S.P.APPARELS LTD.

Regd. Office : 39-A, Extension Street, Kaikattipudur, AVINASHI - 641 654, Tamil Nadu, India.
Phone : +91-4296-714000 E-mail : spindia@s-p-apparels.com
Web : www.s-p-apparels.com CIN No.: L18101TZ2005PLC012295

28th August 2026

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

National Stock Exchange of India Limited
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

Scrip Code: 540048

Symbol: SPAL

Dear Sirs,

Sub: Submission of Annual Report for the financial year 2025-2026.

Pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015, we are submitting herewith a copy of the Annual Report of the Company for the Financial Year 2025-2026 along with AGM Notice

The said Annual Report of the Company for the Financial Year 2025-2026 along with AGM Notice have been sent to all the members at their email ids registered with the Company / Depository Participants as on 24.08.2026. Further the same has also been uploaded in the Company's website at www.spapparels.com

Kindly take the above information on record.

Thanking You,

For S.P.Apparels Limited,

Vinodhini K

Digitally signed by Vinodhini K
DN: c=IN, o=Personal, title=1810, pseudonym=26d92874918e45f6b5a95842d7231ebf, 2.5.4.20=ab414dfe4760214b391934c0f5efdefdd1aa4b0a456b3389c04b337870604fd2, postalCode=638111, st=Tamil Nadu, serialNumber=222643296fc732d90bef8378f221a25ed56283974c715cddd39356a733f16c87, cn=Vinodhini K
Date: 2026.08.28 17:20:44 +05'30'

K.Vinodhini
Company Secretary and Compliance Officer

S.P. APPARELS LIMITED

ANNUAL
REPORT
2025-2026

S.P. APPARELS LIMITED

CONTENTS

Chairman's Message

Dear Shareholders,

I am pleased to share that FY26 has been a year of focused execution, strategic progress and disciplined growth for your Company. During the year, we operated in a global apparel environment marked by shifting sourcing patterns, tariff-related uncertainty and intermittent geopolitical disruptions. Despite these challenges, S.P. Apparels remained focused on execution, customer relationships and building long-term capability. Our integrated business model, diversified customer base and expanding manufacturing footprint enabled us to navigate temporary volatility while continuing to strengthen the foundation for future growth.

The global apparel market continued to evolve during FY26 as customers increasingly prioritised compliant, reliable and scalable sourcing partners.

The year also saw short-term disruptions arising from U.S. tariff-related developments and logistical bottlenecks across global trade routes. At the same time, these developments reaffirmed the importance of supply-chain diversification, and we believe India remains well positioned to benefit from this shift. Encouragingly, customer discussions around sourcing diversification and opportunities linked to trade progress in key export markets have continued to gather momentum.

A key element of our strategy is the strengthening of our Sri Lanka operations, which remain an important pillar of our long-term growth roadmap. During FY26, we advanced this platform with the objective of enhancing geographic diversification, improving customer servicing flexibility and reducing concentration risk. Sri Lanka provides us both operational and strategic advantages, enabling a more balanced manufacturing base across India and Sri Lanka.

Performance Overview

On a consolidated basis, your Company delivered a strong financial performance in FY26. Revenue from operations rose to 1,578 crore, compared to 1,395 crore in FY25, representing a growth of 13.2% year-on-year. EBITDA increased to 217 crore from 187 crore in the previous year, while EBITDA margin improved to 13.8%. Profit after tax stood at 100.95 crore, compared with 95.10 crore in FY25. These results reflect the strength of our operating model, the benefits of business diversification and our continued focus on cost discipline and margin protection.

In our Garment Division, which remains the core of the business, we continued to strengthen our position as a trusted export partner in infantwear, kidswear, intimate ware and other value-added apparel categories. For FY26, the Garment Division, including Young Brand Apparel, delivered adjusted operational revenue of 1,421 crore and adjusted EBITDA of 230 crore, sustaining a healthy margin profile. Our integrated operations across spinning, dyeing and garmenting continue to provide important advantages in quality consistency, delivery reliability and supply chain control, particularly in categories where compliance and product safety standards are stringent.

During the year, we also continued to broaden our customer base across key export markets. In India, we added new customers and deepened relationships with existing customers. The first half of the year reflected healthy momentum, while the second half saw temporary disruption in order booking and shipment schedules due to the U.S. tariff situation, particularly in businesses with higher U.S. exposure. Importantly, this was largely a volume-led disruption rather than a pricing-led one, and we responded through calibrated capacity planning, disciplined commercial action and continued customer engagement.

On Young Brand Apparel, FY26 was a year of measured resilience. Young Brand remains strategically important to the Group, strengthening our presence in intimate wear exports and giving us access to marquee global customers. During FY26, Young Brand reported adjusted operational revenue of 321 crore and adjusted EBITDA of 49 crore. Given its 100% exposure to U.S. customers, this business experienced temporary disruption during the year due to tariff-related developments. However, the situation has now stabilised, demand has revived and we continue to work toward diversifying the customer mix over time.

In our SPUK business, FY26 marked an important inflection point. SPUK reported revenue of GBP 7.5 million during the year and achieved positive EBITDA, reflecting progress in operating leverage as scale improves. Over the last few years, we have worked patiently to reposition this business, strengthen customer engagement and sharpen its design-led sourcing approach. With these foundations now in place, we believe SPUK is well positioned to deliver sustained growth and become a stronger contributor to the Group's performance.

In our Retail division, we continued to focus on discipline and moving the business toward sustainable profitability. I am pleased to share that the Retail division reported positive EBITDA consecutively from Q2 to Q4 of FY26, marking an important milestone in its turnaround journey. For FY26, Retail revenue stood at 71.54 crore, while losses narrowed materially compared to prior years. Better execution, improved inventory control and tighter cost discipline have strengthened the foundation of this business, and we remain focused on building it thoughtfully over the long term.

Our integrated capabilities remain one of the Company's enduring strengths. We also continued to invest in renewable energy, and our solar capacity expansion remains on track, with a target of reaching around 4.5 MW by March 2027.

Outlook

Looking ahead, we remain confident in the outlook for the Company. We believe the temporary disruption witnessed during FY26 is largely behind us, and customer engagement is beginning to normalise. With a stronger manufacturing base, improving contribution from subsidiary businesses and growing scale in Sri Lanka, we continue to work toward our aspiration of achieving a better consolidated top line with disciplined profitability.

The broader opportunity for India's apparel industry remains compelling as global buyers continue to diversify sourcing and seek reliable manufacturing partners. With our integrated operations, diversified customer relationships and prudent approach to expansion, S.P. Apparels is well placed to benefit from the next phase of growth and create long-term value for all stakeholders.

