-	-
Own Buildings		-		-	26.18			26.18
Plant and Machinery	483.39			483.39	60.05			60.05
Electrical Machinery	0.70			0.70	-	-	-	-
Furniture & Office Equipments	11.66			11.66	-	-	-	-
Vehicles	7.09			7.09	-	-	-	-
Total	**502.84**		**-**	**502.84**	86.23	-	-	86.23

(vii) Scrap of assets represents of assets that were derecognized due to wear and tear and damages, since no future benefits is expected from those components and thus replaced by new components.

NOTE NO. 8

CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	Year	As at the beginning of the year	Additions	Capitalised	As at the end of the year
Capital Work in Progress	2025-26	-	83.04	(70.54)	153.58
	2024-25	134.38	88.02	222.40	-

(i) Refer Note No. 51 (b) for information relating to Ageing Schedule.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 9

INVESTMENT PROPERTY

(₹ in Lakhs)

Particulars	Year	Gross Block				Amortisation				Net Block	
		As at the beginning of the year	Additions	Sold	As at the end of the year	As at the beginning of the year	For the Year [Refer to Note No. 38]	Withdrawn during the year	As at the end of the year	As at the end of the year	As at the Beginning of the year
Land	2025-26	122.24	-	-	122.24	-	-	-	-	122.24	122.24
	2024-25	122.24	-	-	122.24	-	-	-	-	122.24	122.24
Building	2025-26	95.33	-	-	95.33	40.32	2.80	-	43.12	52.21	55.01
	2024-25	95.33	-	-	95.33	37.52	2.80	-	40.32	55.01	57.81
Total	**2025-26**	**217.57**	**-**	**-**	**217.57**	**40.32**	**2.80**	**-**	**43.12**	**174.45**	**177.25**
	2024-25	217.57	-	-	217.57	37.52	2.80	-	40.32	177.25	180.05

Notes:(i) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.

(ii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team, the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment properties as given below :

Particulars	31-03-2026	31-03-2025
Fair value of Investment Properties	**680.40**	680.40

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) Fair value hierarchy disclosures for investment properties have been provided in Note No. 48.

(v) Information regarding income and expenditure of Investment property.

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Rental Income from Investment Properties	**1.80**	1.80
Direct Operating Expenses	**0.10**	0.77
Profit arising from Investment Properties before Deprecation and indirect expenses	**1.70**	1.03
Less: Depreciation	**2.80**	2.80
Loss arising from Investment Properties before indirect expenses	**(1.10)**	(1.77)

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 10

INVESTMENT IN ASSOCIATES **(₹ in Lakhs)**

Particulars	Face Value ₹ per share	31-03-2026 Numbers	31-03-2026 Amount	31-03-2025 Numbers	31-03-2025 Amount
I. Investment in Equity Instruments					
1) Quoted					
The Ramco Cements Limited	1	**30,94,200**	**19.18**	30,94,200	19.18
Rajapalayam Mills Limited	10	**37,174**	**51.06**	37,174	51.06
The Ramaraju Surgical Cotton Mills Limited	10	**3,200**	**2.40**	3,200	2.40
Total			**72.64**		72.64
Quoted Investments - Cost			**72.64**		72.64
Market Value			**28,734.21**		28,045.86

Notes: (i) The Company has accounted for Investment in Associates at cost. Refer Note No. 46(A) for information on principal place of business / country of incorporation and the Company's interest / percentage of shareholding in the above associates.

(ii) The carrying amount of investment in Associates is tested for impairment in accordance with Ind AS 36. The investment in Assoicates are long term strategic in nature, no impairment is considered as at the reporting date, considering its long term future prospects. Consodering its long term future prospects.

NOTE NO. 11

OTHER INVESTMENT (DESIGNATED AT FVTOCI) **(₹ in Lakhs)**

Particulars	Face Value ₹ per share	31-03-2026 Numbers	31-03-2026 Amount	31-03-2025 Numbers	31-03-2025 Amount
I. Investment in Equity Instruments - Unquoted					
Ramco Windfarms Limited	1	**-**	**-**	6,15,000	6.15
Ramco Industrial and Technology Services Limited	10	**26,350**	**3.95**	26,350	3.42
Green Infra Clean Wind Generation Limited	10	**15,75,000**	**157.50**	15,75,000	157.50
Clean Max Opus Private Limited	10	**5,558**	**294.22**	5,558	252.53
Total Investment in Equity Instruments - Unquoted			**455.67**		419.60
Total Other Investments			**455.67**		419.60
Aggregate Market Value of Unquoted Investments			**NA**		NA

Notes: 1) Refer to Note No. 49 for information about fair value hierarchy under Disclosure of Fair Value Measurement.

2) Market Value of quoted investments for some equity instruments were not available due to no trading activities in stock market.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 12

OTHER FINANCIAL ASSETS - NON CURRENT **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Unsecured, considered good		
Security Deposits with Electricity Board / Others	**565.82**	567.35
Government Grants Receivables	**397.80**	529.02
Total	**963.62**	1,096.37

NOTE NO. 13

DEFERRED TAX ASSETS (NET) **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Deferred Tax Asset		
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	**2,968.06**	2,485.48
Tax effect on Provision for Bonus and Leave Encashment	**99.02**	76.25
Tax effect on Provision for Bonus and Leave Encashment	**193.80**	-
Deferred Tax Liability		
Tax effect on difference between book depreciation and depreciation under the Income Tax Act, 1961	**(1,510.84)**	(1,176.25)
Tax effect on Long Term Capital Loss	**-**	-
Net Deferred Tax Asset	**1,750.04**	1,385.48
Reconcillation of deferred tax Assets (net)		
Opening balance as on 1st April	**1,385.48**	919.25
Tax Income / (Expense) during the period recognized in Profit and Loss	**364.56**	466.23
Closing Balances as on 31st March	**1,750.04**	1,385.48

NOTE NO. 14

OTHER NON-CURRENT ASSETS **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Unsecured, considered good		
Income Tax Refund Receivable	**0.05**	29.33
Total	**0.05**	29.33

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 15

INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE) **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Finished Goods - Yarn	**601.20**	625.17
Raw materials - Cotton & Cotton Waste	**4,301.36**	3,280.27
Stores and Spares	**33.61**	61.46
Works-in-progress (Cotton Yarn)	**1,550.55**	1,100.12
Total	**6,486.72**	5,067.02

Notes: i) The total carrying amount of inventories as at reporting date has been pledged as Security for Borrowings.

ii) Mode of valuation of Inventories are disclosed in Significant Accounting Policies in Note No. 5 (A)

(iii) Raw Materials Stock value is after making provision for mark to Market of Cotton of ₹ 0.00 Lakhs as at 31-03-2026. (PY: Nil)

NOTE NO. 16

TRADE RECEIVABLES **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Secured, Considered good	**2,459.05**	4,388.84
Unsecured, Considered good	**17.77**	17.77
Total	**2,476.82**	4,406.61

Notes: (i) Trade receivables are generally non-interest bearing.

(ii) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) The total carrying amount of trade receivables has been pledged as security for Borrowings.

(iv) Trade Receivables aging schedule have been provided in Note No. 51 (c).

NOTE NO. 17

CASH AND CASH EQUIVALENTS **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Cash on Hand	**0.97**	1.33
Balance with Bank		
In Current Account	**0.44**	0.56
Total	**1.41**	1.89

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 18

BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balances with Banks held as security against Borrowings	**36.05**	74.52
Earmarked balances with Banks for Unclaimed Dividend	**1.26**	1.36
Total	**37.31**	75.88

NOTE NO. 19

OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Government Grants Receivables	**357.48**	203.50
Total	**357.48**	203.50

Notes: i) Andhra Pradesh Power Subsidy ₹ 201.23 Lakhs and Tamilnadu SIPCOT Subsidy ₹ 156.25 Lakhs is receivable for within one year (PY : ₹ 203.50 Lakh) as considered as Current Financial Assets.

NOTE NO. 20

CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Advance Income Tax, self assessment tax and Tax deducted at source	**17.76**	37.13
Total	**17.76**	37.13

NOTE NO. 21

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Unsecured, considered good		
Advance to Suppliers / Others	**947.94**	924.14
Tax Credit and Refund due - Indirect Taxes	**568.14**	777.70
Accrued Income	**24.11**	381.14
Prepaid Expenses	**94.33**	160.09
Other Current Assets	**10.31**	6.50
Total	**1,644.83**	2,249.57

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 22

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Authorised		
30,00,000 Equity Shares of ₹ 10/- each (PY: 30,00,000 Equity Shares of ₹ 10/- each)	**300.00**	300.00
Issued, Subscribed and Fully paid-up		
15,00,000 Equity Shares of ₹ 10/- each (PY: 15,00,000 Equity Shares of ₹ 10/- each)	**150.00**	150.00
Total	**150.00**	150.00

Notes:

i) (5,00,000 Equity Shares of ₹ 10/- each were allotted as fully paid Bonus Shares by Capitalisation of Reserves).

ii) Reconciliation of the number of shares outstanding: **(₹ in Lakhs)**

Particulars	**As at 31-03-2026**		As at 31-03-2025	
	No. of Shares	**Amount**	No. of Shares	Amount
Number of Shares at the beginning	**15,00,000**	**150.00**	15,00,000	150.00
Number of Shares at the end	**15,00,000**	**150.00**	15,00,000	150.00

iii) Rights / Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) List of Shareholders holding more than 5 percent in the Commpany. **(₹ in Lakhs)**

Name of the Shareholder	**As at 31-03-2026**		As at 31-03-2025	
	No. of Shares	**% of holding**	No. of Shares	% of holding
R. Sudarsanam	**81,000**	**5.40%**	81,000	5.40%
Sharadha Deepa	**6,83,550**	**45.57%**	6,83,550	45.57%

NOTES TO SEPARATE FINANCIAL STATEMENTS

v) Shareholders holding of Promoters as at 31-03-2026.

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1.	P.R. Venketrama Raja	48,000	3.20%	–
2.	R. Sudarsanam	81,000	5.40%	–
3.	S.S. Ramachandra Raja	13,470	0.90%	–
4.	Nalina Ramalakshmi	29,000	1.93%	–
5.	Sharadha Deepa	6,83,550	45.57%	–
6.	B. Srisandhya Raju	16,000	1.07%	–
7.	Srirama Raja	2,660	0.18%	–
8.	A Ramalakshmi	15,900	1.06%	–
9.	J Sethulakhshmi	12,640	0.84%	–
10.	The Ramco Cements Limited	2,100	0.14%	–
11.	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	–
12.	Rajapalayam Mills Limited	38,400	2.56%	–
Total		**9,53,920**	**63.59%**	**–**

vi) Shareholders holding of Promoters as at 31-03-2025.

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1.	P.R. Venketrama Raja	48,000	3.20%	–
2.	R. Sudarsanam	81,000	5.40%	–
3.	S.S. Ramachandra Raja	13,470	0.90%	–
4.	Nalina Ramalakshmi	29,000	1.93%	–
5.	Sharadha Deepa	6,83,550	45.57%	–
6.	B. Srisandhya Raju	16,000	1.07%	–
7.	Srirama Raja	2,660	0.18%	–
8.	A Ramalakshmi	15,900	1.06%	–
9.	J Sethulakhshmi	12,640	0.84%	–
10.	The Ramco Cements Limited	2,100	0.14%	–
11.	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	–
12.	Rajapalayam Mills Limited	38,400	2.56%	–
Total		**9,53,920**	**63.59%**	**–**

NOTE NO. 23

OTHER EQUITY

Capital Reserve **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Balance as per Last Financial Statement	**23.77**	23.77
Total	**23.77**	23.77

NOTES TO SEPARATE FINANCIAL STATEMENTS

Nature of Reserve

Capital Reserve represents SIPCOT Subsidy Reserve ₹ 14.77 Lakhs and Windmill Subsidy Reserve ₹ 9.00 Lakhs.

Securities Premium (₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balance as per Last Financial Statement	**25.00**	25.00
Total	**25.00**	25.00

Nature of Reserve

Securities Premium was credited when shares are issued at a Premium. The Company can use this reserve to issue bonus shares, to provide for preliminary expenses, the commission paid or discount allowed and expenses related to any issue of shares of the Company.

General Reserve (₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balance as per Last Financial Statement	**4,000.00**	4,000.00
Total	**4,000.00**	4,000.00

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

FVTOCI Reserve (₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balance as per Last Financial Statement	**0.79**	(0.79)
Add: Other Comprehensive Income for the year	**0.53**	1.58
Total	**1.32**	0.79

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Retained Earnings (₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balance as per Last Financial Statement	**(3,008.86)**	(1,056.00)
Add: Profit / (Loss) for the year	**(924.31)**	(1,950.92)
Transfer from FVTOCI Reserve	**42.63**	(1.94)
Sub-Total	**(3,890.54)**	(3,008.86)
Less: Appropriations	**–**	–
Transfer to General Reserve	**–**	–
Total	**(3,890.54)**	(3,008.86)

NOTES TO SEPARATE FINANCIAL STATEMENTS

Nature of Reserve

Represents that portion of the net income of the Company that has been retained by the Company.

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Total Other Equity	**159.55**	1,040.69

NOTE NO. 24

NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Secured		
Term Loan from Banks	**8,289.35**	11,850.22
Total	**8,289.35**	11,850.22

Notes: i) Term Loan from Banks of ₹ 8,289.35 Lakhs (PY: ₹ 11,850.22 Lakhs) are secured by *pari-passu* first charge on all the Fixed Assets of the Company and *pari-passu* second charge on the Current Assets of the Company.

ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

iii) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees.

iv) Refer to Note No. 49 for information about risk profile of borrowings under Financial Risk Management.

v) The Long Term Borrowings from Banks are repayable in quarterly / monthly installments. The year wise repayment is as follows:

(₹ in Lakhs)

Year	31-03-2026	31-03-2025
2026-27	-	3,639.50
2027-28	**3,265.99**	3,205.15
2028-29	**2,673.87**	2,675.15
2029-30	**1,436.25**	1,436.26
2030-31	**749.14**	750.00
2031-32	**164.10**	144.16
Total	**8,289.35**	11,850.22

NOTE NO. 25

OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Deferred Government Grants	**770.05**	842.13
Total	**770.05**	842.13

Notes: Deferred Government Grants comprises of fair value of Industrial Promotion Assistance (IPA) provided by Government of Tamilnadu towards creation of infrastructure facilities is recognised as "Grant Income" over the usefull life of underlying PPE.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 26

CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Secured		
Loan from Banks *	**8,771.00**	7,389.89
Current Maturities of Long Term Loans	**3,627.50**	5,416.52
Unsecured		
Loans and Advances from Related Parties [Refer to Note No. 46(b) (i)]	**1,984.88**	2,363.61
Loan from Other Parties [Refer to Note No 46(b) (ii)]	**3,845.00**	8.25
Total	**18,228.38**	15,178.27

Notes: (i)* Borrowings are secured by pari-passu first charge on the current assets of the Company and *pari-passu* second charge on the fixed assets of the Company.

(ii) `The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.

(iii) Refer to Note No. 49 for information about risk profile of borrowings under Financial Risk Management.

NOTE NO. 27

TRADE PAYABLES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Dues of micro enterprises and small enterprises	**–**	–
Dues of creditors other than micro enterprises and small enterprises	**394.48**	511.28
Total	**394.48**	511.28

Notes: (i) The disclosures as per the requirement of the Micro, Small and Medium Enterprises Development Act, 2006 are furnished in Note No. 50.

(ii) Refer to Notes No.49 for information about risk profile of Trade payables under Finanancial Risk Management

(iii) Trade Payable ageing schedule given in Notes No.51(a).

NOTE NO. 28

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Interest Accrued	**44.98**	17.15
Uncliamed Dividends	**1.26**	1.36
Statutory Liabilities Payable	**890.02**	947.43
Other payables	**52.62**	170.88
Total	**988.88**	1,136.82

Notes: Unclaimed dividends represents amount not due for transfer to Investor Education and Protection Fund.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 29

PROVISIONS, CURRENT

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Provision for Employee Benefits	**230.76**	201.82
Provision for Compensated absences [Refer to Note No. 44]	**192.00**	191.72
Total	**422.76**	393.54

Notes: (i) The Company provides for expenses towards compensated absence provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

(ii) Movement in Provisions for compensated absences.

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Carrying amount at the beginning of the year	**191.72**	92.29
Add: Current Service Cost	**21.55**	16.23
Add: Interest Cost	**12.55**	5.46
Add: Past Service Cost	**13.55**	-
Add: Actuarial Loss	**(35.03)**	105.71
Less: Benefits paid	**(12.34)**	(27.97)
Carrying amount at the end of the year	**192.00**	191.72

NOTE NO. 30

PROVISION FOR TAXATION

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Income Tax Provision for earlier years	**-**	8.20
Total	**-**	8.20

NOTE NO. 31

REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars	**31-03-2026**		31-03-2025	
Sale of Products				
Yarn	**24,274.37**		28,208.76	
Waste Cotton	**294.43**		355.36	
		24,568.80		28,564.12
Other Operating Revenue				
Export Incentives		**16.19**		29.59
Scrap Sales		**2.69**		74.11
Job Work Charges Received		**74.25**		148.27
Total		**24,661.93**		28,816.09

NOTES TO SEPARATE FINANCIAL STATEMENTS

Note : The disaggregation of revenue as required under Ind AS 115 is given below: **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Gross Revenue from Operations	**25,871.32**	30,069.86
Less: Rebates & Discounts	**63.57**	61.33
Less : GST Paid for the year	**1,145.82**	1,192.44
Revenue from Operations (Net of GST)	**24,661.93**	28,816.09

NOTE NO. 32

OTHER INCOME

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Interest Income	**150.44**	223.47
Rent Receipts	**16.64**	16.23
Dividend Income	**62.07**	77.58
Government Grants	**53.38**	21.01
Profit on Sale of Cotton	**73.05**	-
Canteen Income	**6.51**	10.07
Miscellaneous Income	**17.74**	14.86
Total	**379.83**	363.22

NOTE NO. 33

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Raw materials Consumed		
Cotton & Cotton Waste consumed for Yarn Production	**14,565.16**	15,071.96
Total	**14,565.16**	15,071.96

NOTE NO. 34

PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Purchases of Stock-in-Trade	**501.19**	3,255.90
Total	**501.19**	3,255.90

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 35

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	31-03-2026		31-03-2025	
Opening Stock				
Finished Goods	**625.17**		812.25	
Work-in-Progress	**1,100.12**	**1,725.29**	1,522.41	2,334.66
Closing Stock				
Finished Goods	**601.20**		625.17	
Work-in-Progress	**1,550.55**	**2,151.75**	1,100.12	1,725.29
Net (Increase) / Decrease in Stock		**(426.46)**		609.37

NOTE NO. 36

EMPLOYEE BENEFITS

(₹ in Lakhs)

Particulars	31-03-2026		31-03-2025	
For Employees Other than Managing Director				
Salaries, Wages and Bonus	**2,338.43**		2,468.67	
Contribution to Provident and Other Funds	**358.13**		283.86	
Staff and Labour Welfare & Trainning Expenses	**244.45**	**2,941.01**	279.34	3,031.87
For Managing Director				
Managing Director Remuneration	**180.00**		180.00	
Contribution to Provident and Other Funds	**7.50**		7.50	
Sitting Fees	**0.60**	**188.10**	0.60	188.10
Total		**3,129.11**		3,219.97

Notes: (i) Refer to Note No. 44 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS 19.