Sincerely

P. Sundararajan
Chairman and Managing Director
S.P. Apparels Limited

PROFILE

BOARD OF DIRECTORS

Mr. P. Sundararajan
Chairman and Managing Director

Mrs. S. Latha
Executive Director

Mr. S. Chenduran
Joint Managing Director

Mrs. S.Shantha
Joint Managing Director

Mr. B. Ravishankar
Independent Director

Mr.Srinivas Chidambaram
Independent Director

Mr.C.R. Rajagopal
Independent Director

Mrs.H.Lakshmi Priya
Independent Director

MANAGEMENT TEAM

Mrs. P.V. Jeeva
Chief Executive Officer - Garment Division

Mr. V. Balaji
Chief Financial Officer

Mrs. K. Vinodhini
Company Secretary and Compliance Officer

STATUTORY AUDITORS

ASA & Associates LLP
Chartered Accountants
Unit 709 & 710, 7th Floor, 'BETA Wing',
Raheja Towers, New Number 177, Annasalai,
Chennai – 600 002.

SECRETARIAL AUDITOR

MDS & Associates LLP
Coimbatore – 641 028

INTERNAL AUDITORS

BM & Associates
Chartered Accountants
Coimbatore - 641044.

REGISTERED OFFICE

39-A, Extension Street,
Kaikattipudur, Avinashi – 641 654,
Tirupur District

REGISTRAR AND SHARE TRANSFER AGENTS

MUFG Intime India Private Limited
(formerly Link Intime India Private Limited)
Coimbatore Branch
No. 35, Surya, Mayflower Avenue,
Behind Senthil Nagar, Sowripalayalam Road,
Coimbatore – 641028
Phone: 0422 – 2314792
Email id: investor.helpdesk@in.mpms.mufg.com

BANKERS

State Bank of India, Coimbatore

IDBI Bank Limited, Coimbatore

The Hongkong and Shanghai Banking Corporation Limited, Coimbatore

HDFC Bank, Coimbatore

COMPANY CIN : L18101TZ2005PLC012295

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy and Outlook

The global economy demonstrated resilience in FY 26-27, supported by continued investments in technology and infrastructure, although growth moderated amid heightened uncertainties. The year was characterized by escalating trade tensions, tariff imposition, and geopolitical conflicts, particularly in the Middle East, which contributed to volatility in energy markets and global supply chains. Uncertainty around key trade routes, such as the Strait of Hormuz, resulted in fluctuations in oil prices, freight costs, and insurance premiums, affecting global business sentiment. According to the International Monetary Fund (IMF), global growth is projected at 3.1% in 2026, with a marginal improvement to 3.2% in 2027 under a contained conflict scenario. Despite these near-term challenges, continued investments in artificial intelligence and sustained public spending on infrastructure, energy security, and transportation networks are expected to support economic stability and long-term growth.

Source: International Monetary Fund

Indian Economic Overview and Outlook

India's economy maintained a strong growth trajectory in FY 25-26, supported by favorable domestic conditions such as easing inflation, monetary policy support, and sustained public capital expenditure. Inflation remained well contained throughout the year, providing a key pillar of macroeconomic stability, supported by favorable food price dynamics and adequate agricultural output. While inflation is expected to firm modestly towards the latter part of the fiscal year due to base effects, underlying price pressures are assessed to remain muted.

As per PIB, real GDP growth is estimated at 7.4% in FY26, driven by robust consumption and investment demand, reaffirming India's position as one of the fastest-growing major economies. Manufacturing and service sector remained key growth drivers, with manufacturing expanding by 8.4% in the first half of FY26. For the textile sector, steady domestic demand and policy support aided performance, as India's textile exports increased by 2.1% to Rs. 3.2 lakh crore in FY26 amid global trade uncertainty. Looking ahead, India's FY27 growth outlook remains positive with GDP projected in the range of 6.8%-7.2%, driven by increasing domestic demand, public capital expenditure, and ongoing structural reforms.

Source: International Monetary Fund | Press Information Bureau

Textile

Global Textile Industry

The global textile industry remains a key pillar of the international manufacturing ecosystem, supported by strong linkages with the apparel, home furnishing, and industrial sectors. The sector has demonstrated steady growth and is expected to expand from USD 660.1 billion in 2025 to USD 703.0 billion in 2026, growing at a CAGR of ~7% to USD 919.1 billion by 2030.

This growth is driven by rising disposable incomes, urbanization, and evolving consumer preferences, particularly in the Asia-Pacific region, which accounts for nearly half of global textile consumption and production. However, the industry has faced heightened volatility due to macroeconomic pressures and shifting global trade dynamics. Ongoing geopolitical tensions, between the United States and China, have led to tariff impositions on textile and apparel products, prompting global brands to diversify sourcing away from traditional hubs. This shift as resulted

MANAGEMENT DISCUSSION AND ANALYSIS

in diversification of supply chains to countries such as India, Bangladesh, Indonesia, Thailand, and Sri Lanka gaining prominence as alternative manufacturing bases. Despite near-term challenges from tariffs and trade disruptions, the long-term outlook remains positive, supported by favourable demographics, rising per capita consumption, and continued technological advancements.

Source: The Business Research Company

Indian Textile Industry

India's textile industry remains a key manufacturing sector, driven by a large domestic consumption base, diversified product portfolio and a growing presence in global trade. The Indian textile market recorded a ~6% CAGR over FY22–26, driven by robust growth in the apparel segment and steady domestic demand. The sector contributes ~2% to India's GDP and is expected to nearly double its share to ~5% by 2030.

While the year began with healthy export growth, tariff changes in August reshaped the global competitive landscape, however, India sustained its position in key export markets, supported by its established manufacturing capabilities and continued policy support. Government initiatives such as export incentives (RoDTEP and RoSCTL), GST rationalization and infrastructure development through initiatives like PM MITRA Parks continue to strengthen industry competitiveness. Further, the allocation of Rs. 5,279.01 crore to the Ministry of Textiles under the Union Budget FY26–27 is expected to support the industry. According to IMARC, the India textile market is projected to reach USD 213.75 billion by 2034. With a favorable policy environment, and growing focus on scale and efficiency, the industry is well positioned for sustained long-term growth.

Source: India Brand Equity Foundation (IBEF) and Wazir Report

Exports

India's textile industry continues to demonstrate strong export performance, supported by rising global demand, competitive production costs and a diversified presence across international markets. During FY26 (April–December 2025), India's textile and apparel exports stood at USD 27,312.7 million, with growth recorded across more than 100 global destinations.

India's textile exports have reached Rs. 3 lakh crore and the government aim to triple exports to Rs. 9 lakh crore by 2030 by strengthening domestic manufacturing capabilities and expanding India's global reach. The sector is also expected to benefit from the "China Plus One" strategy, as global buyers increasingly diversify sourcing destinations.

Trade agreements are expected to further enhance India's export competitiveness. The India-UK FTA, signed in July 2025, provides duty-free access for Indian textile exports, helping remove the 10–12% tariff gap with competing exporters. This is expected to boost India's textile exports to the UK from USD 1.79 billion to up to USD 5 billion, benefitting labor-intensive categories such as garments and home textiles, while supporting traditional clusters and export hubs such as Tirupur.

Source: India Brand Equity Foundation (IBEF)

Apparel & Retail

Global Industry

The global apparel industry witnessed modest growth over the past decade, with exports increasing from USD 470 billion in 2014 to USD 546 billion in 2025. Apparel remains the dominant segment contributing nearly 60% of the global textile and apparel trade. The US and Europe continue to lead as the largest consumption markets, while countries such as Poland and the Netherlands are emerging as fast-growing regional distribution and re-export hubs within Europe.

The global apparel sourcing landscape is undergoing a structural shift, as brands diversify supply chains beyond China to enhance resilience and manage rising compliance and geopolitical considerations. This has created opportunities for emerging manufacturing hubs including Bangladesh, Vietnam, India, and Indonesia. Countries with favorable trade agreements, strong manufacturing infrastructure and efficient supply chains are well-positioned to benefit. Over the medium term, strategies such as "China Plus One" and increasing preference for reliable, large-scale vendors are expected to drive growth in alternate sourcing destinations. India, in particular, is expected to benefit from capacity expansion and upcoming trade agreements with key markets.

Source: Motilal Oswal Thematic Report

Indian Market

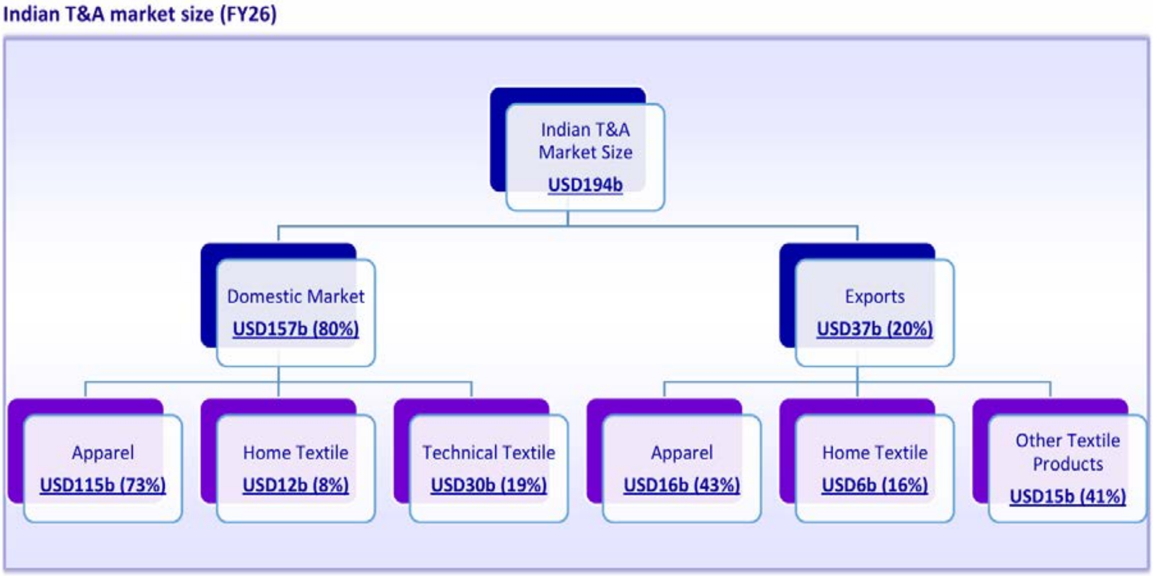
In FY26, India's textile and apparel industry witnessed a gradual shift from volume-led growth towards value-added categories, supported by rising domestic demand and shifting trade dynamics. The Indian textile and apparel industry is valued at USD 194 billion in FY26, including exports of USD 37 billion. On the exports front, India exports to 100+ countries, with the US, EU, and UK being the top three importers. Major textile and apparel export destinations for India are the US and the EU, with around 47% share in exports. While India currently accounts for ~4-5% of global apparel trade, this indicates significant headroom for market share expansion as global brands diversify sourcing beyond China and increasingly prefer large-scale, compliant suppliers.

Additionally, India has signed trade deals with the US, UK, and UAE, which are likely to boost exports in the future by providing a competitive edge over other exporting countries. Looking ahead, the Government of India has set an ambitious target to scale the textile market to USD 350 billion by 2030 from USD 194 billion in FY26, implying a CAGR of ~13%, driven by strong export growth of ~22% CAGR and steady domestic demand.

Source: Motilal Oswal Thematic Report

Source: Ministry of Textiles, MOFSL

Indian T&A market size (FY26)



Company Overview

S.P. Apparels Ltd (SPAL) is a leading manufacturer and exporter of knitted garments, with a strong focus on sustainability and operational excellence. The company operates a vertically integrated manufacturing model spanning spinning, dyeing, processing, and garmenting, enabling consistent quality, cost efficiency, and supply chain reliability. SPAL core business is anchored by its garment division, which specializes in infant wear and children's apparel for global markets. The company caters to a diversified international customer base across the US, Europe, and the UK, supported by long-standing relationships and high compliance standards.

Beyond its core export business, SPAL has acquired Young Brand Apparel which enabled its entry into the intimate wear category, while SP Apparels UK (SPUK) provides design-led sourcing and enhances access to UK and European markets. In the domestic market, SPAL Retail operates established brands such as Crocodile and Angel & Rocket, expanding its retail footprint. In FY26, SPAL focused on strengthening its manufacturing capabilities and global footprint. The company commenced manufacturing in Sri Lanka, marking a key strategic milestone in diversifying its production base. This expansion enhances SPAL's ability to optimize costs, mitigate tariff-related risks, and leverage duty advantages for exports to key markets such as the UK and Europe.

Employee Welfare

SPAL is committed to promoting employee well-being, continuous learning, and workplace diversity. The company supports personal and professional growth through structured upskilling programs and wellness initiatives. By fostering an entrepreneurial culture, SPAL empowers employees to take ownership, drive innovation, and contribute meaningfully to organizational success.