NOTE NO. 37

FINANCE COSTS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Interest on Debts and Borrowings	**2,088.19**	2,217.13
Total	**2,088.19**	2,217.13

Notes: (i) Interest on Term Loans represent interest calculated using the effective interest rate method.

(ii) Refer to Note No.49 for information about interest rate risk exposure under Financial Risk Management.

NOTE NO. 38

DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Depreciation of Plant, Property and Equipment [Refer to Note No.7]	**1,418.94**	1,447.72
Depreciation on Investment Properties [Refer to Note No.9]	**2.80**	2.80
Total	**1,421.74**	1,450.52

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 39

OTHER EXPENSES

(₹ in Lakhs)

Particulars	**31-03-2026**		31-03-2025	
Manufacturing Expenses				
Power and Fuel	**2,128.14**		2,465.64	
Packing Materials Consumption	**508.77**		465.86	
Repairs to Buildings	**80.11**		56.31	
Repairs to Plant and Machinery	**494.00**		647.10	
Repairs - Wind Mills & Others	**594.01**		581.77	
Job Work Charges Paid	**215.95**	**4,020.98**	184.98	4,401.66
Establishment Expenses				
Rates and Taxes	**67.08**		65.53	
Insurance	**112.09**		104.85	
Postage and Telephone	**11.55**		13.88	
Printing and Stationery	**9.57**		10.21	
Travelling Expenses	**30.67**		23.07	
Vehicle Maintenance	**31.05**		34.33	
Loss on Sale of Cotton	**-**		2.94	
Assets Scrap - Writeoff	**0.94**		18.02	
Directors Sitting Fees to Non-Executive Directors	**6.75**		6.45	
Rent Paid	**7.89**		7.02	
Audit Fees and Legal Expenses	**27.13**		31.10	
Corporate Social Responsibility Expenses	**0.10**		3.62	
Exchange Loss on Foreign Currency Transactions (Net)	**139.02**		78.45	
Miscellaneous Expenses	**94.32**	**538.16**	87.04	486.51
Selling Expenses				
Sales Commission	**188.53**		222.66	
Export Expenses	**152.47**		392.19	
Other Selling Expenses	**157.81**	**498.81**	263.57	878.42
Total		**5,057.95**		5,766.59

Note: i) The details of CSR Expenditure are disclosed in Note No. 51(i).

NOTE NO. 40

TAX EXPENSES / (SAVINGS)

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
(i) Current Tax		
Income Tax Provision earlier year Savings in PL A/c.	**(2.19)**	-
	(2.19)	-
(ii) Deferred Tax		
Deferred Tax Expenses / (Savings) for the year	**(328.52)**	(465.65)
Deferred Tax Expenses / (Savings) Prior Period	**(50.38)**	-
Deferred Tax Expense OCI components	**14.34**	(0.58)
Total	**(364.56)**	(466.23)

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 41

AUDIT FEES AND EXPENSES (NET OF TAX CREDITS) **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Statutory Auditors		
Statutory Audit fee	**2.25**	2.25
Other Certification Work	**2.43**	7.03
Reimbursement of Expenses	**8.46**	8.46
Tax Auditors		
Tax Audit Fee	**1.80**	1.80
Cost Auditors		
Cost Audit Fee	**0.90**	0.90
Secretarial Auditors		
Secretarial Audit Fee	**1.07**	1.07
Other Certification Work	**0.39**	0.37
Total	**17.30**	21.88

NOTE NO. 42

COMMITMENTS **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**145.16**	221.73
(ii) Other Commitments		
Liability on Letter of Credit opened for Capital Goods	**20.85**	-
Liability on Letter of Credit opened for Cotton / Spares	**-**	-
(iv) Export Promotion Scheme		
(a) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance License Scheme for import of raw material.	**14,955.00**	16,359.83
(b) Duty amount involved under EPCG Scheme	**-**	69.07
(c) Duty amount involved under Advance License Scheme	**2,062.37**	1,521.35

Note: Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. The export obligation under the EPCG Scheme to be fulfilled on or before the financial year 2029-30. The Company is also importing cotton under Advance License Scheme against obligation to export the yarn within 18 months from the date of license. The export obligation under the Advance License Scheme to be fulfilled on or before 30th September, 2027.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 43

CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Guarantees given by the bankers on behalf of company	**68.32**	181.56
Disputed GST Liability	**3.64**	3.64
Demands / Claims not acknowledged as Debts in respected matters in appeals relating to -		
Income tax	**Nil**	Nil
Other Demands	**356.86**	356.86

i. Income Tax Assessment have been completed upto the Accounting Year ended 31st March, 2025 i.e. AY 2025-26

ii. Sales Tax / VAT Assessment has been completed upto the Accounting year 2017-18. The Assessment under CST Act was completed upto the Accounting year 2017-18.

iii. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 356.86 Lakhs (PY: ₹ 356.86 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.

NOTE NO. 44

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

(₹ in Lakhs)

Particulars	**2025-26**	2024-25
Defined Contribution Plan:		
Employer's Contribution to Provident Fund	**176.88**	184.61
Employer's Contribution to Superannuation Fund	**12.25**	11.76

Defined Benefit Plan - Gratuity

The Gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company read with Payment of Gratuity Act, 1972. This is a defined plan in nature. The Company makes annual contributions to "Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund" administered by the Trustees and managed by LIC of India, based on the Actuarial Valuation by an Independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of actuarial risk such as adverse salary growth, change in demography experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Defined Benefit Plan (Gratuity): (₹ in Lakhs)

Particulars	2025-26	2024-25
Reconciliation of Opening and Closing balances of present value of Obligation:		
As at the beginning of the year	**648.75**	615.34
Current Service Cost	**44.28**	37.84
Past service Cost	**76.49**	-
Interest Cost	**42.28**	41.09
Actuarial loss / (gain)	**(-) 52.65**	6.08
Benefits paid	**(-) 46.49**	(-) 51.60
As at the end of the year	**712.65**	648.75
Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:		
As at the beginning of the year	**609.35**	590.23
Expected return on plan assets	**40.98**	40.28
Actuarial gain / (loss)	**4.31**	3.55
Employer Contribution	**40.32**	26.90
Benefits paid	**(-) 46.49**	(-) 51.60
As at the end of the year	**648.47**	609.35
Actual Return on Plan Assets:		
Expected Return on Plan Assets	**40.98**	40.28
Actuarial Gain / (Loss) on Plan Assets	**4.32**	3.55
Actual Return on Plan Assets	**45.30**	43.83
Reconciliation of Fair Value of Assets and Obligations		
Present value of obligation	**712.65**	648.75
Fair value of plan assets	**648.47**	609.35
Differents, Amount recognised in Balance Sheet	**64.18**	39.39
Expenses recognized during the year:		
Current Service Cost	**44.28**	37.84
Net Interest on Obligations	**1.30**	0.81
Past period service cost	**76.49**	-
Expenses recognized in Statement of Profit and Loss	**122.07**	38.65

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	2025-26	2024-25
Amount recognized in the Other Comprehensive Income:		
Actuarial changes arising from:		
Experience adjustments on Plan liabilities	**(-) 52.65**	6.08
Experience adjustments on Plan Assets	**(-) 4.31**	(-) 3.55
Changes in financial assumptions	**-**	-
Changes in demographic assumptions	**-**	-
Amount recognized in OCI during the year	**(-) 56.96**	2.53
Investment Details:		
Funds with LIC	**641.21**	602.47
Bank Balance	**7.26**	6.88
Total	**648.47**	609.35
Actuarial assumptions:		
LIC 2012-14 Table for Service mortality rate	**Yes**	Yes
Discount rate p.a.	**7.55%**	6.76%
Expected rate of return on plan Assets p.a.	**7.55%**	6.76%
Rate of escalation in salary p.a.	**3.85%**	3.85%
Rate of employee turnover	**0.10%**	0.01%
Estimate of Expected Benefit payments		
Year 1	**14.32**	16.19
Year 2	**171.55**	111.96
Year 3	**64.09**	28.16
Year 4	**52.36**	62.58
Year 5	**80.90**	53.28
Next 5 Years	**274.84**	244.85
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	**41.36**	41.67
0.50% Decrease in Discount Rate	**45.97**	47.14
0.50% Increase in Salary Growth Rate	**46.06**	47.21
0.50% Decrease in Salary Growth Rate	**41.26**	41.58

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet.

Defined Benefit Plan (Leave Encashment plan): (₹ in Lakhs)

Particulars	2025-26	2024-25
Reconciliation of Opening and Closing balances of Present Value of Obligation:		
As at the beginning of the year	**191.72**	92.29
Current Service Cost	**21.56**	16.23
Interest Cost	**12.54**	5.46
Past Period Service Cost	**13.55**	-
Actuarial (Gain) / Loss	**(-) 35.03**	105.71
Benefits paid	**(-) 12.35**	(-) 27.97
As at the end of the year	**191.99**	191.72
Reconciliation of Opening and closing Balances of Fair Value of Plan Assets:		
As at the beginning of the year	**Nil**	Nil
Expected return on plan assets	**Nil**	Nil
Actuarial gain / (loss)	**Nil**	Nil
Employer Contribution	**12.35**	27.97
Benefits paid	**(-) 12.35**	(-) 27.97
As at the end of the year	**Nil**	Nil
Actual Return of plan assets:		
Expected return of plan assets	**Nil**	Nil
Actuarial gain / (loss) on plan assets	**Nil**	Nil
Actual return on plan assets	**Nil**	Nil
Reconciliation of Fair Value of Assets and Obligations:		
Fair Value of plan assets	**Nil**	Nil
Present Value of obligation	**191.99**	191.72
Difference, Amount recognized in Balance Sheet	**191.99**	191.72
Expenses recognized during the year:		
Current Service Cost	**21.56**	16.23
Net Interest on obligations	**12.54**	5.46
Actuarial (Gain) / Loss recognized during the year	**(-) 35.03**	105.71
Past Period Service Cost	**13.55**	-
Expense / (Gain) recognized in the Statement of Profit and loss	**12.62**	127.40

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	2025-26	2024-25
Amount recognized in the Other Comprehensive Income:		
Experience adjustments on Plan Liabilities	**Nil**	Nil
Experience adjustments on Plan Assets	**Nil**	Nil
Changes in financial assumptions	**Nil**	Nil
Changes in demographic assumptions	**Nil**	Nil
Amount recognized in OCI during the year	**Nil**	Nil
Investment details:		
Funds with LIC	**Nil**	Nil
Bank Balance	**Nil**	Nil
Actuarial assumptions:		
LIC 2012-14 Table applied for service mortality rate	**Yes**	Yes
Discount rate p.a.	**7.55%**	6.76%
Expected rate of Return on Plan Assets p.a.	**Nil**	Nil
Rate of escalation in salary p.a.	**3.85%**	3.85%
Rate of Employee Turnover	**0.10%**	0.01%

Estimate of Expected Benefit payments

Particulars	31-03-2026	31-03-2025
Year 1	**2.44**	1.92
Year 2	**93.95**	102.84
Year 3	**8.14**	2.07
Year 4	**4.95**	7.66
Year 5	**14.02**	4.41
Next 5 Years	**39.86**	39.37

Quantitative Sensitivity Analysis for Significant Assumptions

Particulars	31-03-2026	31-03-2025
0.50% Increase in Discount Rate	**18.46**	20.52
0.50% Decrease in Discount Rate	**20.20**	22.68
0.50% Increase in Salary Growth Rate	**20.23**	22.71
0.50% Decrease in Salary Growth Rate	**18.43**	20.49

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the balance sheet.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 45

EARNINGS PER SHARE

Particulars		**31-03-2026**	31-03-2025
Net profit / (loss) after tax (₹ in lakhs)	(A)	**(924.31)**	(1,950.92)
Weighted average number of Equity shares [₹ In lakhs]	(B)	**15.00**	15.00
Nominal value per equity share (in ₹)		**10.00**	10.00
Basic & Diluted Earnings per share (in ₹)	**(A) / (B)**	**(61.62)**	(130.06)

NOTE NO. 46

RELATED PARTY TRANSACTIONS

Information on names of related parties and nature of Relationship as required by Ind AS 24 on Related Party disclosures for the year ended 31st March, 2026:

A) Associates

Name of the Company	**Place of Business / Country of Incorporation**	**% of Shareholding as at**	
		31-03-2026	31-03-2025
The Ramco Cements Limited	India	**1.31%**	1.31%
Rajapalayam Mills Limited	India	**0.40%**	0.40%
The Ramaraju Surgical Cotton Mills Limited	India	**0.06%**	0.06%

B) Key Managerial Personnel (including KMP under Companies Act, 2013)

Name of the Key Management Personnel	**Designation**
Shri P.R. Venketrama Raja	Chairman
Smt. Sharadha Deepa	Managing Director
Shri S.S. Ramachandra Raja	Non-Executive Director
Shri Srirama Raja	Non-Executive Director
Shri Arunkumar Goenka	Non-Executive Director
Shri S. Kanthimathinathan	Non-Executive Director
Shri P.A.S. Alaghar Raja	Independent Director
Justice Shri P.P.S. Janarthana Raja	Independent Director

C) Relatives of Key Managerial Personnel

Name of the Relative of KMP	**Relationship**
Smt. Nalina Ramalakshmi	Sister of Shri P.R. Venketrama Raja

NOTES TO SEPARATE FINANCIAL STATEMENTS

D) Companies over which KMP / Relatives of KMP exercise significant influence or Control

Sandhya Spinning Mill Limited
Ramco Industries Limited
Rajapalayam Textile Limited
Ramco Windfarms Limited
Ramco Industrial and Technology Services Limited

E) Employee Benefit Funds where control exists

Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund
Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund

F) Other entities over which there is a significant influence

PACR Sethuramammal Charity Trust,
Digvijai Polytex Private Limited,
Sri Saradha Deepa Farms Pvt. Limited,
Ramco Organic Farming Centre,
Tirupati Yarntex Spinners (P) Limited,
Vishnu Textile Corporation

Disclosure in respect of Related Party Transactions during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent

(₹ in Lakhs)

Name of the Related party	Value	
	2025-26	2024-25
i. Good Supplied / Services rendered		
Associates		
Rajapalayam Mills Limited	**4,605.58**	3,363.56
The Ramaraju Surgical Cotton Mills Limited	**851.02**	752.78
Companies over which KMP / Relative of KMP exercise significant Influence		
Ramco Industries Limited	**678.13**	1102.76
Sandhya Spinning Mill Limited	**884.87**	1259.05
Rajapalayam Textile Limited	**120.40**	157.72
Other entities over which there is a significant Influence		
Vishnu Textile Corporation	**237.14**	3,334.96
Goenka Syndicate Private Limited	**3,551.83**	-

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Name of the Related party	Value 2025-26	2024-25
ii.	**Cost of Goods & Services purchased / availed**		
	Associates		
	The Ramco Cements Limited	**3.01**	2.81
	Rajapalayam Mills Limited	**3,175.30**	3,774.90
	The Ramaraju Surgical Cotton Mills Limited	**64.37**	2411.02
	Companies over which KMP / Relative of KMP exercise significant influence		
	Ramco Industries Limited	**632.87**	2092.63
	Ramco Systems Limited	**16.49**	14.83
	Sandhya Spinning Mill Limited	**402.91**	766.60
	Rajapalayam Textile Limited	**8.93**	390.95
	Other entities over which there is significant influence		
	PACR Sethuramammal Charity Trust	**65.63**	101.57
	Ramco Organic Farming Centre	**0.01**	0.01
	Tirupati Yarntex Spinners (P) Limited	**-**	65.70
iii.	**Purchase of Fixed Assets**		
	Companies over which KMP / Relative of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	-	2.33
iv.	**Dividend Received**		
	Associates		
	The Ramco Cements Limited	**61.88**	77.35
	Rajapalayam Mills Limited	**0.19**	0.22
v.	**Rent Received**		
	JKR Hospitality Services Private Limited	**2.12**	2.12
vi.	**Leasing Arrangements - Rent Paid**		
	Relative of Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	**0.79**	0.79

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

	Name of the Related party	Value	
		2025-26	2024-25
vii.	**Reimbursement of Expenses Paid / (Received)**		
	Associates		
	The Ramco Cements Limited	**25.74**	13.76
	Rajapalayam Mills Limited	**27.73**	33.57
	Companies over which KMP / Relative of KMP exercise significant influence		
	Rajapalayam Textile Limited	**-**	0.90
viii.	**Interest Paid**		
	Key Managerial Personnel		
	Smt. Sharadha Deepa	**160.77**	79.64
	Shri S.S. Ramachandra Raja	-	0.18
	Other entities over which there is a significant influence		
	Sri Saradha Deepa Farms Pvt Limited	**46.97**	-
	Digvijai Polytex Private Limited	**0.37**	0.81
ix.	**Directors Sitting Fees**		
	Key Managerial Personnel		
	Shri P.R. Venketrama Raja	**0.75**	0.75
	Smt. Sharadha Deepa	**0.60**	0.30
	Shri S.S. Ramachandra Raja	**0.75**	0.75
	Shri S.R. Srirama Raja	**0.60**	0.45
	Shri S. Kanthimathinathan	**1.35**	1.35
	Shri Arunkumar Goenka	**0.45**	0.60
	Shri P.A.S. Alaghar Raja	**1.35**	1.35
	Justice Shri P.P.S. Janarthana Raja	**1.50**	1.50
x.	**Remuneration to Key Managerial Personnel (Other than Sitting Fees)**		
	Key Managerial Personnel		
	Smt. Sharadha Deepa, Managing Director	**187.50**	187.50
xi.	**Contribution to Superannuation Fund / Gratuity Fund**		
	Other entities over which there is a significant influence		
	Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund	**13.75**	13.24
	Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund	**66.06**	41.18

	Name of the Related party	Value 2025-26	2024-25
xi.	**Maximum amount of loans and advance / (borrowings) outstanding during the year**		
	Key Managerial Personnel		
	Smt. Sharadha Deepa	**(2,741.85)**	(2,480.86)
	Shri S.S. Ramachandra Raja	**(2.64)**	(2.57)
	Other entities over which there is a significant influence		
	Sri Saradha Deepa Farms Pvt. Limited	**(3,840.00)**	-
	Digvijai Polytex Private Limited	**(5.00)**	(15.00)

(₹ in Lakhs)

		Name of the Related party	Value 2025-26	2024-25
b.	**Outstanding balance including commitments**			
	i.	**Borrowings**		
		Key Managerial Personnel		
		Shri S.S. Ramachandra Raja	**0.15**	2.57
		Smt. Sharadha Deepa	**1,984.73**	2,361.04
	ii.	**Other entities over which there is a significant Influence**		
		Smt. Sharadha Deepa Farms Private Limited	**3,840.00**	–
		Digwijai Polytex Private Limited	**5.00**	8.25
			3,845.00	8.25

c. Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

Particulars	31-03-2026	31-03-2025
Short - Term Benefits [1]	**180.30**	180.30
Defined Contribution Plan [2]	**7.50**	7.50
Defined Benefit Plan / Other Long-Term Benefits [3]	**–**	–
Total	**187.80**	187.50

1. It includes bonus, sitting fees, and value of perquisites.
2. It includes contribution to Provident fund and Superannuation fund.
3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above. However, amount paid towards compensated absence is included whenever company makes such payment to KMPs.