Risks and Concerns

Raw Material Risks:

Cotton remains the key raw material for the textile industry, and fluctuations in cotton prices can impact realizations and profitability. The Company mitigates this risk through prudent sourcing practices, efficient inventory management, and continuous operational improvements.

Inflation risk:

India has seen variable inflation trends historically. While fluctuations in inflation rates can present challenges in forecasting and managing our costs, they also encourage us to enhance our financial strategies and cost management practices. If there is an uptick in the cost of raw materials due to inflationary trends, or a rise in employee benefit payments driven by inflation in India, we are committed to implementing innovative measures to absorb these costs effectively. Our goal is to minimize the impact on our customers and maintain the integrity of our business operations.

Safety risk:

Ensuring a safe and healthy working environment for everyone is vital for boosting productivity and nurturing organisational development. We at SPAL equip the workplace with the necessary safety equipment and keep all the machinery in good working order through regular maintenance and safety inspections.

Finance and credit risk:

We evaluate and manage credit risk on the basis of assumptions and factors influenced by market conditions. To mitigate credit risk, we diligently track the creditworthiness of debtors through internal systems that are configured to define credit limits of customers.

Exchange risk:

SPAL faces exposure to foreign exchange rate fluctuations as considerable portion of its revenue is from other countries. To mitigate the risks associated with foreign exchange fluctuations that affect our commercial dealings and recognized foreign currency assets and liabilities, we strategically employ forward contracts and engage in hedging activities as needed. Additionally, we have a skilled team of professionals for managing forex concerns, ensuring that our approach to foreign exchange risk is both effective and informed.

Regulatory Changes:

Adjustments to regulations and government incentives present opportunities for the company to adapt and innovate, potentially enhanci ng its business and profitability. The Indian government has historically supported the textile sector with incentives such as RoSCTL and EPCG fostering production and export growth. While these incentives may evolve, the company is poised to leverage its operational strength to maintain and improve its market position.

Financial Performance

Performance on a Standalone basis:

In FY26, your company has recorded revenue of Rs. 11,134.4 Mn as against Rs. 9,816.2 Mn in FY25. Adj. EBITDA stood as Rs. 1,813.4 Mn as against Rs. 1,643.1 Mn in FY25. PAT was Rs. 878.42 Mn as against Rs 835.3 Mn in FY25. EPS for FY26 was Rs. 35.0 as against Rs. 33.3 in the FY25.

Performance on a Consolidated basis:

In FY26 your company has recorded a consolidated revenue of Rs. 15,786.4 Mn as against Rs. 13,951.3 Mn in FY25. EBITDA stood as Rs. 2,178.1 Mn as against Rs. 1,878.1 Mn in FY25. PAT was Rs. 1,009.5 Mn as against Rs. 951.0 Mn in FY25. EPS for FY26 was Rs. 40.2 as against Rs. 37.9 in FY25.

Internal control system and adequacy

The company’s internal control systems for financial reporting are robust and are commensurate with its size and its industry sectors. These systems ensure efficiency and productivity at all levels, while safeguarding your company’s assets. Stringent procedures are in place to ensure high accuracy in recording and providing consistent financial and operational support. Business operations are closely monitored by the internal team and the Management. The Board is promptly notified in case of any deviations. To ensure seamless growth, risk identification & assessment and mitigation strategies are designed and continuously recalibrated on the basis of these findings.

Material Developments in Human Resources / Industrial Relations Front

During the year under review, industrial relations at our plant locations remained harmonious. Your Company emphasizes on the safety of people working in its premises. Structured safety meetings were held and safety programs were organized for them throughout the year.

Key Ratios

As per provisions of SEBI Listing Regulations, 2015, the significant financial ratios (calculated on standalone basis) are given below:

Key Financial Ratios	2025-26	2024-25	% Change	Explanation
Debtors Turnover	10.26	10.44	1.72%	Marginal decrease due to increase in average trade receivables during the year
Inventory Turnover	1.48	1.27	16.54%	Improved due to better inventory management and reduction in average inventory levels
Current Ratio	1.42	1.48	-4.05%	Marginal decrease due to increase in current liabilities, mainly working capital borrowings and other current obligations
Interest Coverage Ratio	5.36	6.59	-18.66%	Decreased due to higher finance cost during the year
Debt to Equity Ratio	0.29	0.27	7.41%	Increased due to higher borrowings, mainly working capital loans and term borrowings
Operating Profit Margin (%)	13.21%	13%	1.62%	Marginal decrease due to increase in operating expenses
Net Profit Margin (%)	8.0%	8.5%	-5.88%	Decreased due to higher finance cost and depreciation during the year

DIRECTORS' REPORT

To

The Members,

The Directors of your Company are pleased to present the 21st Annual Report on the business and operations of the Company together with the Audited Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2026.

FINANCIAL RESULTS

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

(in Million)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	11134.38	9816.23	15786.37	13951.34
Other Income	67.72	73.83	181.20	121.92
Total Income	11202.10	9890.06	15967.57	14073.26
Total Expenses before Interest & Depreciation	9320.87	8201.66	13608.23	12073.24
Profit before Interest & Depreciation	1881.23	1688.40	2359.34	2000.02
Less: Interest	274.16	199.76	407.21	334.85
Depreciation	410.72	371.17	478.60	432.96
Profit Before Tax	1196.35	1117.47	1409.96	1232.21
Less : Taxation				
Provision for Current Tax	302.00	281.24	410.17	359.38
Prev period Tax	-	24.55	(3.86)	23.62
Deferred Tax Expenses / (Credit)	15.93	(23.64)	(5.80)	(101.81)
Total Tax Expenses	317.93	282.15	400.51	281.19
Profit After Tax from continuing operations	878.42	835.32	1009.45	951.02
Profit After Tax from discontinuing operations	-	-	-	-
Profit After Tax	**878.42**	**835.32**	**1009.45**	**951.02**
Other comprehensive Income (Net of tax)	**(58.87)**	**(31.49)**	**(86.45)**	**(28.55)**
Minority Interest	**-**	**-**	**1.09**	**(0.46)**
Total Comprehensive Income	**819.55**	**803.83**	**924.09**	**922.01**

Review of Operations:

Garment Division

During FY 25-26, the Garment Division remained the core business of S.P. Apparels Limited and continued to deliver growth while navigating short-term disruption in the global apparel market.

On a standalone basis, revenue from operations stood at Rs. 11,134.4 million, while adjusted operational revenue stood at Rs. 11,007.2 million. Adjusted EBITDA increased to Rs. 1,813.4 million, with an adjusted EBITDA margin of 16.5%, and profit after tax stood at Rs. 878.42 million.

The integrated operating model, including spinning and dyeing, continued to support quality consistency, delivery reliability and supply chain control. This remains particularly important in infants and kids wear, where compliance and product safety standards are stringent. The Spinning Division and Processing Division continued to operate efficiently and supported overall margin performance during the year.

Young Brand Apparel Private Limited

Young Brand Apparel Private Limited remains strategically important for the Group and strengthens the Company's position in intimate wear exports with marquee global customers. For FY 25-26, Young Brand reported adjusted operational revenue of Rs. 3,212.6 million and adjusted EBITDA of Rs. 492.3 million.

The business was impacted during the year due to its higher exposure to US customers and tariff-related developments,

DIRECTORS' REPORT (CONTD.)

which temporarily disrupted order booking. The Company provided calibrated commercial support to maintain customer continuity. With the situation stabilizing and demand reviving, the subsidiary is expected to benefit from improving customer engagement.

Young Brand Global Private Limited

Young Brand Global Private Limited is a wholly owned subsidiary of Young Brand Apparel Private Limited and a step-down subsidiary of S.P. Apparels Limited. The company is engaged in the manufacturing and export of garments.

S.P. Retail Ventures Limited

FY 25-26 was a challenging year for the retail sector, with inflation and higher interest costs continuing to place pressure on industry performance. Despite these challenges, S.P. Retail Ventures Limited reported revenue of Rs. 715.4 million for FY 25-26 and demonstrated meaningful improvement in operating performance.

A key milestone during the year was that the Retail division reported positive EBITDA, reflecting better execution, cost discipline and control. Retail EBITDA losses reduced materially to Rs. 6.1 million in FY 25-26 as compared with Rs. 68.4 million in FY 24-25.

S.P. Apparels (UK) Limited

S.P. Apparels (UK) Limited reported meaningful improvement during FY 25-26 and turned EBITDA positive as scale and operating leverage improved. The business reported operational revenue of Rs. 870.4 million. EBITDA for FY 25-26 was positive at Rs. 11.0 million.

The UK business has also strengthened its commercial position. The Company continues to build its customer base, including two anchor customers, and is adding new customers to support revenue growth and margin improvement in the coming years.

S.P. Apparels International (Private) Limited

S.P. Apparels International (Private) Limited, the Sri Lankan subsidiary of the Company, is a key strategic initiative and an important part of the Group's next phase of growth. Sri Lanka strengthens the Company's manufacturing footprint, improves geographic diversification and reduces concentration risk.

The first factory operations in Sri Lanka commenced from April 2025, and the Company is progressing towards scaling the operations to four factories within 12 months. During FY26, the Sri Lanka operations achieved approximately Rs. 450 million of FOB export top line within the first year of operations.

OPERATIONS

The Company achieved a total revenue of Rs. 11202.10 Million as against Rs. 9890.06 Million in the previous year. The Company's Profit Before Tax is Rs. 1196.35 Million during the year, as compared to Rs. 1117.47 Million in the previous year, with an increase of 7.06% over the last year. The Company earned a Net Profit of Rs. 878.42 Million, as against a Net Profit of Rs. 835.32 Million in the previous year.

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

DIVIDEND

The Board of Directors of your Company is pleased to recommends a dividend of Rs.3/- per Equity Share having a face value of Rs.10/- each (30%) on the paid up Equity Share Capital of Rs.251.39 Million for the financial year ended on 31st March 2026 aggregating to Rs. 75.42 Million. The payment of dividend is subject to approval of the shareholders at the 21st Annual General Meeting ('AGM') of the Company.

In view of the provisions made under the Income Tax Act, 2025, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source at appropriate rates applicable to resident and non-resident shareholders as the case may be.

As per the requirements of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI notification no. SEBI/LAD/NRO/GN/2016-

17/008 dated 8th July 2016, the Company has formulated a Dividend Distribution Policy which has been duly approved by the Board of Directors. A copy of the Dividend Distribution Policy is available on the Company's website: https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/Dividend-Distribution-Policy.pdf

TRANSFER TO RESERVES & SURPLUS

The Company has not transferred any amount to the General Reserve during the year under review. During the year under review, the company has transferred Rs. 878.42 Million to Retained Earnings under the head Other Equity.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

As required under the provisions of Section 125 and other applicable provisions of Companies Act, 2013 (hereinafter "the Act"), dividend that remains unpaid/ unclaimed for a period of seven years, are to be transferred to the account administered by the Central Government viz: Investor Education and Protection Fund ("IEPF").

Accordingly, the company has transferred Rs. 4,546.50/- to the IEPF pertaining to the financial year 2017-18, that remained unpaid or unclaimed for seven consecutive years. However, no shares were required to be transferred to the IEPF during the year under review.

SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 47,25,00,000/- divided into 4,72,50,000 equity shares of Rs. 10/- each

During the financial year under review, the Company has allotted 46,283 Equity Shares of face value of Rs. 10/- each fully paid up, pursuant to the exercise of stock options by eligible employees under the SPAL Employee Stock Option Plan 2024, in accordance with Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The said equity shares rank pari passu in all respects with the existing equity shares of the Company.

Consequent to the aforesaid allotment, the Issued, Subscribed and Paid-Up Share Capital of the Company has been increased from Rs. 25,09,26,000/- to Rs. 25,13,88,830/- comprising of 2,51,388,83 equity shares of face value of Rs. 10/- each as on March 31, 2026.

WEBLINK OF ANNUAL RETURN

The Annual Return of the Company for the financial year 2025-26 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company at the link https://www.s-p-apparels.com/wp/shareholders-information/

CAPITAL EXPENDITURE

As on 31st March, 2026, the gross fixed assets and Intangible Assets block stood at Rs. 8916.26 Million and net fixed assets and Intangible Assets block at Rs. 4901.42 Million. Additions to Fixed Assets during the year amounted to Rs. 1003.96 Million.

BOARD AND COMMITTEE MEETINGS

The details of meetings of Board of Directors and Committees thereof and the attendance of the Directors in such meetings have been enumerated in the Corporate Governance Report.

STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards. Such systems are found to be adequate and are operating effectively. The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India in respect of the meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from those standards;

DIRECTORS' REPORT (CONTD.)