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 47

SEGMENT INFORMATION FOR THE YEAR ENDED 31-03-2026 **(₹ in Lakhs)**

Particulars	Textiles		Power from Windmills		Total	
	31-Mar-2026	31-Mar-2025	**31-Mar-2026**	31-Mar-2025	**31-Mar-2026**	31-Mar-2025
REVENUE						
External Sales (Net)	**24,661.93**	28,816.09	**-**	-	**24,661.93**	28,816.09
Inter Segment Sale			**1,888.60**	1,612.67	**1,888.60**	1,612.67
Total Sales	**24,661.93**	28,816.09	**1,888.60**	1,612.67	**26,550.53**	30,428.76
Other Income	**379.83**	644.43	**-**	-	**379.83**	664.43
Total Revenue	**25,041.76**	29,460.52	**1,888.60**	1,612.67	**26,930.36**	31,073.19
RESULT						
Segment Profit	**(266.17)**	(1,068.62)	**1,048.96**	869.17	**782.79**	(199.45)
Unallocated Income					**(150.44)**	(223.47)
Unallocated Expenses						
Operating Profit					**632.35**	(422.92)
Interest Expenses					**2,088.19**	2,217.13
Interest Income					**150.44**	223.47
Provision for Taxation						
Current Tax					**-**	-
Income Tax related to earlier years					**(2.19)**	-
Deferred Tax					**(378.90)**	(465.65)
MAT Credit entitlement						-
MAT Credit entitlement-py					**-**	-
Profit from ordinary activities					**(924.31)**	(1,950.92)
Other Comprehensive Income					**43.16**	(0.37)
Exceptional Items						
Net Profit					**(881.15)**	(1,951.29)
OTHER INFORMATION						
Segment Assets	**28,335.33**	29,808.15	**1,068.12**	1,303.00	**29,403.45**	31,111.15
Unallocated Assets					**-**	-
Total Assets					**29,403.45**	31,111.15
Segment Liabilities	**20,034.50**	17,228.11	**-**	-	**20,034.50**	17,228.11
Unallocated Liabilities						
Total Liabilities					**20,034.50**	17,228.11
Capital Expenditure	**540.30**	102.27	**-**	-	**540.30**	102.27
Unallocated Capital Expenditure					**-**	-
Depreciation	**1,222.11**	1,251.36	**199.62**	199.16	**1,421.73**	1,450.52
Unallocated Depreciation Expenditure					**-**	-
Non-Cash expenses other than Depreciation	**-**	-	-	-	**-**	-

NOTE NO. 48

DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

NOTES TO SEPARATE FINANCIAL STATEMENTS

Financial Instruments by category (₹ in Lakhs)

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2026					
Financial Assets					
Other Investments	455.14	–	0.53	455.67	455.67
Trade Receivables	2476.82	–	–	2476.82	2476.82
Cash and Bank Balances	38.72	–	–	38.72	38.72
Other Financial Assets	963.62	–	–	963.62	963.62
Financial Liabilities					
Borrowings	8289.35	–	–	8289.35	8289.35
Trade Payables	394.48	–	–	394.48	394.48
Other Financial Liabilities	988.88	–	–	988.88	988.88
As at 31-03-2025					
Financial Assets					
Other Investments	418.02	–	1.58	419.60	419.60
Trade Receivables	4406.61	–	–	4406.61	4406.61
Cash and Bank Balances	77.77	–	–	77.77	77.77
Other Financial Assets	567.35	–	–	567.35	567.35
Financial Liabilities					
Borrowings	11850.22	–	–	11850.22	11850.22
Trade Payables	511.28	–	–	511.28	511.28
Other Financial Liabilities	1136.82	–	–	1136.82	1136.82

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments and investment properties by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investment in unlisted securities				
As at 31-03-2026	–	–	455.67	455.67
As at 31-03-2025	–	–	419.60	419.60

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTPL				
Foreign exchange forward contracts				
As at 31-03-2026 (Liability)	–	0	–	0
As at 31-03-2025 (Liability)	–	19.52	–	19.52

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities	Market Value	Closing Price as at reporting date in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Asset Value as per Balance Sheet of respective Companies as at reporting date
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker

NOTE NO. 49

FINANCIAL RISK MANAGEMENT

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyze the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

NOTES TO SEPARATE FINANCIAL STATEMENTS

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case-to-case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

(₹ in Lakhs)

Particulars	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
As at 31-03-2026					
Gross carrying amount	1,639.31	660.33	155.10	22.08	2476.82
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	–	–	–	–	–s
Carrying amount of trade receivables net of impairment	1,639.31	660.33	155.10	22.08	2476.82
As at 31-03-2025					
Gross carrying amount	2,600.03	910.04	737.26	159.28	4,406.61
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	–	–	–	–	–
Carrying amount of trade receivables net of impairment	2,600.03	910.04	737.26	159.28	4,406.61

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with Banks. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

NOTES TO SEPARATE FINANCIAL STATEMENTS

Financial arrangements

The Company has access to the following undrawn borrowing facilities: **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Expiring within one year		
Bank Overdraft and other facilities	**14,600.88**	9,761.75
Term Loans	**3,627.50**	5,416.52
Expiring beyond year		
Term Loans	**8,289.35**	11,850.22

Maturities of Financial Liabilities **(₹ in Lakhs)**

Nature of Financial Liability	< 1 Year	1 - 5 Years	>5 years	Total
As at 31-3-2026				
Borrowings from Banks / Related Parties	18,199.20	8,125.25	193.28	26,517.73
Trade payables	394.48	–	–	394.48
Other Financial Liabilities (Incl. Interest)	988.88	–	–	988.88
As at 31-3-2025				
Borrowings from Banks / Related Parties	15,178.27	10,956.06	894.16	27,028.49
Trade payables	511.28	–	–	511.28
Other Financial Liabilities (Incl. Interest)	1,136.82	–	–	1,136.82

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract / Packing Credit Foreign currency which acts as natural hedge against export receivable. The Company enters the above transactions after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company uses derivative financial instruments viz. Foreign Exchange Forward Contracts exclusively for hedging currency risks that arise from imports / exports transactions. The Company measures the risk by forecasting foreign currency cash flows and manages its currency risks by appropriately hedging the transactions. When a forward contract is entered into for the purpose of being a hedge, the Company finalizes the terms of those forward contracts to match the terms of the hedged exposure i.e. receivables / payables / Firm Commitments. All identified exposures are managed as per the policy duly approved by the Board of Directors.

NOTES TO SEPARATE FINANCIAL STATEMENTS

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities / Firm Commitments as at the end of reporting periods are given below:

As at 31-03-2026 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	**Financial Asset / Firm commitments related to Financial Assets**		
	(a) Trade Receivable	0.17	–
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	–	–
	(b) Contracts for import of materials	0.87	–
Hedging Instruments (Forward contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	(a) PCFC Loan	1.05	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	4.36	–
	(b) Forward contract for imports	–	–
	(c) Forward Contracts for Exports	1.33	–

As at 31-03-2025 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	**Financial Asset / Firm commitments related to Financial Assets**		
	(a) Trade Receivable	1.97	–
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	–	–
	(b) Contracts for import of materials	3.73	–
Hedging Instruments (Forward contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	(a) PCFC Loan	1.47	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	3.12	–
	(b) Forward contract for imports	–	–
	(c) Forward Contracts for Exports	2.41	–

The details of foreign currency forward contracts outstanding at the end of the reporting period is given below:

Particulars	Foreign currency (in Lakhs)		Nominal Amount (₹ in Lakhs)	
	31-03-2026	31-03-2025	**31-03-2026**	31-03-2025
USD / INR buy forward	**6.55**	5.41	**–**	Nil
EURO / INR buy forward	**Nil**	Nil	**–**	Nil

The above forward contracts are having maturity of less than 12 months.

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Variable rate borrowings	**26,518.12**	27,028.49
Fixed rate borrowings	**–**	–

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

Incremental Interest Cost works out to	31-03-2026	31-03-2025
1% Increase in Interest Rate	**265.18**	270.28

NOTE NO. 50

DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

The categorization of supplier as MSME registered under the Act under new definition, has been determined based on the information available with the Company as at the reporting date. The Company has also considered suppliers as MSME who possess the erstwhile MSME certificate for the period upto the reporting date, for the purpose of categorization and disclosures. The disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Lakhs)

Particulars			31-03-2026	31-03-2025
(a)	(i)	The Principal amount remaining unpaid to any supplier at the end of the financial year included in -		
		Trade Payables	**–**	–
		Other Current Financial Liabilities	**–**	–
	(ii)	The Interest due on the above	**–**	–
(b)		The amount of interest paid by the buyer in terms of Section 16 of the Act	**–**	–
(c)		The amount of the payment made to the supplier beyond the appointed day during the financial year	**–**	–
(d)		The amount of interest accrued and remaining unpaid at the end of the financial year	**–**	–
(e)		The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	**–**	–

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 51

Additional regulatory information as required under Companies Act, 2013 / Indian Accounting Standards:

a) Trade Payables Ageing Schedule **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	No due	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	Total
As at 31-03-2026						
MSME	–	–	–	–	–	–
Others	342.13	47.37	0.89	1.36	2.81	394.56
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Unbilled dues	–	–	–	–	–	–
Total	**342.13**	**47.37**	**0.89**	**1.36**	**2.81**	**394.56**
As at 31-03-2025						
MSME	–	–	–	–	–	–
Others	471.12	32.74	3.12	1.84	2.46	511.28
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Unbilled dues	–	–	–	–	–	–
Total	**471.12**	**32.74**	**3.12**	**1.84**	**2.46**	**511.28**

b) Capital Work-in-Progress Ageing Schedule **(₹ in Lakhs)**

Particulars	Amount in CWIP for a period of				
	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	Total
As at 31-03-2026	153.58	–	–	–	153.58
As at 31-03-2025	–	–	–	–	–

Notes: (i) None of the capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) The Company does not have any projects whose activity has been suspended

(iii) The Company has no intangible assets under development

c) Trade Receivables Ageing Schedule **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
As at 31-03-2026							
Undisputed Trade receivables - considered good	1,639.22	815.43	0.17	–	–	21.90	2,476.82
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	**1,639.22**	**815.43**	**0.17**	**–**	**–**	**21.90**	**2,476.82**
As at 31-03-2025							
Undisputed Trade receivables - considered good	2,600.03	910.04	737.26	159.28	–	–	4,406.66
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	**2,600.03**	**910.04**	**737.26**	**159.28**	**–**	**–**	**4,406.66**

d) Undisclosed Income

The Company does not have any transaction, which are not recorded in the books of accounts that has been surrounded or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

e) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956 considering the information available with the Company.

f) Details of Crypto Currency or Virtual Currency

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclose relating to it are not applicable.

g) The Company has neither advanced or loaned or invested, nor received any fund, to or from, any other persons or entities (intermediaries) with the understanding that the intermediary shall:

i) directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

h) Key Financial Ratios

Particulars		UOM	31-03-2026	31-03-2025	Variation in %
(a)	Current Ratio	In multiple	0.67	0.73	(-) 8.22%
(b)	Debt-Equity Ratio	In multiple	85.67	22.69	277.00%
(c)	Debt Service Coverage Ratio	In multiple	1.06	0.56	89.29%
(d)	Return on Equity Ratio	In %	(-) 1.17%	(-) 0.90%	30.00%
(e)	Inventory Turnover Ratio	In Days	85	73	18%
(f)	Trade receivables Turnover Ratio	In Days	7	7	–
(g)	Trade payables Turnover Ratio	In Days	54	36	52%
(h)	Net Capital Turnover Ratio	In Days	147	115	28%
(i)	Net Profit Ratio	In %	(-) 5%	(-) 8%	(-) 37%
(j)	Return on Capital Employed	In %	4%	1%	379%
(k)	Return on Investment (Assets)	In %	(-) 2.91%	(-) 6.16%	(-) 53%

Formula adopted for above Ratios:

(a) Current Ratio = Current Assets / (Total Current Liabilities - Security Deposits payable on Demand - Current maturities of Long Term Debt)

(b) Debt-Equity Ratio = Total Debt / Total Equity

(c) Debt Service Coverage Ratio = (EBITDA - Current Tax) / (Principal Repayment + Gross Interest)

(d) Return on Equity Ratio = Total Comprehensive Income / Average Total Equity

(e) Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)

(f) Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)

(g) Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)

(h) Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio - Trade payables turnover ratio)

(i) Net Profit Ratio = Net Profit / Net Revenue

(j) Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))

(k) Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets .

Reasons for Variation if more than ± 25%:

Wherever there is a change in value from negative to positive or *vice-versa*, the computation of variation will be misleading and hence not computed.

Return on Equity, Net Profit Ratio & Return on Investment (Assets):

The increase in operating margin during the financial year 2025-26 results increase in Debt Service Coverage Ratio and Debt Equity Ratio.

Net Capital Turnover Ratio:

The extended net Capital Turnover is resulted from Inventory Turnover and Trade Payables.

i) Disclosures related to CSR activities

Particulars	Amount (₹ in Lakhs)
Amount required to be spent by the Company during the year	Not Applicable
Amount of expenditure incurred	Nil
Shortfall at the end of the year	Nil
Total of previous years shortfall	Nil
Reason for shortfall	Nil
Nature of CSR activities	Please refer to Table-A below

Note : The Company has not made any provision to CSR activities for the financial year 2025-26 and 2024-25.

Table - A Nature of CSR activities:

Nature	Amount (₹ in Lakhs)
Not Applicable	
Total	–

NOTE NO. 52

a) Exceptional Items:

Profit on Sale of Property, Plant & Equipment and Investment Property

The Company has modernized machineries and sold the old machineries during the financial year 2025-26. The WDV of old machineries and building (Investment Property) as on 31-03-2026 was ₹ 44.65 Lakhs. The Company has incurred Loss on sale of the above old machineries and investment property to the extent of ₹ 10.28 Lakhs (PY: ₹ 4.44 Lakhs) and the same is shown as an Exceptional Items in the Statement of Profit and Loss.

NOTE NO. 53

EVENTS AFTER THE REPORTING PERIOD - DISTRIBUTION MADE AND PROPOSED **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Cash Dividends on Equity Shares declared and paid		
Dividend for the year ended 31st March, 2026 Nil per Share (PY: Nil)	**Nil**	Nil
Proposed Dividends on Equity Shares		
Final dividend for the year ended 31st March 2025: Nil per Share ((PY: Nil)	**Nil**	Nil

NOTE NO. 54

CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the Shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus Debt.

(₹ in Lakhs)

Particulars		31-03-2026	31-03-2025
Long Term Borrowings		**8,289.35**	11,850.22
Current maturities of Long Term borrowings		**3,627.50**	5,415.22
Short Term Borrowings		**14,601.22**	9,763.05
Less: Cash and Cash Equivalents		**38.72**	77.77
Net Debt	**(A)**	**26,479.35**	26,950.72
Equity Share Capital		**150.00**	150.00
Other Equity		**159.55**	1,040.69
Total Equity	**(B)**	**309.55**	1,190.69
Total Capital Employed	**(C) = (A) + (B)**	**26,788.90**	28,141.41
Capital Gearing Ratio	**(A) / (C)**	**98.84%**	95.77%

The increase in the capital gearing ratio as at 31-03-2026 was due to availment of Long Term Loans / reduction of working capital loan. The Capital Gearing Ratio is expected to come down in the forthcoming years and start generating revenue / profits.

There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2026 and 31-03-2025.

NOTE NO. 55

THE CODE ON SOCIAL SECURITY, 2020, THE INDUSTRIAL RELATIONS CODE, 2020, THE CODE ON WAGES, 2019 AND THE OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE, 2020

On 21-11-2025, the Central Government notified the Code on Social Security, 2020, the Industrial Relations Code, 2020, the Code on Wages 2019 and the Occupational Safety. Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), subsuming various existing labour and industrial laws governing employee benefits during employment and post employment period. The Ministry of Labour & Employment has notified the Central Rules and FAQs to facilitate assessment of the financial impact arising from these regulatory changes. Accordingly, the Company has assessed the financial implications based on an actuarial valuation in accordance with Ind AS 19 Employee Benefits read with FAQ issued by Institute of Chartered Accountants of India (ICAI). Based on such assessment, the Company is of the view that the financial impact of these changes is not material and, therefore, has not been presented as an exceptional item, though the impact has been recognised under Employee Benefits Expenses in the Statement of Profit and Loss for the year ended March 31, 2026. The Company continue to monitor the finalisation of State Rules and any further clarifications issued by the Government in relation to the Labour Codes and will appropriately give effect to such changes in the books, as and when required.

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

CONSOLIDATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Sri Vishnu Shankar Mill Limited

Report on the Audit of The Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements drawn in accordance with the Indian Accounting Standards of **Sri Vishnu Shankar Mill Limited** (hereinafter referred to as "the Company") and the share of profit of its Associates. The Consolidated Financial Statements comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year ended 31 March 2026 and a notes to the Consolidated Financial Statements, including material accounting policies and other explanatory information ("Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act 2013, ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards, of the Consolidated State of Affairs ("Financial Position") of the Company including the effect of share in the profit of its associates as at 31 March 2026, and their Consolidated Loss ("Financial Performance including Other Comprehensive Income") including the share in the profit of its associates, Consolidated changes in Equity and its Consolidated Cash Flows for the year ended 31 March 2026.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

AUDITORS' REPORT TO SHAREHOLDERS

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our audit report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Management's Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow of the Company including its Associates in accordance with the accounting principles generally accepted in India and including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

The respective Management and Board of Directors of the Company and its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements 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 Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the Company and its Associates are responsible for assessing the ability of the respective entities 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 Management and Board of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Consolidated Financial Statements are also responsible for overseeing the financial reporting process of its entity.