(b) the directors 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 at the end of the financial year and of the profit of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and operating effectively and

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

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Based on the confirmation / disclosures received from the Directors and on the evaluation of the Board, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 and also complied with the Code of Conduct for directors and senior management personnel formulated by the company.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board of Directors have evaluated the Independent Directors during the year 2025-26 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013

The Company pursuant to the provisions of Section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI Listing Regulations has formulated a policy on Nomination and Remuneration for its Directors, Key Managerial Personnel and senior management. The Nomination and Remuneration Policy of the Company can be accessed on the Company's website at the link https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/NOMINATION-AND-REMUNERATION-POLICY-10-02-2025.pdf

COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by ASA & Associates LLP, Statutory Auditors in their report.

Further, there are no qualifications, reservations or adverse remarks or disclaimers made by MDS & Associates LLP, Secretarial Auditors in their report

MAINTENANCE OF COST RECORDS UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

The maintenance of cost record as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is applicable to the Company and accordingly the cost accounts and records have been made and maintained. The Company is, however, not required to have its cost records audited under Rule 4 of the Companies (Cost Records and Audit) Rules, 2014, as it qualifies for the exemption prescribed thereunder

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has given loans, provided guarantees and made investments and complied with the provisions of section 186 of the Companies Act 2013 and as required therein the details of the loans given, guarantees provided and investments made are annexed by way of notes to accounts. However, the Company has not provided Securities in connection with a loan to any other Body Corporate or person during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) during the financial year 2025-26 were in the ordinary course of business and on an arm's length basis and not material in nature and thus a disclosure in Form AOC-2 is not required.

The Policy on Related Party Transactions as approved by the Board of Directors of the Company has been uploaded on the Company's website and may be accessed through the link at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2026/04/RPT-Policy-amended-dt.-11.02.2026.pdf

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Subsequent to the close of the financial year and up to the date of this Report, the Board of Directors, at its meeting held on 11th August 2026, approved the proposal for subdivision/stock split of the equity shares of the Company from one equity share of Rs.10/- each into 5 Equity Shares of Rs.2/- each, subject to the approval of the shareholders and such other statutory/regulatory approvals as may be required. The proposed sub-division will not result in any change in the total Authorised, Issued, Subscribed, and Paid-up Share Capital of the Company. Only the number of equity shares and their respective face values will stand altered.

Consequent to the aforesaid sub-division (stock split), the outstanding stock options under the SPAL Employee Stock Option Plan 2024 ("SPAL ESOP 2024") shall stand automatically adjusted on a proportionate basis, such that the aggregate paid-up value of the equity shares underlying the outstanding stock options remains unchanged.

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

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure-A and is attached to this report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Committee has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-to-day operations of the Company. The Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure is reviewed by the Audit Committee and Board of Directors on a Quarterly basis at the time of review of Quarterly Financial Results of the Company.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified in

Schedule VII of the Companies Act, 2013, which has been approved by the Board. For other details regarding the CSR Committee, refer to the Corporate Governance Report, which is a part of this report. The annual report on CSR activities is annexed in Annexure-B herewith. The CSR policy may be accessed on the Company's website http://www.s-papparels.com/assets/img/docs/CSR%20Policy.pdf.

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE, ITS COMMITTEE AND OF THE INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The performance of each independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee processes, committee dynamics, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of the Companies Act, 2013, Smt. Sundararajan Latha (DIN: 00003388) Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Accordingly, the necessary resolution seeking approval of the members for her appointment as a Director of the Company has been included in the Notice convening the Annual General Meeting of the Company.

The members of the Company by means of Postal Ballot dated 9th April 2025 approved the appointment of Mr. Ravishankar Balaraman as an Independent Director of the Company for the 1st term of consecutive 5 years with effect from 7th March 2025 and also approved the re-appointment(s) of Mr. Sundararajan Chenduran and Mrs. Sundararajan Shantha as Joint Managing Director(s) of the Company with effect from 11th August 2025.

The members of the Company at the Annual General Meeting held on 1st September 2025 approved the re-appointment of Mr. Sundararajan Perumal Mudaliar as Chairman and Managing Director of the Company for a further period of 3 years with effect from 21st November 2025 and continuation as Managing Director upon his attaining the age of 70 (seventy) years during his term of office, and further approved the re-appointment(s) of Mrs. Harihara Sharma Lakshmi Priya and Mr. Chathamur Raman Rajagopal as Non - Executive Independent Director(s) of the Company for the 2nd term of five consecutive years with effect from 2nd September 2025.

During the year under review, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Srinivas Chidambaram (DIN: 00514665) as an Additional Director in the capacity as an Independent Director of the Company with effect from 12th November 2025 and recommended to the members for appointment as Independent Director of the Company for the first term of consecutive Five (5) years with effect from 12th November 2025. Subsequently, the same was approved by the members by means of Postal Ballot dated 27th December 2025.

Mr. A.S. Anand Kumar, (DIN: 00058292), retired as Independent Director on 12th November 2025 consequent to completion of his second term of consecutive five years. The Board of Directors placed on record its sincere appreciation for the invaluable services rendered by him during his tenure.

The Nomination and Remuneration Committee, the Audit Committee and the Board of Directors at their respective meetings held on 11th February 2026 has recommended and approved the re-appointment of Smt. Sundararajan Latha (DIN: 00003388) as Executive Director of the Company for a further period of 3 years with effect from 16th August 2026 and the same was approved by the members subsequently by means of Postal Ballot dated 21st March 2026.

Key Managerial Personnel of the Company as required pursuant to Section 2 (51) and 203 of the Companies Act, 2013 are:

Mr.P.Sundararajan	- Chairman and Managing Director.
Mrs.S.Latha	- Executive Director
Mr.S.Chenduran	- Joint Managing Director
Mrs.S.Shantha	- Joint Managing Director
Mr.V.Balaji	- Chief Financial Officer and
Mrs.K.Vinodhini	- Company Secretary.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES.

The Company has Six subsidiaries viz. Crocodile Products Private Limited, S.P.Apparels (UK) Private Limited, S.P Retail Ventures Limited, Young Brand Apparel Private Limited, Young Brand Global Private Limited and S.P Apparels International Private Limited.

The consolidated financial statements of the company and its subsidiaries were prepared in accordance with the applicable accounting standards & have been annexed to the Annual Report.

The annual accounts of the subsidiary companies are posted on the website of the Company viz. https://www.s-p-apparels.com/wp/shareholders-information/ and will also be kept open for inspection by any shareholder at the Registered Office of the Company.

A report containing the salient features of the subsidiaries as required under Section 129(3) of the Companies Act, 2013 has been annexed herewith in Form AOC – 1 and is attached as Annexure-C to this report.