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

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

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

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

- Obtain an understanding of Internal Financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit 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 Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities included in the Consolidated Financial Statements to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

I. Planning the scope of our audit work and in evaluating the results of our work; and

II. To evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

AUDITORS' REPORT TO SHAREHOLDERS

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements 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.

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

Other Matters

The Consolidated Financial Statements include the Company's share of Profit after tax of ₹ 944.14 Lakhs and total comprehensive income of ₹ 945.55 Lakhs for the year ended 31 March 2026 as considered in the Consolidated Audited Financial Statements in respect of all three associates. All of these Financial Statements are audited by an Independent Auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is based on the Financial Statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

A. There has been no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) report of the Companies included in the Consolidated Financial Statements.

AUDITORS' REPORT TO SHAREHOLDERS

B. As required by Section 143(3) of the Act, based on our Audit report, we report, to the extent applicable, that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

5. On the basis of the written representations received from the Directors of the Company as on 31 March 2026 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditor of the associate companies, none of the Directors of the Company and its associate companies are disqualified as on 31 March 2026 from being appointed as a Director in terms of Section 164 (2) of the Act.

6. We have enclosed our separate report in "Annexure A" with respect to the adequacy of the Internal Financial Controls over financial reporting of the entities in the Company and associate companies and the operating effectiveness of such controls.

   Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Internal Financial Controls over financial reporting of entities in the Company and the associate companies.

7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

AUDITORS' REPORT TO SHAREHOLDERS

i. The Consolidated Financial Statements disclose the impact of pending litigations / claims against the Group as at 31 March 2026 on the Consolidated Financial Position of the Group - Refer note no. 43 to the Consolidated Financial Statements.

ii. The Company and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts required to be transferred by the company to the Investor Education and Protection Fund.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- Whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"), or
- Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented to us that, to the best of their knowledge and belief, no funds have been received by the from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b), contain any material misstatement.

v. There is no dividend declared or paid during the year by the Company and hence compliance under Section 123 of the Act does not arise.

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

C. With respect to the matter to be included in the Audit report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

S. SRIVATSAN
Partner
Membership No. 021880
UDIN: 26021880NCLKAK2349

Bengaluru
29th May, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS DRAWN IN ACCORDANCE WITH THE INDIAN ACCOUNTING STANDARDS, OF SRI VISHNU SHANKAR MILL LIMITED

Report on the Internal Financial Controls over the Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("Act")

Opinion

We have audited the Internal Financial Controls over financial reporting of Sri Vishnu Shankar Mill Limited ("the Company") and its associates as of 31 March 2026 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on 31 March 2026.

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

Management's Responsibilities for Internal Financial Controls

The respective Management and Board of Directors of the Company and its Associate Companies are responsible for establishing and maintaining Internal Financial Controls based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibilities

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the SAs, prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Other Matters

We have relied on a) our audit of the Company, b) management certification in the case of associates which were audited by other auditors.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

AUDITORS' REPORT TO SHAREHOLDERS

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

S.SRIVATSAN
Partner
Membership No. 021880
UDIN: 26021880NCLKAK2349

Bengaluru
29th May, 2026

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in Lakhs)

	Note No.	As at 31-03-2026		As at 31-03-2025	
I ASSETS					
(1) Non-Current Assets					
(a) Property, Plant and Equipment	7	**14,811.07**		15,888.88	
(b) Capital Work-in-progress	8	**153.58**		-	
(c) Investment Property	9	**174.45**		177.25	
(d) Investment in Associates	10	**17,516.70**		16,633.22	
(e) Financial Assets					
Other Investments	11	**455.67**		419.60	
Other Financial Assets	12	**963.62**		1,096.37	
(f) Deferred Tax Asset (Net)	13	**1,750.04**		1,385.48	
(g) Other Non-Current Assets	14	**0.05**	**35,825.18**	29.33	35,630.13
(2) Current Assets					
(a) Inventories	15	**6,486.72**		5,067.02	
(b) Financial Assets					
Trade Receivables	16	**2,476.82**		4,406.61	
Cash and Cash Equivalents	17	**1.41**		1.89	
Bank Balance other than Cash and Cash Equivalents	18	**37.31**		75.88	
Other Financial Assets	19	**357.48**		203.50	
(c) Current Tax Assets (Net)	20	**17.76**		37.13	
(d) Other Current Assets	21	**1,644.83**	**11,022.33**	2,249.57	12,041.60
TOTAL ASSETS			**46,847.51**		47,671.73
II EQUITY & LIABILITIES					
(1) Equity					
(a) Equity Share Capital	22	**149.98**		149.98	
(b) Other Equity	23	**17,603.63**		17,601.28	
Total Equity			**17,753.61**		17,751.26
(2) Liabilities					
A) Non Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	24	**8,289.35**		11,850.22	
(b) Other Non-current Liabilities	25	**770.05**	**9,059.40**	842.13	12,692.35
B) Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	26	**18,228.38**		15,178.27	
(ii) Trade Payables					
(a) Total outstanding dues of micro enterprises and small enterprises	27	**-**		-	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	27	**394.48**		511.29	
(iii) Other Financial Liabilities	28	**988.88**		1,136.82	
(b) Provisions	29	**422.76**		393.54	
(c) Provision for Taxation	30	**-**	**20,034.50**	8.20	17,228.12
TOTAL EQUITY AND LIABILITIES			**46,847.51**		47,671.73
Material Accounting Policies, Judgements and Estimates	1-6				
See accompanying notes to the financial statements.	7-55				

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

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

(₹ in Lakhs)

		Note No.	**For the year ended 31-03-2026**		For the year ended 31-03-2025	
	INCOME					
I	Revenue from Operations	31		**24,661.93**		28,816.09
II	Other Income	32		**317.76**		285.64
III	**Total Income (I + II)**			**24,979.69**		29,101.73
IV	**EXPENSES**					
	Cost of Materials Consumed	33		**14,565.16**		15,071.96
	Trade Purchases	34		**501.19**		3,255.90
	Changes in Inventories of Finished Goods and Work-in-progress	35		**(426.46)**		609.37
	Employee Benefit Expenses	36		**3,129.11**		3,219.97
	Finance Costs	37		**2,088.19**		2,217.13
	Depreciation and Amortization Expenses	38		**1,421.74**		1,450.52
	Other Expenses	39		**5,057.94**		5,766.59
	Total Expenses			**26,336.87**		31,591.44
V	**Profit / (Loss) Before Exceptional items and Tax (III-IV)**			**(1,357.18)**		(2,489.71)
VI	**Exceptional Items [Refer to Note No.53]**					
	Profit / (Loss) on Sale of Property, Plant and Equipment		**(10.28)**	**(10.28)**	(4.44)	(4.44)
VII	**Profit / (Loss) Before Tax (V+VI)**			**(1,367.46)**		(2,494.15)
VIII	**Tax Expenses / (Savings)**					
	Current Tax		**-**		-	
	Income Tax related to earlier years - (Savings)		**(2.19)**		-	
	Deferred Tax Expenses / (Savings) [Refer Note No.40]		**(378.90)**	**(381.09)**	(465.65)	(465.65)
IX	**Profit / (Loss) After Tax (VII-VIII)**			**(986.37)**		(2,028.50)
X	Share of Net Profit After Tax (PAT) of Associates accounted for using the equity method			**944.14**		548.51
XI	**Profit / (Loss) for the year (IX+X)**			**(42.23)**		(1,479.99)
XII	**Other Comprehensive Income**					
	Item that will not be reclassified to Profit or Loss:					
	Remeasurement Gain / (Loss) on defined benefit obligations (net)			**56.97**		(2.53)
	Fair Value gain / (loss) on Equity Instruments through OCI (net)			**0.53**		1.58
	Deferred Tax Expenses / (Savings) [Refer Note No.40]		**14.34**	**14.34**	(0.58)	(0.58)
	Other Comprehensive Income / (Loss) for the year, net of tax			**43.16**		(0.37)
	Share of OCI of Associates accounted for using the equity method			**1.41**		(12.42)
	Total Other Comprehensive Income / (Loss) for the year, net of tax			**44.57**		(12.79)
XIII	**Total Comprehensive Income / (Loss) for the year, net of tax (XI+XII)**			**2.34**		(1,492.78)
XIV	**Earnings per Equity Share of face value of ₹ 10/- each**					
	Basic & Diluted (in Rupees) [Refer to Note No.47]			**(2.82)**		(98.67)
	Material Accounting Policies, Judgements and Estimates	1-6				
	See accompanying notes to the financial statements.	7-55				

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

A. Equity Share Capital (Refer to Note No. 22)

(₹ in Lakhs)

(1) For the year ended 31-03-2026	
Balance as at 01-04-2025	149.98
Changes in Equity Share Capital during the year 2025-26	-
Add: Treasury Shares adjustment	-
Balance as at 31-03-2026	149.98
(2) For the year ended 31-03-2025	
Balance as at 01-04-2024	149.98
Changes in Equity Share Capital during the year 2024-25	-
Add: Treasury Shares adjustment	-
Balance as at 31-03-2025	149.98

Note: Treasury Shares adjustment computed based on holding through fellow associates.

B. Other Equity (Refer to Note No. 23)

Particulars	Other Equity					Items of OCI			Total Other Equity
	Capital Reserve	Capital Reserves Consolidation	Security Premium Reserve	General Reserve	Retained Earnings	FVOTCI Equity Instruments	Remeasurements of Defined Benefit Obligations	Share of OCI of Associates	
(1) Financial year 2025-26									
Other Equity as at 1st April, 2025	23.77	9,202.56	25.00	3,781.91	4,567.25	0.80	-	-	17,601.28
Add: Loss for the year	-	-	-	-	(42.23)	-	-	-	(42.23)
Add: Other Comprehensive Income / (Loss)	-	-	-	-	-	-	42.63	1.41	44.04
Fair value on Equity Instrument, net of tax	-	-	-	-	-	0.53	-	-	0.53
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(42.23)**	**0.53**	**42.63**	**1.41**	**2.34**
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(42.63)	(1.41)	(44.04)
Add: Transfer from OCI	-	-	-	-	44.04	-	-	-	44.04
Balance as at 31st March 2026	**23.77**	**9,202.56**	**25.00**	**3,781.91**	**4,569.06**	**1.33**	**-**	**-**	**17,603.63**
(2) Financial year 2024-25									
Other Equity as at 1st April, 2024	23.77	9,202.56	25.00	3,781.91	6,061.60	(0.78)	-	-	19,094.06
Add: Loss for the year	-	-	-	-	(1,479.41)	-	-	-	(1,479.41)
Add: Other Comprehensive Income / (Loss)	-	-	-	-	-	-	(2.53)	(12.42)	(14.95)
Fair value on Equity Instrument, net of tax	-	-	-	-	-	1.58	-	-	1.58
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(1,479.41)**	**1.58**	**(2.53)**	**(12.42)**	**(1,492.78)**
Less: Transfer to Retained Earnings	-	-	-	-	-	-	2.53	12.42	14.95
Add: Transfer from OCI	-	-	-	-	(14.95)	-	-	-	(14.95)
Balance as at 31st March, 2025	**23.77**	**9,202.56**	**25.00**	**3,781.91**	**4,567.24**	**0.80**	**-**	**-**	**17,601.28**

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

Particulars		31-03-2026	31-03-2025
A. Cash Flow from Operating Activities:			
Profit / (Loss) before Extraordinary items and Tax		**(1,367.46)**	(2,494.15)
Adjustments to reconcile proft before tax to net cash flows:			
Depreciation & Amortisation		**1,421.74**	1,450.52
Finance Costs		**2,088.19**	2,217.13
Interest Income		**(150.44)**	(223.47)
Rent Receipts from Investment Properties		**(16.64)**	(16.23)
Profit on Sales of Assets		**(10.28)**	(4.44)
Operating Profit before Working Capital Changes		**1,965.11**	929.36
Movements in Working Capital			
Trade Receivables		**1,929.79**	(401.27)
Loans and Advances		**604.59**	(628.78)
Inventories		**(1,419.70)**	1,330.05
Gratuity		**56.97**	(2.53)
Government Grants		**(72.08)**	809.47
Trade Payables & Current Liabilities		**(235.53)**	(298.49)
Cash generated from Operations		**2,829.15**	1,737.81
Direct Taxes (Paid) / Refund Received (Net)		**21.56**	(1.76)
Net Cash generated from Operating Activities	**A**	**2,850.71**	1,736.05
B. Cash Flow from Investing Activities :			
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)		**(540.30)**	(102.28)
Purchase of Equity Shares of Investment - Others		**(41.69)**	-
Proceeds from Sale of Share Investment - Others		**6.15**	-
Proceeds from Sale of Assets		**55.88**	4.44
Interest Received		**150.44**	223.47
Dividend Received		**62.07**	77.58
Rent Receipts from Investment Properties		**16.64**	16.23
Net Cash from / (used) in Investing Activities	**B**	**(290.81)**	219.44

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

Particulars		31-03-2026	31-03-2025
C. Cash Flow from Financing Activities:			
Proceeds from Long Term Borrowings		**-**	5,416.80
Repayment of Long Term Borrowings		**(5,349.89)**	(4,296.23)
Proceeds from Loan - Related Parties		**3,458.03**	2,358.05
Availment / (Repayment) of Short Term Borrowings (Net)		**1,381.10**	(3,164.14)
Interest Paid		**(2,088.19)**	(2,217.13)
Net cash used in Financing Activities	**C**	**(2,598.95)**	(1,902.65)
Net Increase / (Decrease) in Cash and Cash Equivalents	**D = (A+B+C)**	**(39.05)**	52.84
Opening balance of Cash and Cash Equivalents	**E**	**77.77**	24.93
Closing balance of Cash and Cash Equivalents	**D + E**	**38.72**	77.77

Notes:

(i) The Cash Flow from operating activities under the above statement of Cash flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.

(ii) Bank Borrowings including Cash Credits are considered as Financing Activities.

(iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-03-2026	31-03-2025
Cash and Cash Equivalents (Refer to Note No.17)	**1.41**	1.89
Bank Balances other than Cash and Cash Equivalents (Refer to Note No. 18)	**37.31**	75.88
	38.72	77.77

(iv) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:

Particulars	31-03-2026	31-03-2025
Balance at the beginning of the year		
Long Term Borrowings	**11,850.22**	11,941.88
Short Term Borrowings	**15,178.27**	14,772.13
Long Term Lease Liabilities	**-**	-
Short Term Lease Liabilities	**-**	-
Interest accrued	**-**	-
Sub-Total Balance at the beginning of the year	**27,028.49**	26,714.01

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Cash flows during the year		
Proceeds from Long Term Borrowings	-	5,416.80
Repayment of Long Term Borrowings	**(5,349.89)**	(4,296.23)
Proceeds from /(Repayment) of Loan from Related Parties, Net	**3,458.03**	2,358.05
Proceeds from /(Repayment) of Short Term Borrowings, Net	**1,381.10**	(3,164.14)
Payment of Principal portion of Lease Liabilities	-	-
Interest Paid including interest on Lease Liabilities	**(2,088.19)**	(2,217.13)
Sub-Total Cash flows during the year	**(2,598.95)**	(1,902.65)
Non-cash changes		
Interest accrual for the year	-	-
Fair Value Movement	-	-
Sub-Total Non-cash changes during the year	-	-
Balance at the end of the year		
Long Term Borrowings	**8,289.35**	11,850.22
Short Term Borrowings	**18,228.38**	15,178.27
Long Term Lease Liabilities	-	-
Short Term Lease Liabilities	-	-
Interest accrued	-	-
Balance at the end of the year	**26,517.73**	27,028.49

See accompanying notes to the financial statements. [Refer to Note Nos. 7-55]

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Sri Vishnu Shankar Mill Limited ("the Company") is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The Registered office of the Company is located at Sri Vishnu Shankar Mill Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.

The Company is engaged in the manufacture of Cotton Yarn. The Company is also engaged in generation of electricity from its windmills for its captive requirements.

The Consolidated Financial Statements comprises the financial statements of Sri Vishnu Shankar Mill Limited and its associate Companies. The following companies are consolidated as Associates based on existence of significant influence over such companies:

Name of the Company	% of Holding & Voting Rights	
	31-03-2026	31-03-2025
The Ramco Cements Limited	1.31%	1.31%
Rajapalayam Mills Limited	0.40%	0.40%
The Ramaraju Surgical Cotton Mills Limited	0.06%	0.06%

The above Companies are incorporated in India and financial statements of the respective Companies are drawn upto the same reporting date as that of the Company (i,e.,) 31-03-2026.

2. Presentation & rounding norms

The Consolidated Financial Statements of the Company for the year were approved as adopted by Board of Directors of the Company in their meeting dated 29-05-2026.

The financial statements are presented in Indian Rupees, which is the company's functional currency, rounded to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Lakhs.

Previous year figures have been re-grouped / restated wherever it may be appropriate.

3. Statement of Compliance

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III of the Companies Act, 2013.

4. New standard or amendments to the existing accounting standards issued and effective from 01-04-2025 onwards.

During the year, the Company has adopted the following amendments to Ind AS notified under the Companies (Indian Accounting Standards) Amendment Rules, 2025, which are effective for annual periods beginning on or after April 1, 2025:

1. Amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

The amendment introduces guidance for assessing whether a currency is exchangeable into another currency and requires an entity to estimate the spot exchange rate when such exchangeability is lacking. It also prescribes enhanced disclosure requirements relating to the nature, financial impact and risks associated with non-exchangeable currencies. The Company does not have any transactions in non-exchangeable foreign currency. The Company has applied this amendment act, based on its assessment, did not have a material impact on its financial statements.

2. Amendments to Ind AS 1 - Presentation of Financial Statements

The Company has adopted the amendments to Ind AS 1 which clarify the principles for classification of liabilities as current or non-current, particularly in relation to the entity's right existing at the reporting date to defer settlement for at least twelve months after the reporting period and the definition of settlement. The adoption of these amendments did not have a material impact on the classification or measurement of liabilities in the financial statements.

3. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

The Company has also adopted amendments to Ind AS 7 and Ind AS 107 which introduce additional disclosure requirements for supplier finance arrangements, including information about their impact on liabilities, cash flows and exposure to liquidity risk. The Company has been voluntarily providing such disclosures over the past two years and has aligned its existing disclosures with the revised requirements. Accordingly, the adoption of these amendments did not have a material impact on the financial statements, other than enhancement of disclosures.