Young Brand Apparel Private Limited and Young Brand Global Private Limited are the Material Subsidiaries of the Company based on the financials for the year ended 31st March 2025. The Company has formulated a Policy for determining Material Subsidiaries. The Policy may be accessed at: http://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/ 2025/05/Policy-for-Determining-Material-Subsidiaries-amended-dt10.02.2025.pdf.

The Company does not have Joint Venture, Urban Stich (Private) Limited is the associate company of the company.

CONSOLIDATED FINANCIAL STATEMENTS

Directors have attached the Consolidated Financial Statements in the Annual Report pursuant to the provisions of the Companies Act, 2013. They are prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard. The Consolidated Financials also shows a significant increase in revenue.

FIXED DEPOSITS

Since the Company has not accepted any fixed deposit covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March, 2026 and accordingly, the question of default in repayment of deposits or payment of interest thereon during the year does not arise.

FINANCE

Prompt repayments, facilitated by healthy cash flows, elevated the standing of your Company. It enabled prudent application of funds and better negotiation strength. This trend is expected to continue.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

No significant and material order was passed by any Regulators that have any impact on the going concern status and the operations of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee of the Board periodically reviews the Internal Financial Control Systems and their adequacy and recommends corrective action as and when necessary to ensure that an effective internal control mechanism is in place.

DIRECTORS' REPORT (CONTD.)

The directors confirm that the Internal Financial Control (IFC) is adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Control is annexed with the Auditors Report.

AUDITORS

a) STATUTORY AUDITORS

ASA & Associates LLP, Chartered Accountants, Chennai were appointed as the Statutory Auditors of the Company for a period of five years at the Annual General Meeting of the Company held on 19th September 2022 from the conclusion of the 17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting to be held in the year 2027.

The Company has received a certificate from the Statutory Auditors to the effect that they are eligible to continue and hold the office as the Statutory Auditors of the Company.

b) SECRETARIAL AUDITORS

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Sections 179 & 204 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, MDS & Associates LLP (LLPIN: ABZ - 8060), Company Secretaries, Coimbatore were appointed as Secretarial Auditors of the Company for a first term of 5 (five) consecutive financial years commencing from the financial year 2025-26 by the Shareholders at the 20th Annual General Meeting of the Company held on 1st September 2025.

The reports of the Secretarial Auditors comprising of the Company and its Material Subsidiaries for the financial year 2025-26 are annexed as Annexure-D to this Report.

c) INTERNAL AUDITOR

The Board has appointed BM & Associates, Chartered Accountants, Coimbatore as Internal Auditors for the financial year 2026-27 pursuant to the provisions of Section 138 of the Companies Act, 2013.

EMPLOYEE WELFARE

The Employee Welfare Initiatives and practices followed by the Company is among the best in the Corporate sector. The strength of company's employees is close to 13534.

EMPLOYEE STOCK OPTION SCHEME

The Company has implemented the SPAL Employee Stock Option Plan 2024 (SPAL ESOP 2024). The Nomination and Remuneration Committee administers and monitors the SPAL ESOP 2024 of the Company. The disclosure pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is given in Annexure-E to this report.

A certificate from Secretarial Auditors, with respect to implementation of the above mentioned SPAL ESOP 2024 in accordance with SEBI Regulations and the resolution passed by the Members of the Company, will be available electronically for inspection by the Members during the ensuing AGM and a copy of the same shall be available for inspection at the Registered Office of the Company during normal business hours on any working day.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to define the policy and redress complaints received. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There were no complaints received from any employee or third parties during the Financial Year.

1. Number of complaints received – Nil
2. Number of complaints disposed off – NA
3. Number of complaints pending for more than 90 days - NA

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company upto the date of ensuing Annual General Meeting. If any member is Interested in Inspecting the same, such member may write to the Company Secretary in advance.

The ratio of remuneration of each director to the median remuneration of the employees of the Company and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are part of this report as Annexure- F.

MANAGEMENT DISCUSSION & ANALYSIS

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Management Discussion and Analysis Report outlining the business of your Company forms part of this Annual Report.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance as stipulated in Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (as amended).

AUDIT COMMITTEE

The Audit Committee of the Board of Directors has been duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013. The details relating to the composition, meetings and functions of the Committee are set out in the Corporate Governance Report forming part of this Annual Report. The Board has accepted the Audit Committee recommendations during the year whenever required and hence no disclosure is required under Section 177(8) of the Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by the Board.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has provided for adequate safeguards to deal with instances of fraud and mismanagement and to report concerns about unethical behaviour or any violation of the Company's Code of Conduct. During the year under review, there were no complaints received under this mechanism. The policy can be accessed on the Company's website at http://www.s-p-apparels.com/assets/img/docs/Vigil-Mechanism-PolicyRevised.pdf

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications has been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.

DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961

During the year under review, the Company ensured compliance with the relevant provisions of the Maternity Benefit Act, 1961, to the extent applicable.

INDUSTRIAL RELATIONS

The relationship between the management and the employees at all levels during the year under review has been cordial and productive.

CAUTIONARY NOTE

Certain statements in "management discussions and analysis" section may be forward looking and are stated as required by law and regulations. Many factors, both external and internal, may affect the actual results which could be different from what the directors envisage in terms of performance and outlook.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation, for the contribution made by all the employees at all levels but for whose hard work and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, suppliers and bankers for their continued support and faith reposed in the Company.

For and on behalf of the Board of Directors

	P. Sundararajan	**S. Latha**
Place : Avinashi	Chairman and Managing Director	Executive Director
Date : 11.08.2026	DIN : 00003380	DIN : 00003388

ANNEXURE – A

PARTICULARS OF ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Particulars pursuant to the Rule 8(3) Companies (Accounts) Rules, 2014)

A. Conservation of Energy

I. Steps taken for conservation of energy:

- Installation of lighting transformer -Installed 30 KVA lighting transformer and conserved 1800 KWH/Year
- Installation of zero air loss drain valve in compressor room-Installed 9 numbers of water level based zero air loss drain valve and conserved 27200 KWH/year
- Installation of air gun with trans vector nozzles-Installed 30 no's of air gun with trans vector nozzles and conserved 3800 KWH/year
- Thermal insulation improvement-all the piston valves in thermic fluid heater headers,lines,machines inlet /outlet has covered with insulation to reduce heat loss which saves 46 tons of coal per year
- Arranged the system to reuse the RO Plant (capacity 2x500lph) rejected water nearly 2.8 Million liters per year from wastage to toilet plumbing use.
- We reused rainwater collected from factory building roof in Rainwater sump for our Humidification plants. Nearly 50 Million liters per annum.