(b) New standards or amendments to the existing accounting standards issued but not effective.

1. Amendments to Ind AS 1 - Presentation of Financial Statements

Certain amendments to Ind AS 1 relating to classification of liabilities as current or non-current, including detailed guidance on the impact of covenant conditions and timing of assessment, have been notified and are effective for annual periods beginning on or after April 1, 2026. These amendments also introduce enhanced disclosure requirements to enable users of financial statements to understand the risk of liabilities becoming repayable within twelve months. Based on a preliminary assessment, the

Company does not have instances of covenant breaches as at the reporting date and, accordingly, does not expect a material impact on the classification of liabilities, other than additional disclosures, where applicable.

5. Material Accounting Policies

A. Inventories

(i) Raw-materials, Stores & Spares, Fuel, packing materials etc., are valued at cost, determined on weighted average basis, or net realisable value whichever is lower. However, the these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

(ii) Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower.

(iii) Finished goods are valued at cost or net realisable value whichever is lower.

B. Statement of Cash Flows

(i) Cash flows from operating activities is presented using Indirect method.

(ii) Cash and cash equivalents for the purpose of Statement of Cash Flows comprise cash and cheques in hand, bank balances, demand deposits, with banks where the original maturity is three months or less and other short-term highly liquid investments, which are subject to insignificant risk of changes in value.

(iii) Bank borrowings including Bank overdrafts / Cash Credits, which are repayable on demand, form an integral part of the Company's cash management.

C. Income Taxes

(i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.

(ii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.

(iii) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

(iv) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(v) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.

(vi) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in Other Comprehensive Income.

D. Property, Plant and Equipments (PPE)

(i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost includes directly attributable cost of bringing the asset to its working condition for the intended use and borrowing cost if capitalisation criteria are met.

(ii) Spares, which meet the definition of PPE, are capitalised from the date when it is available for use. The Company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives.

(iii) The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.

(iv) Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

(v) The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Type of Plant and Machinery	Useful life of such components ranging from
Textile Machineries / Equipment	2 to 20 years
Wind Mills	22 to 30 years
HFO / DG Set	12 to 25 years
Electrical Machineries	3 to 25 years

(vi) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balance cash transaction amount. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

(vii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

(viii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

(xi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress / Capital Advances

(x) Capital work-in-progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.

(xi) Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'.

E. Leases

Company as a Lessee

(i) The Company recognises a Right-to-use (RoU) asset and a lease liability at the lease commencement date for all leases where non-cancellable leases is more than 12 months.

(ii) The RoU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of right-of-use asset or the end of the lease term, as follows:

Nature of RoU	Useful life ranging from
Land	99 years
Building	20 years

iii) The estimated useful lives of right-of-use assets are determined on the same basis as those of property and plant equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

(iv) The lease liability is measured at cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase extension or termination option.

(v) When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

(vi) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance sheet.

(vii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease Improvements

(viii) Lease improvements on a right-of-use asset (RoU) made by the Company, which enhance the value, functionality, or extend the useful life of the leased asset, shall be recognized as assets and capitalized in the same category of RoU asset under 'Property, Plant and Equipment', if capitalization criteria are met.

(ix) Lease improvements recognized as assets shall be initially measured at cost, which includes all directly attributable costs incurred to bring the improvements to their present condition and location.

(x) The lease improvements on RoU assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of lease improvement or the end of the lease term.

Company as a Lessor

(xi) Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company does not have any finance leases arrangements.

F. Revenue from Operations

(i) Sale of Products including Scrap Sales

Revenue from product sales including scrap sales is recognized at the point in time when the obligation of delivery of goods is fulfilled in accordance with the agreed delivery terms while control of such goods is transferred to customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. The financing component with regard to sale of products are excluded from Revenue from operations and recognized as Interest Receipts over the credit periods as per Ind AS 115. The Company does not have any non-cash consideration.

(ii) Power generated from Windmills

Power generated from windmills that are covered under Wheeling and Banking arrangement with TANGEDCO are consumed at mills. The monetary values of such power generated that are captively consumed are not recognized as revenue but have been set off against the cost of Power & Fuel.

The value of unadjusted units available if any, at the end of the financial year and sold to the Electricity Board at an agreed rate / tariff rate are recognized and shown as income from Wind Mills.

G. Other Income

i. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

ii. Dividend income is recognised when the Company's right to receive dividend is established.

iii. Rental income from operating lease on investment properties is recognised on a straight line basis over the term of the relevant lease.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

H. Employee Benefits

Short Term Employee Benefits

(i) Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

Post-employment benefits

Defined Contribution Plan

(ii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.

(iii) The Company contributes to Superannuation Fund at a sum equivalent to 15% of the officer's eligible basic salary as the case may be, based on the option exercised by such officers.

(iv) Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

(v) The Company contributes to Defined Benefit Plan viz., an approved Gratuity Fund, for its employees including employees in subsidiary Company. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the valuation by an independent external actuary, the Company makes annual contributions to the trust administered by the Company as at the reporting date using Projected Unit Credit method. The funds are managed by LIC of India.

(vi) Re-measurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

Other Long Term Employee Benefits

(vii) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as the Balance Sheet date, using Projected Unit Credit method. The Company presents the entire compensated absences as 'Short-Term provisions' since employee has an unconditional right to avail the leave at any time during the year.

(viii) Voluntary Retirement Scheme (VRS) benefits are recognised as an expenses when the Company is obligated to pay them. This occurs when an employee accepts the offer of voluntary redundancy and the Company can no longer withdraw the offer. The VRS benefits are estimated based on the expected number of employees accepting the offer. Payments due more than 12 months after the reporting period are discounted to their present value.

I. Government Grants

(i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

(ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other Income" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets".

(iii) Government grants related to acqusition of specific assets have been deducted in arriving at the carrying amount of the respective assets.

(iv) Government grants for creation of infrastructure in the backward areas under State Industrial Promotion Scheme, it is recognised as deferred income and credited to the statement of profit and loss on a systematic basis over the useful life of the asset.

(v) Export benefits are accounted for the year of exports based on eligibility and when there is uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

J. Impairment of Non-Financial Assets

(i) The carrying amount of assets i.e., property, plant and equipment, including right- of-use-asset, investment properties, cash generating units and intangible assets other than inventories and deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.

(ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight-line basis.

K. Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

(ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.

(iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

L. Intangible Assets

(i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

(ii) The cost incurred for right to un-restricted usage of power transmission system for drawal of power from State grid to its Mills were capitalized as it is expected to yield future economic benefits.

(iii) The useful lives of intangible assets are assessed as either finite or indefinite, Intangible Assets with finite lives are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life based on straight-line method. The Company does not have any with indefinite lives. The estimated useful lives of intangible assets with finite are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule of the Companies Act, 2013:

Nature of Intangible Assets	Estimated useful life
Computer Software	6 years
Power Transmission System	5 years

(iv) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

(v) The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

M. Investment Properties

(i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

(ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land, which is carried at cost.

(iii) The Company identifies the significant parts of investment properties separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice.

(iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts as detailed below, that are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life
Buildings under Investment properties	60 years

(v) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

N. Operating Segments

Operating segments are identified on the basis of nature and usage of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker. The Company's business operation comprises of two operating segment viz., Textile and Windmills.

O. Financial Instruments

(i) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorised as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.

(ii) Fair Value Hedge

Changes in the fair value of forwards contracts that are designated and qualify as fair value hedges are recognised in the income statement, together with the changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, changes in the fair value of the hedged item attributable to the hedged risk are no longer recognized in the income statement. When a hedged item in a fair value hedge is a firm commitment (or a component thereof) to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the hedged item that was recognised in the balance sheet, with a corresponding gain or loss recognised in Profit and loss.

Financial Assets

(iii) Financial assets comprise of investments in equity, loans and mutual funds, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition and measurement

(iv) All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

(v) Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

(vi) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement

(vii) For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

(a) The Company's business model for managing the financial asset and,

(b) The contractual cash flow characteristics of the financial asset:

Based on the above criteria, the Company classifies its financial assets into the following categories:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans to employees and related parties, deposits, IPA receivable, interest receivable and other advances recoverable in cash.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind AS 32) other than Associate as an irrevocable option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.

(viii) Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

(ix) The Company has accounted for its investments in associates at cost.

(x) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of Financial Asset	Impairment testing methodology
Trade receivables	The Company uses simplified approach wherein Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

(xi) Financial liabilities comprise of Borrowings, Trade payables, and other financial liabilities.

Initial recognition and measurement:

(xii) All the financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

(xiii) Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 2 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input)

(xiv) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement

(xv) All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through Profit or Loss (FVTPL).

(xvi) Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the highter of the amount of less allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

P. Fair value measurement

(i) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

(ii) All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

(iii) For assets and liabilities that are recognised in the Balance Sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

(iv) For the purpose of fair value disclosures, the Company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

6 Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) Revenue Recognition

Significant management judgement is exercised in determining the transaction price and discounts to customer which is based on market factors namely demand and supply. The Company offers credit period to customers and management judgment is exercised in assessing whether a contract contains a significant financing component.

(ii) Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation / amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws under new tax regime and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law and applicable judicial precedence.

(iv) Deferred Tax Asset

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(v) Provisions

The timing of recognition requires application of judgement to existing facts and circumstances that may be subject to change. The litigations and claims to which the company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(vi) Segment Reporting

Management's judgement is exercised to aggregate two or more business segments as single operating segment, based on economic characteristics, products, production process and types of customer, which are similar in nature.

(vii) Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) Classification of Investment

Management judgement is exercised in determining the following criteria while making classification of investments:

- the intention of the Company to sell the investment immediately;
- the sale is highly probable;
- it is unlikely that significant change to the sale plan will be made and;
- that plan will not be withdrawn.

Based on this judgement, the investments are classified as "Investment held for sale", if all the above criteria are met and continue to classify the investment as "Non-current investment", if the above criteria are not met.

(ix) Impairment of Trade receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

(x) Impairment of Non-financial assets (PPE / Intangible Assets / Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

(xi) Impairment of Investments in Associates

Significant management judgement is exercised in determining whether the investment in associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

(xii) Defined Benefit Plans and Other Long Term Benefits

The cost of the defined benefit plan and other long term benefits and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(xiii) Determination of lease term of contracts as non-cancellable term

Significant management judgement is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(xiv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model / Net Asset Value Method, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(xv) Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 7

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Year	Gross Block				Depreciation				Net Block	
		As at the beginning of the year	Additions	Deductions / Adjustments	As at the end of the year	As at the beginning of the year	For the year [Refer Not No. 38]	Deductions / Adjustments	As at the end of the year	As at the end of the year	As at the beginning of the year
Land - Free hold	2025-26	319.70	5.67	-	325.37	-	-	-	-	325.37	319.70
	2024-25	319.70	-	-	319.70	-	-	-	-	319.70	319.70
Own Buildings	2025-26	3,994.31	4.71	-	3,999.02	1,513.29	90.65	-	1,603.94	2,395.08	2,481.02
	2024-25	3,955.43	65.06	26.18	3,994.31	1,431.51	90.21	8.43	1,513.28	2,481.03	2,523.92
Plant and Machinery	2025-26	31,791.83	365.34	483.40	31,673.78	19,335.97	1,236.95	441.13	20,131.79	11,541.99	12,455.87
	2024-25	31,675.41	176.47	60.05	31,791.83	18,127.63	1,259.61	51.27	19,335.97	12,455.86	13,547.78
Electrical Machinery	2025-26	1,509.17	6.32	0.70	1,514.79	969.11	68.09	0.68	1,036.52	478.27	540.06
	2024-25	1,476.64	32.53	-	1,509.17	902.16	66.95	-	969.11	540.06	574.48
Furniture & Office Equipments	2025-26	218.81	4.67	11.66	211.82	160.46	13.65	10.96	163.15	48.67	58.35
	2024-25	210.79	8.02	-	218.81	139.67	20.80	-	160.47	58.35	71.12
Vehicles	2025-26	127.29	-	7.09	120.20	93.41	9.60	4.50	98.51	21.69	33.88
	2024-25	127.29	-	-	127.29	83.25	10.16	-	93.41	33.88	44.04
Total - Tangible Assets	2025-26	37,961.11	386.71	502.84	37,844.98	22,072.24	1,418.94	457.27	23,033.91	14,811.07	15,888.88
	2024-25	37,765.26	282.09	86.23	37,961.11	20,684.21	1,447.72	59.69	22,072.24	15,888.88	17,081.03

Notes: *(i) Borrowings cost of ₹ 00.00 Lakhs have been capitalised for current year (PY: ₹ 00.00 Lakhs)*

(ii) All the moveable fixed assets have been pledged as security for borrowings.

(iii) The Company has opted to present the government grants related to assets as deduction from the carrying value of eligible assets in accordance with Ind AS20. No grants related to assets had been received during financial year 2025-26 (PY: NIL).

(iv) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

(v) All the title deeds of immovable properties are held in the name of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(vi) Deductions / Adjustments in Gross Block comprises of: **(₹ in Lakhs)**

Particulars	2025-26				2024-25			
	Sale of Assets	Scrap of Assets	Government Grants	Total	Sale of Assets	Scrap of Assets	Government Grants	Total
Land - Free hold	-	-	-	-	-			
Own Buildings	-	-	-	-	26.18	-	-	26.18
Plant and Machinery	**483.39**	-	-	**483.39**	60.05	-	-	60.05
Electrical Machinery	**0.70**	-	-	**0.70**	-	-	-	-
Furniture & Office Equipments	**11.66**	-	-	**11.66**	-	-	-	-
Vehicles	**7.09**	-	-	**7.09**	-	-	-	-
Total	**502.84**	-	-	**502.84**	86.23	-	-	86.23

(vii) Scrap of assets represents of assets that were derecognized due to wear and tear and damages, since no future benefits is expected from those components and thus replaced by new components.

NOTE NO. 8

CAPITAL WORK IN PROGRESS **(₹ in Lakhs)**

Particulars	Year	As at the beginning of the year	Additions	Capitalised	As at the end of the year
Capital Work in Progress	2025-26	-	83.04	(70.54)	153.58
	2024-25	134.38	88.02	222.40	–

(i) Refer Note No. 51(b) for information relating to Ageing Schedule.

NOTE NO. 9

INVESTMENT PROPERTY

(₹ in Lakhs)

Particulars	Year	Gross Block				Amortisation				Net Block	
		As at the beginning of the year	Additions	Sold	As at the end of the year	As at the beginning of the year	For the Year [Refer to Note No. 38]	withdrawn during the year	As at the end of the year	As at the end of the year	As at the Beginning of the year
Land	2025-26	122.24	-	-	122.24	-	-	-	-	122.24	122.24
	2024-25	122.24	-	-	122.24	-	-	-	-	122.24	122.24
Building	2025-26	95.33	-	-	95.33	40.32	2.80	-	43.12	52.21	55.01
	2024-25	95.33	-	-	95.33	37.52	2.80	-	40.32	55.01	57.81
Total	**2025-26**	**217.57**	**-**	**-**	**217.57**	**40.32**	**2.80**	**-**	**43.12**	**174.45**	**177.25**
	2024-25	217.57	-	-	217.57	37.52	2.80	-	40.32	177.25	180.05

Notes: (i) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.

(ii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team, the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment properties as given below :

Particulars	31-03-2026	31-03-2025
Fair value of Investment Properties	**680.40**	680.40

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) Fair value hierarchy disclosures for investment properties have been provided in Note No. 48.

(v) Information regarding income and expenditure of Investment property.

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Rental Income from Investment Properties	**1.80**	1.80
Direct Operating Expenses	**0.10**	0.77
Profit arising from Investment Properties before Depreciation and indirect expenses	**1.70**	1.03
Less: Depreciation	**2.80**	2.80
Loss arising from Investment Properties before indirect expenses	**(1.10)**	(1.77)

NOTE NO. 10

INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD **(₹ in Lakhs)**

Particulars	Face Value ₹ per share	31-03-2026		31-03-2025	
		Numbers	**Amount**	Numbers	Amount
I. Investment in Equity Instruments					
1) Quoted					
The Ramco Cements Limited	1	**30,94,200**	**17,281.49**	30,94,200	16,389.66
Rajapalayam Mills Limited	10	**37,174**	**233.46**	37,174	238.95
The Ramaraju Surgical Cotton Mills Limited	10	**3,200**	**1.75**	3,200	4.61
Total			**17,516.70**		16,633.22
Quoted Investments - Cost			**17,516.70**		16,633.22
Market Value			**28,734.21**		28,045.86

Notes: (i) The Company has accounted for Investment in Associates at cost. Refer Note No. 45(A) for information on principal place of business / country of incorporation and the Company's interest / percentage of shareholding in the above associates.

(ii) The carrying amount of investment in Associates is tested for impairment in accordance with Ind AS 36. The investment in Assoicates are long term strategic in nature, no impairment is considered as at the reporting date, considering its long term future prospects. Consodering its long term future prospects.

NOTE NO. 11

OTHER INVESTMENT (DESIGNATED AT FVTOCI) **(₹ in Lakhs)**

Particulars	Face Value ₹ per share	31-03-2026		31-03-2025	
		Numbers	**Amount**	Numbers	Amount
I. Investment in Equity Instruments - Unquoted					
Ramco Windfarms Limited	1	**-**	**-**	615,000	6.15
Ramco Industrial and Technology Services Limited	10	**26,350**	**3.95**	26,350	3.42
Green Infra Clean Wind Generaion Limited	10	**15,75,000**	**157.50**	15,75,000	157.50
Clean Max Opus Private Limited	10	**5,558**	**294.22**	5,558	252.53
Total Investment in Equity Instruments - Unquoted			**455.67**		419.60
Total Other Investments			**455.67**		419.60
Aggregate Market Value of Unquoted Investments			**NA**		NA

Notes: 1) Refer to Note No. 49 for information about fair value hierarchy under Disclosure of Fair Value Measurement.

2) Market Value of unquoted investments for some equity instruments were not available due to no trading activities in stock market.

3) The carrying amount of investment in Associates is tested for impairment in accordance with Ind AS 36. The investment in Assoicates are long term strategic in nature, no impairment is considered as at the reporting date, considering its long term future prospects. Consodering its long term future prospects.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 12

OTHER FINANCIAL ASSETS - NON CURRENT **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Unsecured, considered good		
Security Deposits with Electricity Board / Others	**565.82**	567.35
Government Grants Receivables	**397.80**	529.02
Total	**963.62**	1,096.37

NOTE NO. 13

DEFERRED TAX ASSETS (NET) **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Deferred Tax Asset		
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	**2,968.06**	2,485.48
Tax effect on Provision for Bonus and Leave Encashment	**99.02**	76.25
Tax effect on Provision for Bonus and Leave Encashment	**193.80**	-
Deferred Tax Liability		
Tax effect on difference between book depreciation and depreciation under the Income Tax Act, 1961	**(1,510.84)**	(1,176.25)
Tax effect on Long Term Capital Loss	**-**	-
Net Deferred Tax Asset	**1,750.04**	1,385.48
Reconcillation of deferred tax Assets (net)		
Opening balance as on 1st April	**1,385.48**	919.25
Tax Income / (Expense) during the period recognized in Profit and Loss	**364.56**	466.23
Closing Balances as on 31st March	**1,750.04**	1,385.48

NOTE NO. 14

OTHER NON-CURRENT ASSETS **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Unsecured, considered goods		
Income Tax Refund Receivable	**0.05**	29.33
Total	**0.05**	29.33

NOTE NO. 16

INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE) **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Finished Goods	**601.20**	625.17
Raw Materials - Cotton & Cotton Waste	**4,301.36**	3,280.27
Stores and Spares	**33.61**	61.46
Works-in-progress (Cotton Yarn)	**1,550.55**	1,100.12
Total	**6,486.72**	5,067.02

Notes: i) The total carrying amount of inventories as at reporting date has been pledged as Security for Borrowings.

ii) Mode of valuation of Inventories are disclosed in Significant Accounting Policies in Note No. 5 (A).

(iii) Raw Materials Stock value is after making provision for mark to Market of Cotton of ₹ 0.00 Lakhs as at 31-03-2026. (PY: Nil)

Details of Works-in-progress

Cotton Yarn	**1,550.55**	1,100.12
	1,550.55	1,100.12

NOTE NO. 16

TRADE RECEIVABLES **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Secured, Considered goods	**2,459.05**	4,388.84
Unsecured, Considered goods	**17.77**	17.77
Total	**2,476.82**	4,406.61

Notes: (i) Trade receivables are generally non-interest bearing.

(ii) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) The total carrying amount of trade receivables has been pledged as security for Borrowings.

(iv) Trade Receivables aging schedule have been provided in Note No.52(c).

NOTE NO. 17

CASH AND CASH EQUIVALENTS **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Cash on Hand	**0.97**	1.33
Balance with Bank		
In Current Account	**0.44**	0.56
Total	**1.41**	1.89

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 18

BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

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(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Earmarked balances with Secruity deposit balances	**36.05**	74.52
Earmarked balances with Banks for Unclaimed Dividend	**1.26**	1.36
Total	**37.31**	75.88

NOTE NO. 19

OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Government Grants Receivables	**357.48**	203.50
Total	**357.48**	203.50

Notes: i) Andhra Pradesh Power Subsidy ₹ 201.23 Lakhs and Tamilnadu SIPCOT Subsidy ₹ 156.25 Lakhs is receivable for within one year (PY : ₹ 203.50 Lakhs) is considered as Current Financial Assets.

NOTE NO. 20

CURRENT TAX ASSET (NET)

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Advance Income Tax, Self Assessment Tax and Tax deducted at source	**17.76**	37.13
Total	**17.76**	37.13

NOTE NO. 21

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Unsecured, considered good		
Advance to Suppliers / Others	**947.94**	924.14
Tax Credit and Refund due - Indirect Taxes	**568.14**	777.70
Accrued Income	**24.11**	381.14
Prepaid Expenses	**94.33**	160.09
Other Current Assets	**10.31**	6.50
Total	**1,644.83**	2,249.57

NOTE NO. 22

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Authorised		
30,00,000 Equity Shares of ₹ 10/- each (PY: 30,00,000 Equity Shares of ₹ 10/- each)	**300.00**	300.00
Issued, Subscribed and Fully paid-up		
15,00,000 Equity Shares of ₹ 10/- each (PY: 15,00,000 Equity Shares of ₹ 10/- each)	**149.98**	149.98
Total	**149.98**	149.98

Notes: (i) (5,00,000 Equity Shares of ₹ 10/- each were allotted as fully paid Bonus Shares by Capitalisation of Reserves).

(ii) Reconciliation of the number of shares outstanding:

(₹ in Lakhs)

Particulars	As at 31-03-2026		As at 31-03-2025	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	**15,00,000**	**150.00**	15,00,000	150.00
Number of Shares at the end	**15,00,000**	**150.00**	15,00,000	150.00

(iii) Rights / Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) List of Shareholders holding more than 5 percent in the Company.

(₹ in Lakhs)

Name of the Shareholder	As at 31-03-2026		As at 31-03-2025	
	No. of Shares	% of holding	No. of Shares	% of holding
R. Sudarsanam	**81,000**	**5.40%**	81,000	5.40%
Sharadha Deepa	**6,83,550**	**45.57%**	6,83,550	45.57%

(v) Shareholders holding of Promoters as at 31-03-2026

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P.R. Venketrama Raja	48,000	3.20%	-
2	R. Sudarsanam	81,000	5.40%	-
3	S.S. Ramachandra Raja	13,470	0.90%	-
4	Nalina Ramalakshmi	29,000	1.93%	-
5	Sharadha Deepa	6,83,550	45.57%	-
6	B. Srisandhya Raju	16,000	1.07%	-
7	Srirama Raja	2,660	0.18%	-
8	A Ramalakshmi	15,900	1.06%	-
9	J Sethulakhshmi	12,640	0.84%	-
10	The Ramco Cements Limited	2,100	0.14%	-
11	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	-
12	Rajapalayam Mills Limited	38,400	2.56%	-
Total		**9,53,920**	63.59%	

(vi) Shareholders holding of Promoters as at 31-03-2025

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P.R. Venketrama Raja	48,000	3.20%	-
2	R. Sudarsanam	81,000	5.40%	-
3	S.S. Ramachandra Raja	13,470	0.90%	-
4	Nalina Ramalakshmi	29,000	1.93%	-
5	Sharadha Deepa	6,83,550	45.57%	-
6	B. Srisandhya Raju	16,000	1.07%	-
7	Srirama Raja	2,660	0.18%	-
8	A. Ramalakshmi	15,900	1.06%	-
9	J. Sethulakhshmi	12,640	0.84%	-
10	The Ramco Cements Limited	2,100	0.14%	-
11	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	-
12	Rajapalayam Mills Limited	38,400	2.56%	-
Total		**9,53,920**	**63.59%**	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 22

OTHER EQUITY

Capital Reserve **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Balance as per Last Financial Statement	**23.77**	23.77
Total	**23.77**	23.77

Nature of Reserve

Capital Reserve represents SIPCOT Subsidy Reserve ₹ 14.77 Lakhs and Windmill Subsidy Reserve ₹ 9.00 Lakhs.

Capital Reserve for Consolidation **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Balance as per Last Financial Statement	**9,202.56**	9,202.56
Total	**9,202.56**	9,202.56

Nature of Reserve

Capital Reserve on Consolidation represent access at the Parents Share of the net fair value of the investment in Associates over the Cost of the Investment which is recognised directly in equity as Capital Reserve upon transaction to Ind AS.

Securities Premium **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Balance as per Last Financial Statement	**25.00**	25.00
Total	**25.00**	25.00

Nature of Reserve

Securities Premium was credited when shares are issued at a Premium. The Company can use this reserve to issue bonus shares, to provide for preliminary expenses, the commission paid or discount allowed and expenses related to any issue of shares of the Company.

General Reserve **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Balance as per Last Financial Statement	**3,781.91**	3,781.91
Total	**3,781.91**	3,781.91

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

FVTOCI Reserve

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balance as per Last Financial Statement	**0.80**	(0.78)
Add: Other Comprehensive Income for the year	**0.53**	1.58
Total	**1.33**	0.80

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Retained Earnings

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Balance as per last financial statement	**4,567.24**	6,061.60
Add: Profit / (Loss) for the Year	**(42.23)**	(1,479.41)
Transfer from FVTOCI Reserve	**44.05**	(14.95)
Sub-Total	**4,569.06**	4,567.24
Less: Appropriations	**-**	-
Transfer to General Reserve	**-**	-
Total	**4,569.06**	4,567.24

Nature of Reserve

Represents that portion of the net income of the Company that has been retained by the Company.

Total Other Equity	**17,603.63**	17,601.28

NOTE NO. 24

NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Secured		
Term Loan from Banks	**8,289.35**	11,850.22
Total	**8,289.35**	11,850.22

Notes: i) Term Loan from Banks of ₹ 8,289.35 Lakhs (PY: ₹ 11,850.22 Lakhs) are secured by *pari-passu* first charge on all the Fixed Assets of the Company and *pari-passu* second charge on the Current Assets of the Company.

ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

iii) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees.

iv) Refer to Note No. 50 for information about risk profile of borrowings under Financial Risk Management.

v) The Long Term Borrowings from Banks are repayable in quarterly / Monthly installments. The year wise repayment is as follows:

(₹ in Lakhs)

Year	**31-03-2026**	31-03-2025
2026-27	**-**	3,639.50
2027-28	**3,265.99**	3,205.15
2028-29	**2,673.87**	2,675.15
2029-30	**1,436.25**	1,436.26
2030-31	**749.14**	750.00
2031-32	**164.10**	144.16
Total	**8,289.35**	11,850.22

NOTE NO. 25

OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Deferred Government Grants	**770.05**	842.13
Total	**770.05**	842.13

Notes: Deferred Government Grants comprises of fair value of Industrial Promotion Assistance (IPA) provided by Government of Tamilnadu towards creation of infrastructure facilities is recognised as "Grant Income" over the usefull life of underlying PPE.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 26

CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Secured		
Loan from Banks *	**8,771.00**	7,389.89
Current Maturities of Long Term Loans	**3,627.50**	5,416.52
Unsecured		
Loans and Advances from Related Parties [Refer to Note No.45(b) (i)]	**1,984.88**	2,363.61
Loan from Other Parties [Refer to Note No.45(b) (ii)]	**3,845.00**	8.25
Total	**18,228.38**	15,178.27

Notes: *(i) Borrowings are Secured by *pari-passu* first charge on the current assets of the Company and *pari-passu* second charge on the fixed assets of the Company.

(ii) The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.

(iii) Refer to Note No.50 for information about risk profile of borrowings under Financial Risk Management.

NOTE NO. 27

TRADE PAYABLES

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Dues of micro enterprises and small enterprises	-	-
Dues of Creditors other than micro enterprises and small enterprises	**394.48**	511.29
Total	**394.48**	511.29

Notes: (i) The disclosures as per the requirement of the Micro, Small and Medium Enterprises Development Act, 2006 are furnished in Note No.51.

(ii) Refer to Notes No.50 for information about risk profile of Trade payables under Finanancial Risk Management.

(iii) Trade Payable aging schedule given in Notes No.52(a).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 28

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Interest Accrued	**44.98**	17.15
Uncliamed Dividends	**1.26**	1.36
Statutory Liabilities Payable	**890.02**	947.43
Other payables	**52.62**	170.88
Total	**988.88**	1,136.82

Notes: Unclaimed dividends represents amount not due for transfer to Investor Education and Protection Fund.

NOTE NO. 29

PROVISIONS, CURRENT

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Provision for Employee Benefits	**230.76**	201.82
Provision for Compensated absences [Refer to Note No. 44]	**192.00**	191.72
Total	**422.76**	393.54

Notes: (i) The Company provides for expenses towards compensated absence provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

(ii) Movement in Provisions for compensated absences.

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Carrying amount at the beginning of the year	**191.72**	92.29
Add: Current Service Cost	**21.55**	16.23
Add: Interest Cost	**12.55**	5.46
Add: Past Service Cost	**13.55**	-
Add: Actuarial Loss	**(35.03)**	105.71
Less: Benefits paid	**(12.35)**	(27.97)
Carrying amount at the end of the year	**192.00**	191.72

NOTE NO. 30

PROVISION FOR TAXES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Income Tax Provision for earlier years	**-**	8.20
Total	**-**	8.20

NOTE NO. 31

REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars	**31-03-2026**		31-03-2025	
Sale of Products				
Yarn	**24,274.37**		28,208.76	
Waste Cotton	**294.43**		355.36	
		24,568.80		28,564.12
Other Operating Revenue				
Export Incentives		**16.19**		29.59
Scrap Sales		**2.69**		74.11
Job Work Charges Received		**74.25**		148.27
Total		**24,661.93**		28,816.09

Note : The disaggregation of revenue as required under Ind AS 115 is given below: **(₹ in Lakhs)**

Particulars	**31-03-2026**	31-03-2025
Gross Revenue from Operations	**25,871.32**	30,069.86
Less: Rebates & Discounts	**63.57**	61.33
Less : GST Paid for the year	**1,145.82**	1,192.44
Revenue from Operations (Net of GST)	**24,661.93**	28,816.09

NOTE NO. 32

OTHER INCOME

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Interest Receipts	**150.44**	223.47
Rent Receipts	**16.64**	16.23
Government Grants	**53.38**	21.01
Profit on Sale of Cotton	**73.05**	-
Canteen Income	**6.51**	10.07
Miscellaneous Income	**17.74**	14.86
Total	**317.76**	285.64

NOTE NO. 33

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Raw materials Consumed		
Cotton & Cotton Waste Consumed for Yarn Production	**14,565.16**	15,071.96
Total	**14,565.16**	15,071.96

NOTE NO. 34

PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Purchases of Stock-in-Trade	**501.19**	3,255.90
Total	**501.19**	3,255.90

NOTE NO. 35

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	**31-03-2026**		31-03-2025	
Sale of Products				
Finished Goods	**625.17**		812.25	
Work-in-Progress	**1,100.12**	**1,725.29**	1,522.41	2,334.66
Closing Stock				
Finished Goods	**601.20**		625.17	
Work-in-Progress	**1,550.55**	**2,151.75**	1,100.12	1,725.29
Net (Increase) / Decrease in Stock		**(426.46)**		609.37

NOTE NO. 36

EMPLOYEE BENEFITS

(₹ in Lakhs)

Particulars	31-03-2026		31-03-2025	
Employees other than Managing Director				
Salaries, Wages and Bonus	**2,338.43**		2,468.67	
Contribution to Provident and Other Funds	**358.13**		283.86	
Staff and Labour Welfare & Trainning Expenses	**244.45**	**2,941.01**	279.34	3,031.87
For Managing Director				
Managing Director Remuneration	**180.00**		180.00	
Contribution to Provident and Other Funds	**7.50**		7.50	
Sitting Fees	**0.60**	**188.10**	0.60	188.10
Total		**3,129.11**		3,219.97

Notes: (i) Refer to Note No. 44 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS 19.

NOTE NO. 37

FINANCE COSTS

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Interest on Debts and Borrowings	**2,088.19**	2,217.13
Total	**2,088.19**	2,217.13

Notes: (i) Interest on Term Loans represent interest calculated using the effective interest rate method.

(ii) Refer to Note No.49 for information about interest rate risk exposure under Financial Risk Management.

NOTE NO. 38

DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Depreciation of Plant, Property and Equipment [Refer to Note No. 7]	**1,418.94**	1,447.72
Depreciation on Investment Properties [Refer to Note No. 9]	**2.80**	2.80
Total	**1,421.74**	1,450.52

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 39

OTHER EXPENSES

(₹ in Lakhs)

Particulars	**31-03-2026**		31-03-2025	
Manufacturing Expenses				
Power and Fuel	**2,128.14**		2,465.64	
Packing Materials Consumption	**508.77**		465.86	
Repairs to Buildings	**80.11**		56.31	
Repairs to Plant and Machinery	**494.00**		647.10	
Repairs - General	**594.01**		581.77	
Jobwork Charges Paid	**215.95**	**4,020.98**	184.98	4,401.66
Establishment Expenses				
Rates and Taxes	**67.08**		65.53	
Insurance	**112.09**		104.85	
Postage and Telephone	**11.55**		13.88	
Printing and Stationery	**9.57**		10.21	
Travelling Expenses	**30.67**		23.07	
Vehicle Maintenance	**31.05**		34.33	
Loss on Sale of Cotton	**-**		2.94	
Directors Sitting Fees	**6.75**		6.45	
Rent Paid	**7.89**		7.02	
Audit and Legal Expenses	**27.13**		31.10	
Corporate Social Responsibility Expenses	**0.10**		3.62	
Exchange Loss on Foreign Currency Transactions (Net)	**139.02**		78.45	
Assets Scrap - Write off	**0.94**		18.02	
Miscellaneous Expenses	**94.31**	**538.15**	87.04	486.51
Selling Expenses				
Sales Commission	**188.53**		222.66	
Export Expenses	**152.47**		392.19	
Other Selling Expenses	**157.81**	**498.81**	263.57	878.42
Total		**5,057.94**		5,766.59

Note: i) The details of CSR Expenses are disclosed in Note No.52(h)

NOTE NO. 40

TAX EXPENSES / (SAVINGS)

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
(i) Current Tax		
Income Tax Provision earlier year Savings in PL A/c.	**(2.19)**	-
Total	**(2.19)**	-
(ii) Deferred Tax		
Deferred Tax Expenses / (Savings) for the year	**(328.52)**	(465.65)
Deferred Tax Expenses / (Savings) Prior Period	**(50.38)**	-
Deferred Tax Expense OCI components	**14.34**	(0.58)
Total	**(364.56)**	(466.23)

NOTE NO. 41

AUDIT FEES AND EXPENSES (NET OF TAX CREDITS)

(₹ in Lakhs)

Particulars	31-03-2026	31-03-2025
Statutory Auditors		
Statutory Audit fee	**2.25**	2.25
Other Certification Work	**2.43**	7.03
Reimbursement of Expenses	**8.46**	8.46
Tax Auditors		
Tax Audit Fee	**1.80**	1.80
Cost Auditors		
Cost Audit Fee	**0.90**	0.90
Secretarial Auditors		
Secretarial Audit Fee	**1.07**	1.07
Other Certification Work	**0.39**	0.37
Total	**17.30**	21.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 42

COMMITMENTS

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	**145.16**	221.73
(ii) Other Commitments		
Liability on Letter of Credit opened for Capital Goods	**20.85**	NIL
Liability on Letter of Credit opened for Cotton / Spares	**NIL**	NIL
(iv) Export Promotion Scheme		
(a) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance License Scheme for import of raw material.	**14,955.00**	16,359.83
(b) Duty amount involved under EPCG Scheme	**–**	69.07
(c) Duty amount involved under Advance License Scheme	**2,062.37**	1,521.35

Note: Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. The export obligation under the EPCG Scheme to be fulfilled on or before the financial year 2029-30. The Company is also importing cotton under Advance License Scheme against obligation to export the yarn within 18 months from the date of license. The export obligation under the Advance License Scheme to be fulfilled on or before 30th September, 2027.

NOTE NO. 43

CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	**31-03-2026**	31-03-2025
Guarantees given by the bankers on behalf of company	**181.56**	181.56
Disputed GST Liability	**3.64**	3.64
Demands / Claims not acknowledged as Debts in respected matters in appeals relating to-		
Income tax	**Nil**	Nil
Other Demands	**356.86**	356.86

i. Income Tax Assessment have been completed upto the Accounting Year ended 31st March, 2025 i.e. AY 2025-26

ii. Sales Tax / VAT Assessment has been completed upto the Accounting year 2017-18. The Assessment under CST Act was completed upto the Accounting year 2017-18.

iii. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 356.86 Lakhs (PY: ₹ 356.86 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.

NOTE NO. 44

DEFINED CONTRIBUTION PLAN:

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

(₹ in Lakhs)

Particulars	**2025-26**	2024-25
Employer's Contribution to Provident Fund	**176.88**	184.61
Employer's Contribution to Superannuation Fund	**12.25**	11.76

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Defined Benefit Plan - Gratuity

The Gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company read with Payment of Gratuity Act, 1972. This is a defined plan in nature. The Company makes annual contributions to "Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund" administered by the Trustees and managed by LIC of India, based on the Actuarial Valuation by an Independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of actuarial risk such as adverse salary growth, change in demography experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Defined Benefit Plan (Gratuity)

(₹ in Lakhs)

Particulars	2025-26	2024-25
Reconciliation of Opening and Closing balances of present value of Obligation:		
As at the beginning of the year	**648.75**	615.34
Current Service Cost	**44.28**	37.84
Past period service Cost	**76.49**	-
Interest Cost	**42.28**	41.09
Actuarial loss / (gain)	**(-) 52.65**	6.08
Benefits paid	**(-) 46.49**	(-) 51.60
As at the end of the year	**712.65**	648.75
Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:		
As at the beginning of the year	**609.35**	590.23
Expected return on plan assets	**40.98**	40.28
Actuarial gain / (loss)	**4.31**	3.55
Employer Contribution	**40.32**	26.90
Benefits paid	**(-) 46.49**	(-) 51.60
As at the end of the year	**648.47**	609.35
Actual Return on Plan Assets:		
Expected Return on Plan Assets	**40.98**	40.28
Actuarial Gain / (Loss) on Plan Assets	**4.32**	3.55
Actual Return on Plan Assets	**45.30**	43.83
Reconciliation of Fair Value of Assets and Obligations		
Present value of obligation	**712.65**	648.75
Fair value of plan assets	**648.47**	609.35
Difference, amount recognised in Balance Sheet	**64.18**	39.39
Expenses recognized during the year:		
Current Service Cost	**44.28**	37.84
Net Interest on Obligations	**1.30**	0.81
Past period service cost	**76.49**	-
Expenses recognized in Statement of Profit and Loss	**122.07**	38.65

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	2025-26	2024-25
Amount recognized in the Other Comprehensive Income:		
Actuarial changes arising from:		
Experience adjustments on Plan liabilities	**(-) 52.65**	6.08
Experience adjustments on Plan Assets	**(-) 4.31**	(-) 3.55
Changes in financial assumptions	**-**	-
Changes in demographic assumptions	**-**	-
Amount recognized in OCI during the year	**(-) 56.96**	2.53
Investment Details:		
Funds with LIC	**641.21**	602.47
Bank Balance	**7.26**	6.88
Total	**648.47**	609.35
Actuarial assumptions:		
LIC 2012-14 Table for Service mortality rate	**Yes**	Yes
Discount rate p.a.	**7.55%**	6.76%
Expected rate on return on Plan Assets p.a.	**7.55%**	6.76%
Rate of escalation in salary p.a.	**3.85%**	3.85%
Rate of employee turnover	**0.10%**	0.01%
Estimate of Expected Benefit payments		
Year 1	**14.32**	16.19
Year 2	**171.55**	111.96
Year 3	**64.09**	28.16
Year 4	**52.36**	62.58
Year 5	**80.90**	53.28
Next 5 Years	**274.84**	244.85
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	**41.36**	41.67
0.50% Decrease in Discount Rate	**45.97**	47.14
0.50% Increase in Salary Growth Rate	**46.06**	47.21
0.50% Decrease in Salary Growth Rate	**41.26**	41.58

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet.

Defined Benefit Plan (Leave encashment plan): **(₹ in Lakhs)**

Particulars	2025-26	2024-25
Reconciliation of Opening and Closing balances of Present Value of Obligation:		
As at the beginning of the year	**191.72**	92.29
Current Service Cost	**21.56**	16.23
Interest Cost	**12.54**	5.46
Past Period Service Cost	**13.55**	-
Actuarial (Gain) / Loss	**(-) 35.03**	105.71
Benefits paid	**(-) 12.35**	(-) 27.97
As at the end of the year	**191.99**	191.72
Reconciliation of Opening and closing Balances of Fair Value of Plan Assets:		
As at the beginning of the year	**Nil**	Nil
Expected return on plan assets	**Nil**	Nil
Actuarial gain / (loss)	**Nil**	Nil
Employer Contribution	**12.35**	27.97
Benefits paid	**(-) 12.35**	(-) 27.97
As at the end of the year	**Nil**	Nil
Actual Return of plan assets:		
Expected return of plan assets	**Nil**	Nil
Actuarial gain / (loss) on plan assets	**Nil**	Nil
Actual return on plan assets	**Nil**	Nil
Reconciliation of Fair Value of Assets and Obligations:		
Fair Value of plan assets	**Nil**	Nil
Present Value of obligation	**191.99**	191.72
Difference, Amount recognized in Balance Sheet	**191.99**	191.72
Expenses recognized during the year:		
Current Service Cost	**21.56**	16.23
Net Interest on obligations	**12.54**	5.46
Actuarial (Gain) / Loss recognized during the year	**(-) 35.03**	105.71
Past Period Service Cost	**13.55**	-
Expenses / (Gain) recognized in the Statement of Profit and loss	**12.62**	127.40

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	2025-26	2024-25
Amount recognized in the Other Comprehensive Income:		
Experience adjustments on Plan Liabilities	**Nil**	Nil
Experience adjustments on Plan Assets	**Nil**	Nil
Changes in financial assumptions	**Nil**	Nil
Changes in demographic assumptions	**Nil**	Nil
Amount recognized in OCI during the year	**Nil**	Nil
Investment details:		
Funds with LIC	**Nil**	Nil
Bank Balance	**Nil**	Nil
Actuarial assumptions:		
LIC 2012-14 Table applied for service mortality rate	**Yes**	Yes
Discount rate p.a.	**7.55%**	6.76%
Expected rate of Return on Plan Assets p.a.	**Nil**	Nil
Rate of escalation in salary p.a.	**3.85%**	3.85%
Rate of Employee turn over	**0.10%**	0.01%

Estimate of Expected Benefit payments

Particulars	31-03-2026	31-03-2025
Year 1	**2.44**	1.92
Year 2	**93.95**	102.84
Year 3	**8.14**	2.07
Year 4	**4.95**	7.66
Year 5	**14.02**	4.41
Next 5 Years	**39.86**	39.37

Quantitative Sensitivity Analysis for Significant Assumptions

Particulars	31-03-2026	31-03-2025
0.50% Increase in Discount Rate	**18.46**	20.52
0.50% Decrease in Discount Rate	**20.20**	22.68
0.50% Increase in Salary Growth Rate	**20.23**	22.71
0.50% Decrease in Salary Growth Rate	**18.43**	20.49

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the balance sheet.

NOTE NO. 45

RELATED PARTY TRANSACTIONS

Information on names of related parties and nature of Relationship as required by Ind As 24 on related party disclosures for the year ended 31st March, 2026:

A) Associates

Name of the Company	Place of Business / Country of Incorporation	% of Shareholding as at	
		31-03-2026	31-03-2025
The Ramco Cements Limited	India	1.31%	1.31%
Rajapalayam Mills Limited	India	0.40%	0.40%
The Ramaraju Surgical Cotton Mills Limited	India	0.06%	0.06%

B) Key Managerial Personnel (including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
Shri P.R. Venketrama Raja	Chairman
Smt. Sharadha Deepa	Managing Director
Shri S.S. Ramachandra Raja	Non-Executive Director
Shri Srirama Raja	Non-Executive Director
Shri Arunkumar Goenka	Non-Executive Director
Shri S. Kanthimathinathan	Non-Executive Director
Shri P.A.S. Alaghar Raja	Independent Director
Justice Shri P.P.S. Janarthana Raja	Independent Director

C) Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. Nalina Ramalakshmi	Sister of Shri P.R. Venketrama Raja

D) Companies over which KMP/Relatives of KMP exercise significant influence

Sandhya Spinning Mill Limited
Ramco Industries Limited
Rajapalayam Textile Limited
Ramco Windfarms Limited
Ramco Industrial and Technology Services Limited

E)	**Employee Benefit Funds where control exists**
	Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund
	Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund

F)	**Other entities over which there is a significant influence**
	PACR Sethuramammal Charity Trust,
	Digvijai Polytex Private Limited,
	Sri Saradha Deepa Farms Private Limited,
	Ramco Organic Farming Centre,
	Tirupati Yarntex Spinners (P) Limited,
	Vishnu Textile Corporation

Disclosure in respect of Related Party Transactions during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent Good Supplied / Services rendered

(₹ in Lakhs)

Name of the Related party	Value	
	2025-26	2024-25
i. Good Supplied / Services rendered		
Associates		
Rajapalayam Mills Limited	**4,605.58**	3,363.56
The Ramaraju Surgical Cotton Mills Limited	**851.02**	752.78
Companies over which KMP / Relative of KMP exercise significant Influence		
Ramco Industries Limited	**678.13**	1,102.76
Sandhya Spinning Mill Limited	**884.87**	1,259.05
Rajapalayam Textile Limited	**120.40**	157.72
Other entities over which there is a significant Influence		
Vishnu Textile Corporation	**237.14**	3,334.96
Goenka Syndicate Private Limited	**3,551.83**	-

(₹ in Lakhs)

	Name of the Related party	Value 2025-26	Value 2024-25
ii.	**Cost of Goods & Services purchased / availed**		
	Associates		
	The Ramco Cements Limited	**3.01**	2.81
	Rajapalayam Mills Limited	**3,175.30**	3,774.90
	The Ramaraju Surgical Cotton Mills Limited	**64.37**	2,411.02
	Companies over which KMP / Relative of KMP exercise significant influence		
	Ramco Industries Limited	**632.87**	2,092.63
	Ramco Systems Limited	**16.49**	14.83
	Sandhya Spinning Mill Limited	**402.91**	766.60
	Rajapalayam Textile Limited	**8.93**	390.95
	Other entities over which there is significant influence		
	PACR Sethuramammal Charity Trust	**65.63**	101.57
	Ramco Organic Farming Centre	**0.01**	0.01
	Tirupati Yarntex Spinners (P) Limited	**-**	65.70
iii.	**Purchase of Fixed Assets**		
	Companies over which KMP / Relative of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	-	2.33
iv.	**Dividend Received**		
	Associates		
	The Ramco Cements Limited	**61.88**	77.35
	Rajapalayam Mills Limited	**0.19**	0.22
v.	**Rent Received**		
	JKR Hospitality Services Private Limited	**2.12**	2.12
vi.	**Leasing Arrangements - Rent Paid**		
	Relative of Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	**0.79**	0.79
vii.	**Reimbursement of Expenses Paid / (Received)**		
	Associates		
	The Ramco Cements Limited	**25.74**	13.76
	Rajapalayam Mills Limited	**27.73**	33.57
	Companies over which KMP / Relative of KMP exercise significant influence		
	Rajapalayam Textile Limited	**-**	0.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

	Name of the Related party	Value 2025-26	Value 2024-25
viii.	**Interest Paid**		
	Key Managerial Personnel		
	Smt. Sharadha Deepa	**160.77**	79.64
	Shri S.S. Ramachandra Raja	**-**	0.18
	Other entities over which there is a significant influence		
	Sri Saradha Deepa Farms Private Limited	**46.97**	-
	Digvijai Polytex Private Limited	**0.37**	0.81
ix.	**Directors Sitting Fees**		
	Key Managerial Personnel		
	Shri P.R. Venketrama Raja	**0.75**	0.75
	Smt. Sharadha Deepa	**0.60**	0.30
	Shri S.S. Ramachandra Raja	**0.75**	0.75
	Shri S.R. Srirama Raja	**0.60**	0.45
	Shri S. Kanthimathinathan	**1.35**	1.35
	Shri Arunkumar Goenka	**0.45**	0.60
	Shri P.A.S. Alaghar Raja	**1.35**	1.35
	Justice Shri P.P.S. Janarthana Raja	**1.50**	1.50
x.	**Remuneration to Key Managerial Personnel (Other than Sitting Fees)**		
	Key Managerial Personnel		
	Smt. Sharadha Deepa, Managing Director	**187.50**	187.50
xi.	**Contribution to Superannuation Fund / Gratuity Fund**		
	Other Entities over which there is a significant influence		
	Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund	**13.75**	13.24
	Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund	**66.06**	41.18

(₹ in Lakhs)

Name of the Related party	Value 2025-26	Value 2024-25
xii. Maximum amount of loans and advance / (borrowings) outstanding during the year		
Key Managerial Personnel		
Smt. Sharadha Deepa	**(2741.85)**	(2480.86)
Shri S.S. Ramachandra Raja	**(2.64)**	(2.57))
Other entities over which there is a significant influence		
Sri Saradha Deepa Farms Pvt Limited	**(3,840.00)**	-
Digvijai Polytex Private Limited	**(5.00)**	(15.00)

(₹ in Lakhs)

Name of the Related party	Value 31-03-2026	Value 31-03-2025
b. Outstanding balance including commitments		
i. Borrowings		
Key Managerial Personnel		
Shri S.S. Ramachandra Raja	**0.15**	2.57
Smt. Sharadha Deepa	**1,984.73**	2,361.04
ii. Other entities over which there is a significant influence		
Sri Saradha Deepa Farms Private Limited	**3,840.00**	-
Digvijai Polytex Private Limited	**5.00**	8.25
	3,845.00	8.25

c. Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

Particulars	2025-26	2024-25
Short - Term Benefits [1]	**180.30**	180.30
Defined Contribution Plan [2]	**7.50**	7.50
Defined Benefit Plan / Other Long-Term Benefits [3]	**–**	–
Total	**187.80**	187.80

1. It includes bonus, sitting fees, and value of perquisites.
2. It includes contribution to Provident fund and Superannuation fund.
3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above. However, amount paid towards compensated absence is included whenever company makes such payment to KMPs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 46

DISCLOSURE OF INTERESTS IN ASSOCIATES UNDER EQUITY METHOD

Name of the Company	Principle place of Business / Country on Incorporation	Principal activities of Business
The Ramco Cements Limited	India	Manufacture of Building Materials
Rajapalayam Mills Limited	India	Manufacture of Cotton Yarn
The Ramaraju Surgical Cotton Mills Limited	India	Manufacture of Cotton Yarn

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2026	31-03-2025
The Ramco Cements Limited	India	**1.31%**	1.31%
Rajapalayam Mills Limited	India	**0.40%**	0.40%
The Ramaraju Surgical Cotton Mills Limited	India	**0.06%**	0.06%

Summarised financial information for Associates:

The summarized consolidated financial statements of the material associates are as below: (**₹ in Lakhs**)

Balance Sheet	Non-current Assets	Investment in Associates	Current Assets	Non-current Liabilities	Current Liabilities	Total Equity
As at 31-03-2026						
The Ramco Cements Limited	14,18,853	5,993	2,38,713	4,14,934	4,39,237	8,09,388
Rajapalayam Mills Limited	96,126	2,18,978	56,987	56,033	73,317	2,42,743
The Ramaraju Surgical Cotton Mills Limited	27,983	18,069	39,014	19,712	46,030	19,322
As at 31-03-2025						
The Ramco Cements Limited	14,03,591	5,544	2,23,815	4,57,420	4,31,316	7,44,214
Rajapalayam Mills Limited	1,01,379	2,04,736	53,272	61,521	66,426	2,31,439
The Ramaraju Surgical Cotton Mills Limited	30,476	17,306	24,693	22,382	26,520	23,573

Profit and Loss	TRCL		RML		RSCML	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Total Revenue	**9,07,022**	8,55,957	**95,927**	91,539	**55,184**	40,612
Profit / (Loss) before tax	**87,110**	31,931	**(2,788)**	(7,536)	**(5,155)**	(4,352)
Tax Expense / (Withdrawal)	**17,910**	5,117	**(502)**	(1,648)	**162**	(1,023)
Profit / (Loss) after Tax	**69,200**	26,814	**(2,286)**	(6,038)	**(5,317)**	(3,342)
Share of Profit in Associate	**665**	453	**13,686**	7,592	**819**	408
Other Comprehensive Income	**52**	(979)	**(50)**	(222)	**381**	68
Total Comprehensive Income	**69,917**	26,288	**11,350**	1,332	**(4,116)**	(2,866)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Fair Value of Investments **₹ in Lakhs**

Name of the Associates	31-03-2026	31-03-2025
The Ramco Cements Limited	**17,281**	16,390
Rajapalayam Mills Limited	**233**	239
The Ramaraju Surgical Cotton Mills Limited	**2**	5

Share of contingent Liabilities in respect of associates **₹ in Lakhs**

Name of the Associates	31-03-2026	31-03-2025
The Ramco Cements Limited	**56,923**	89,938
Rajapalayam Mills Limited	**7,774**	579
The Ramaraju Surgical Cotton Mills Limited	**–**	–

Reconciliation to the carrying amount of investment in associates as on 31-03-2026 and 31-03-2025
₹ in Lakhs

Profit and Loss	TRCL		RML		TRSCML	
	31-03-2026	31-03-2025	**31-03-2026**	31-03-2025	**31-03-2026**	31-03-2025
Entity's TCI	**69,969.00**	41,739.00	**11,399.65**	(5,087.85)	**(4,115.99)**	(993.00)
Entity's Adjusted TCI	**69,917.00**	40,877.00	**11,349.85**	(5,245.02)	**(4,115.99)**	(1,006.00)
Effective Shareholding %	**1.31%**	1.31%	**0.40%**	0.40%	**0.06%**	0.06%
Associates share of profit /OCI	**953.72**	480.69	**(5.31)**	(21.61)	**(2.86)**	(0.55)
Amount recognized in P & L	**953.72**	480.69	**(5.31)**	(21.61)	**(2.86)**	(0.55)
Reconciliation						
Opening Carrying amount	**16,389.66**	15,908.98	**238.98**	260.56	**4.61**	5.16
Less: Other adjustments	**-**	-	**-**	-	**-**	-
Add: Associate's share of Profit/OCI	**953.72**	558.04	**(5.31)**	(21.39)	**(2.86)**	(0.55)
Less: Dividend Received	**61.88**	7.35	**(0.19)**	0.22	**-**	-
Net Carrying amount	**17,281.49**	16,389.66	**233.45**	238.95	**1.75**	4.61

Notes:

1) Adjusted TCI represents total comprehensive income of the entity after eliminating effects of reciprocal interests and unrealized profits.
2) Effective shareholdings represent the aggregate of direct holding and indirect holding through fellow associates.

The Group's aggregate share of profit and other comprehensive income in its individually immaterial associates are furnished below:

Aggregate amounts of Group's share of :	31-03-2026	31-03-2025
Profit / (Loss) after tax	**(42.23)**	(1,479.99)
Other Comprehensive Income / (Loss)	**44.57**	(12.79)
Total Comprehensive Income / (Loss)	**2.34**	(1,492.78)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 47

EARNINGS PER SHARE

₹ in Lakhs

Particulars		**31-03-2026**	31-03-2025
Net profit / (Loss) after tax (₹ in lakhs)	(A)	**(42.23)**	(1,479.99)
Weighted average number of Equity shares [In lakhs]	(B)	**15.00**	15.00
Nominal value per equity share (in ₹)		**10.00**	10.00
Basic & Diluted Earnings per share (A) / (B) (in ₹)		**(2.82)**	(98.67)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 48

SEGMENT INFORMATION FOR THE YEAR ENDED 31-03-2026 **(₹ in Lakhs)**

Particulars	Textiles		Power from Windmills		Total	
	31-Mar-2026	31-Mar-2025	**31-Mar-2026**	31-Mar-2025	**31-Mar-2026**	31-Mar-2025
REVENUE						
External Sales (Net)	**24,661.93**	28,816.09	**-**	-	**24,661.93**	28,816.09
Inter Segment Sale			**1,888.60**	1,612.67	**1,888.60**	1,612.67
Total Sales	**24,661.93**	28,816.09	1,888.60	1,612.67	**26,550.53**	30,428.76
Other Income	**379.83**	644.43	**-**	-	**379.83**	644.42
Total Revenue	**25,041.76**	29,460.52	**1,888.60**	1,612.67	**26,930.36**	31,073.19
RESULT						
Segment Profit	**(266.17)**	(1,068.62)	**1,048.96**	869.17	**782.79**	(199.45)
Unallocated Income					**(150.44)**	(223.47)
Unallocated Expenses						
Operating Profit					**632.35**	(422.92)
Interest Expenses					**2,088.19**	2,217.13
Interest Income					**150.44**	223.47
Provision for Taxation						
Current Tax					**-**	-
Income Tax related to earlier years					**(2.19)**	-
Deferred Tax					**(378.90)**	(465.65)
MAT Credit entitlement					**-**	-
MAT Credit entitlement-py					**-**	-
Profit from ordinary activities					**(924.31)**	(1,950.92)
Other Comprehensive Income					**43.16**	(0.37)
Exceptional Items						
Net Profit					**(881.15)**	(1,951.29)
OTHER INFORMATION						
Segment Assets	**45,770.39**	46,368.73	**1,068.12**	1,303.00	**46,847.51**	47,671.73
Unallocated Assets					-	-
Total Assets					**46,847.51**	47,671.73
Segment Liabilities	**20,034.50**	17,228.12	**-**	-	**20,034.50**	17,228.12
Unallocated Liabilities						
Total Liabilities					**20,034.50**	17,228.12
Capital Expenditure	**540.30**	102.27	**-**	-	540.30	102.27
Unallocated Capital Expenditure					**-**	-
Depreciation	**1,222.11**	1,251.36	**199.62**	199.16	**1,421.73**	1,450.52
Unallocated Depreciation Expenditure					**-**	-
Non-Cash expenses other than Depreciation	-	-			**-**	-

NOTE NO. 49

DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category **(₹ in Lakhs)**

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2026					
Financial Assets					
Other Investments	455.14	-	0.53	455.67	455.67
Trade Receivables	2,476.82	-	-	2,476.82	2,476.82
Cash and Bank Balances	38.72	-	-	38.72	38.72
Other Financial Assets	963.62	-	-	963.62	963.62
Financial Liabilities					
Borrowings	8,289.35	-	-	8,289.35	8,289.35
Trade Payables	394.56	-	-	394.56	394.56
Other Financial Liabilities	988.88	-	-	988.88	988.88
As at 31-03-2025					
Financial Assets					
Other Investments	418.02	-	1.58	419.60	419.60
Trade Receivables	4,406.61	-	-	4,406.61	4,406.61
Cash and Bank Balances	77.77	-	-	77.77	77.77
Other Financial Assets	567.35	-	-	567.35	567.35
Financial Liabilities					
Borrowings	11,850.22	-	-	11,850.22	11,850.22
Trade Payables	511.28	-	-	511.28	511.28
Other Financial Liabilities	1,136.82	-	-	1,136.82	1,136.82

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investment in unlisted securities				
As at 31-03-2026	-	-	455.67	455.67
As at 31-03-2025	-	-	419.60	419.60

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTPL				
Foreign exchange forward contracts				
As at 31-03-2026 (Liability)	-	-	-	-
As at 31-03-2025 (Liability)	-	19.52	-	19.52

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities	Market Value	Closing Price as at reporting date in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Asset Value as per Balance Sheet of respective Companies as at reporting date
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker

NOTE NO. 50

FINANCIAL RISK MANAGEMENT

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyze the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case-to-case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

(₹ in Lakhs)

As at 31-03-2026	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
Gross carrying amount	1,639.31	660.33	155.10	22.08	2,476.82
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	-	-	-	-	-
Carrying amount of trade receivables net of impairment	1,639.31	660.33	155.10	22.08	2476.82

(₹ in Lakhs)

As at 31-03-2025	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
Gross carrying amount	2,600.03	910.04	737.26	159.28	4,406.61
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	-	-	-	-	-
Carrying amount of trade receivables net of impairment	2,600.03	910.04	737.26	159.28	4,406.61

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with Banks. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Financial arrangements

The Company has access to the following undrawn borrowing facilities: **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Expiring within one year		
Bank Overdraft and other facilities	**14,601.27**	9,761.75
Term Loans	**3,627.50**	5,416.52
Expiring beyond year		
Term Loans	**8,289.35**	11,850.22

Maturities of Financial Liabilities **(₹ in Lakhs)**

Nature of Financial Liability	< 1 Year	1 - 5 Years	>5 years	Total
As at 31-3-2026				
Borrowings from Banks / Related Parties	18,199.20	8,125.25	193.67	26,518.12
Trade payables	394.56	-	-	394.56
Other Financial Liabilities (Incl. Interest)	989.38	-	-	989.38
As at 31-3-2025				
Borrowings from Banks / Related Parties	15,178.27	10,956.06	894.16	27,028.49
Trade payables	511.28	-	-	511.28
Other Financial Liabilities (Incl. Interest)	1,136.82	-	-	1,136.82

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company uses derivative financial instruments viz. Foreign Exchange Forward Contracts exclusively for hedging currency risks that arise from imports / exports transactions. The Company measures the risk by forecasting foreign currency cash flows and manages its currency risks by appropriately hedging the transactions. When a forward contract is entered into for the purpose of being a hedge, the Company finalizes the terms of those forward contracts to match the terms of the hedged exposure i.e. receivables / payables / Firm Commitments. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities / Firm Commitments as at the end of reporting periods are given below:

As at 31-03-2026 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	**Financial Asset / Firm commitments related to Financial Assets**		
	(a) Trade Receivable	0.17	-
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	-	-
	(b) Contracts for import of materials	0.87	-
Hedging Instruments (Forward contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	(a) PCFC Loan	1.05	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	4.36	-
	(b) Forward contract for imports	-	-
	(c) Forward Contracts for Exports	1.33	-

As at 31-03-2025 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	**Financial Asset / Firm commitments related to Financial Assets**		
	(a) Trade Receivable	1.97	-
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	-	-
	(b) Contracts for import of materials	3.73	-
Hedging Instruments (Forward contracts)	**Instruments for hedging the currency risk on Financial Assets**		
	(a) PCFC Loan	1.47	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	3.12	-
	(b) Forward contract for imports	-	-
	(c) Forward Contracts for Exports	2.41	-

The details of foreign currency forward contracts outstanding at the end of the reporting period is given below:

Particulars	Foreign currency (in Lakhs)		Nominal Amount (₹ in Lakhs)	
	31-03-2026	31-03-2025	**31-03-2026**	31-03-2025
USD / INR buy forward	**6.55**	5.41	**-**	Nil
EURO / INR buy forward	**Nil**	Nil	**-**	Nil

The above forward contracts are having maturity of less than 12 months.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Cash flow and fair value interest rate risk **(₹ in Lakhs)**

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure **(₹ in Lakhs)**

Particulars	31-03-2026	31-03-2025
Variable rate borrowings	**26,518.12**	27,028.49
Fixed rate borrowings	**–**	–

The Company does not have any interest rate swap contracts

Sensitivity on Interest rate fluctuation **(₹ in Lakhs)**

Incremental Interest Cost works out to	31-03-2026	31-03-2025
1% Increase in Interest Rate	**265.18**	270.28

NOTE NO. 51

DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

The categorization of supplier as MSME registered under the Act under new definition, has been determined based on the information available with the Company as at the reporting date. The Company has also considered suppliers as MSME who possess the erstwhile MSME certificate for the period upto the reporting date, for the purpose of categorization and disclosures. The disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Lakhs)

Particulars			31-03-2026	31-03-2025
(a)	(i)	The Principal amount remaining unpaid to any supplier at the end of the financial year included in -		
		Trade Payables	**–**	–
		Other Current Financial Liabilities	**–**	–
	(ii)	The Interest due on the above	**–**	–
(b)		The amount of interest paid by the buyer in terms of Section 16 of the Act	**–**	–
(c)		The amount of the payment made to the supplier beyond the appointed day during the financial year	**–**	–
(d)		The amount of interest accrued and remaining unpaid at the end of the financial year	**–**	–
(e)		The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	**–**	–

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 52

Additional regulatory information as required under Companies Act, 2013 / Indian Accounting Standards:

a) Trade Payables ageing Schedule **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	No due	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	Total
As at 31-03-2026						
MSME	-	-	-	-	-	-
Others	342.13	43.37	0.87	1.36	2.81	394.56
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	**342.13**	**43.37**	**0.87**	**1.36**	**2.81**	**394.56**
As at 31-03-2025						
MSME	-	-	-	-	-	-
Others	471.12	32.74	3.12	1.84	2.46	511.28
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	
Total	**471.12**	**32.74**	**3.12**	**1.84**	**2.46**	**511.28**

b) Capital Work-in-Progress Ageing Schedule **(₹ in Lakhs)**

Particulars	Amount in CWIP for a period of				
	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	Total
As at 31-03-2026	153.58	-	-	-	153.58
As at 31-03-2025	-	-	-	-	-

Notes: (i) None of the capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) The Company does not have any projects whose activity has been suspended.

(iii) The Company has no intangible assets under development.

c) Trade Receivables Ageing Schedule **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
As at 31-03-2026							
Undisputed Trade receivables - considered good	1,639.22	815.43	0.17	-	-	21.90	2,476.82
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Total	**1,639.22**	**815.43**	**0.17**	**-**	**-**	**21.90**	**2,476.82**
As at 31-03-2025							
Undisputed Trade receivables - considered good	2,600.03	910.07	737.26	159.28	-	-	4,406.66
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Total	**2,600.03**	**910.07**	**737.26**	**159.28**	**-**	**-**	**4,406.66**

d) Undisclosed Income

The Company does not have any transaction, which are not recorded in the books of accounts that has been surrounded or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

e) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956 considering the information available with the Company.

f) Details of Crypto Currency or Virtual Currency

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclose relating to it are not applicable.

g) Key Financial Ratios

Particulars		UOM	31-03-2026	31-03-2025	Variation in %
(a)	Current Ratio	In multiple	0.67	0.73	(-) 8.22%
(b)	Debt-Equity Ratio	In multiple	85.67	22.69	277.00%
(c)	Debt Service Coverage Ratio	In multiple	1.06	0.56	89.29%
(d)	Return on Equity Ratio	In %	(-) 1.17%	(-) 0.90%	30.00%
(e)	Inventory Turnover Ratio	In Days	85	73	18%
(f)	Trade receivables Turnover Ratio	In Days	7	7	–
(g)	Trade payables Turnover Ratio	In Days	54	36	52%
(h)	Net Capital Turnover Ratio	In Days	147	115	28%
(i)	Net Profit Ratio	In %	(-) 5%	(-) 8%	(-) 37%
(j)	Return on Capital Employed	In %	4%	1%	379%
(k)	Return on Investment (Assets)	In %	(-) 2.91%	(-) 6.16%	(-) 53%

Formula adopted for above Ratios:

(a) Current Ratio = Current Assets / (Total Current Liabilities - Security Deposits payable on Demand - Current maturities of Long Term Debt)

(b) Debt-Equity Ratio = Total Debt / Total Equity

(c) Debt Service Coverage Ratio = (EBITDA - Current Tax) / (Principal Repayment + Gross Interest)

(d) Return on Equity Ratio = Total Comprehensive Income / Average Total Equity

(e) Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)

(f) Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)

(g) Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)

(h) Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio - Trade payables turnover ratio)

(i) Net Profit Ratio = Net Profit / Net Revenue

(j) Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))

(k) Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets .

Reasons for Variation if more than ± 25%:

Wherever there is a change in value from negative to positive or *vice-versa*, the computation of variation will be misleading and hence not computed.

Return on Equity, Net Profit Ratio & Return on Investment (Assets):

The increase in operating margin during the financial year 2025-26 results increase in Debt Service Coverage Ratio and Debt Equity Ratio.

Net Capital Turnover Ratio:

The extended net Capital Turnover is resulted from Inventory Turnover and Trade Payables.

h) Disclosures related to CSR activities

Particulars	Amount (₹ in Lakhs)
Amount required to be spent by the Company during the year	Not Applicable
Amount of expenditure incurred	NA
Shortfall at the end of the year	Nil
Total of previous years shortfall	Nil
Reason for shortfall	Nil
Nature of CSR activities	Please refer to Table-A below

Note: The Company has not made any provision to CSR activities for the financial year 2025-26 and 2024-25.

Table - A Nature of CSR activities:

Nature	Amount (₹ in Lakhs)
Not Applicable	
TOTAL	-

NOTE NO. 53

a) Exceptional Items:

Profit on Sale of Property, Plant & Equipment and Investment Property

The Company has modernized machineries and sold the old machineries during the financial year 2025-26. The WDV of old machineries and building (Investment Property) as on 31-03-2026 was ₹ 44.65 Lakhs. The Company has incurred Loss on sale of the above old machineries and investment property to the extent of ₹ 10.28 Lakhs (PY: ₹ 4.44 Lakhs) and the same is shown as an Exceptional Items in the Statement of Profit and Loss.

NOTE NO. 54

EVENTS AFTER THE REPORTING PERIOD - DISTRIBUTION MADE AND PROPOSED

Particulars	**31-03-2026**	31-03-2025
Cash Dividends on Equity Shares declared and paid		
Dividend for the year ended 31^{st} March 2026	**Nil**	Nil
Proposed Dividends on Equity Shares		
Final dividend for the year ended 31^{st} March 2025: Nil per Share (PY: ₹ Nil)	Nil	Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 55

THE CODE ON SOCIAL SECURITY, 2020, THE INDUSTRIAL RELATIONS CODE, 2020, THE CODE ON WAGES, 2019 AND THE OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE, 2020

On 21-11-2025, the Central Government notified the Code on Social Security, 2020, the Industrial Relations Code, 2020, the Code on Wages 2019 and the Occupational Safety. Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), subsuming various existing labour and industrial laws governing employee benefits during employment and post employment period. The Ministry of Labour & Employment has notified the Central Rules and FAQs to facilitate assessment of the financial impact arising from these regulatory changes. Accordingly, the Company has assessed the financial implications based on an actuarial valuation in accordance with Ind AS 19 Employee Benefits read with FAQ issued by Institute of Chartered Accountants of India (ICAI). Based on such assessment, the Company is of the view that the financial impact of these changes is not material and, therefore, has not been presented as an exceptional item, though the impact has been recognised under Employee Benefits Expenses in the Statement of Profit and Loss for the year ended March 31, 2026. The Company continue to monitor the finalisation of State Rules and any further clarifications issued by the Government in relation to the Labour Codes and will appropriately give effect to such changes in the books, as and when required.

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS ASSOCIATES FOR THE YEAR 2025-26

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	₹ in Lakhs	As % of Consolidated profit / (loss)	₹ in Lakhs	As % of Consolidated OCI	₹ in Lakhs	As % of Consolidated TCI	₹ in Lakhs
Parent								
Sri Vishnu Shankar Mill Limited	50.34%	17,753.61	23.36	(986.37)	96.83%	43.16	-40188.15%	(943.21)
Associates (Investments as per the Equity Method) Indian								
The Ramco Cements Limited	49.00%	17,281.49	-2256.76%	952.98	1.65%	0.74	40,636.01%	953.72
Rajapalayam Mills Limited	0.66%	233.46	14.01%	(5.92)	1.37%	0.61	-226.12%	(5.31)
The Ramaraju Surgical Cotton Mills Limited	0.00%	1.75	6.93%	(2.93)	0.15%	0.07	-121.74%	(2.86)

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

S SRIVATSAN
Partner,
Membership No. 021880
UDIN: 26021880NCLKAK2349

Bengaluru
29th May, 2026.

For and on behalf of the Board of Directors

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)
Rajapalayam

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)
Rajapalayam

NOTES

NOTES

Shri S.R. Srirama Raja, Director and Smt. Sharadha Deepa, Managing Director distributing service award to Shri V. Muneeswaran, Rewinding study worker for completion of 35 years of service in our Mill.

Shri S.R. Srirama Raja, Director and Smt. Sharadha Deepa, Managing Director distributing attendance award to Mrs. S. Periyamariyammal, Spinning Sider for achieving highest attendance during the year.

Our Company received “Excel Award” from Chairman Shri P.R. Venketrama Raja, for securing 2nd place among Ramco Group Textile Division Companies.

Our Company’s Quality Circle Team won 1st Price in the Best of Session Award by the Quality Circle Forum for its presentation on cost reduction through productivity improvement initiatives.

SRI VISHNU SHANKAR MILL LIMITED

RAJAPALAIYAM

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