II. The steps taken by the Company for utilizing alternative source of energy:

- To be a part of reduction of carbon emission, the company has been sourced the electrical energy from windmills & solar which is a Non Conventional Energy Source.
- 86% of the company's power consumption during the FY 2025-26 was achieved through renewable power. 39.33 MU was consumed from renewable power whereas the total power consumption of the group during the FY 2025-26 was 45.55 MU.

III. Capital investment on energy conservation equipment:

- The Company has made a significant investment in the energy saving equipment's of Rs. 14.52 million.

Total Energy consumption and energy consumption per unit of production:

Particulars	**2025-26**	**2024-25**
1. Electricity		
a) Purchased		
EB units (Kwh)	5746683	8924347
Wind mill units (Kwh)	37228277	38743069
Thermal units (Kwh)	1107494	-
TPP units (Kwh)	-	-
Total units (Kwh)	44082454	47667416
Total amount (Rs.)	389024558	413509093
Cost / unit (Rs. / Kwh)	8.82	8.67
b) Own generation		
Through Solar Roof top		
Units (Kwh)	991356	1457510
Total amount (Rs.)	4584432	10144201
Cost / unit (Rs. / Kwh)	4.62	6.96
Through Diesel Generator		
Units (Kwh)	**482599**	**417722**
Total amount (Rs.)	14876941	12648696
Cost / unit (Rs. / Kwh)	30.83	30.28
Net Electricity consumed in units	45556409	49542648
Net Electricity cost (Rs.)	408485931	436301990
Weighted Avg. Cost/ unit (Rs.)	8.97	8.81
2. Fuel		
a) Coal		
Quantity (Ton)	9413	10220
Total amount (Rs.)	68002021	74778896
Cost / unit (Rs. / Ton)	7224	7317
b) Fire wood		
Quantity (Ton)	9868	8112
Total amount (Rs.)	56490231	44640226
Cost / unit (Rs. / Ton)	5725	5503
c) Compact Fuel Block		
Quantity (Ton)	32	3
Total amount (Rs.)	202713	15600
Cost / unit (Rs. / Ton)	6407	5200
d) Diesel (Boiler alone)		
Quantity (Ltr)	231216	227773

Particulars	2025-26	2024-25
Total amount (Rs.)	21652292	21176805
Cost / unit (Rs. / Ltr)	93.65	92.97
d) LPG (Boiler alone)		
Quantity (Kg)	41599	37169
Total amount (Rs.)	3658668	3439212
Cost / unit (Rs. / Kg)	87.95	92.53
Net Steam Fuel cost (Rs.)	150005926	144050739
Consolidated Power & Fuel cost (In millions)	558.50	580.40

B. TECHNOLOGY ABSORPTION

Specific areas in which R&D carried out by the Company:

The solar roof top power plant installation work is under progress in the Sewing Factory – Kovilpatty unit with the capacity of 200 KW DC under Phase I. It will be expected to commission on or before Q2 of this fiscal.

The benefits derived:

42% of electricity consumption of the Sewing Factory – Kovilpatty unit will be offset through this 200 KW (DC) solar plant.

Future plan of action:

Company has proposed to be commissioning the solar roof top power plant under Phase II in below factories on or before Q4 of this fiscal.

S.No.	Division	Solar roof top capacity (DC)
1	Head Office, Avinashi	566 KW
2	Sewing Factory – Unit III	946 KW
3	Sewing Factory – Patlur unit	162 KW
4	Sewing Factory – Annur unit	155 KW

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In Millions)

Particulars	2025-26	2024-25
Foreign Exchange earned	9688.99	8474.65
Foreign Exchange used	369.18	337.22

For and on behalf of the Board of Directors

P. Sundararajan
Chairman and Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

Place : Avinashi
Date : 11.08.2026

Annexure-B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline on CSR Policy of the Company.**

   CSR is a sense of responsibility towards the community and environment in which we operate. It can be expressed through contribution / participation in educational and social programs, pollution control, Green Movement etc., Considering the vital role played by education in producing good citizens, who can nurture strong and healthy nation, we primarily concentrate on promotion of education besides other social objectives. The CSR activities under the Policy are those covered under the ambit of Schedule VII of the Companies Act 2013. CSR projects are subject to audit.

2. **Composition of CSR Committee:**

Sl. No.	Name of the Directors	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr.P.Sundararajan	Chairman and Managing Director	2	2
2.	Mrs.S.Latha	Executive Director	2	2
3.	Mr. C.R. Rajagopal	Independent Director	2	2

3. **The Weblink where composition of CSR committee, CSR projects approved by the Board are disclosed on the website of the Company:**

   The web-link where the Composition of the CSR Committee is disclosed on the website of the Company is https://www.s-p-apparels.com/leadership.html

   The web-link where the CSR policy is disclosed on the website of the Company is
   https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/CSR-Policy.pdf

   The web-link where the CSR projects approved by the board are disclosed on the website of the Company is https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/CSR-Policy.pdf

4. **Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

   The Company has not carried out an Impact assessment of CSR projects in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as the same does not apply to the Company .

5. (a) Average net profit of the company as per section 135(5): Rs. 1264.87 Million.

   (b) Two Percent of average net profit of the Company as per section 135(5):Rs.25.30 Million.

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil

   (d) Amount required to be set-off for the financial year, if any – Rs.0.07 Million.

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)] – Rs. 25.23 Million.

6. (a) Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project) – Rs.25.23 Million (Other than

Ongoing Project)

(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 2025-26 – Rs. 25.23 Million [(a)+(b)+(c)].

(e) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year, (Rs. in million)	Total Amount transferred to unspent CSR Account as per Section 135 (6).		Amount transferred to any fund specified under Schedule VII as per second provisio to Section 135 (5).		
	Amount.	Date of transfer	Name of the fund	Amount	Date of transfer
25.23	-	-	-	-	-

f) Excess amount for set off:

Sl.No	**Particulars**	**Rs. in Million**
i)	Two percent of average net profit of the company as per Section 135 (5)	25.30
ii)	Total amount spent for the Financial Year	25.23
iii)	Excess amount spent for the financial year [(ii-i)]	-0.07
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.10
v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	0.03

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: Nil

SI.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per Second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Amount	Date of Transfer	
1	FY 1	NIL					
2	FY 2						
3	FY 3						
	Total						

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

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

Place : Avinashi
Date : 11.08.2026

P. Sundararajan
Chairman of CSR Committee
DIN : 00003380

S. Latha
Member of CSR Committee
DIN : 00003388

ANNEXURE - C

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details					
1	Name of the subsidiary	S.P.Retail Ventures Limited	Crocodile Products Private Limited	S.P. Apparels (UK) (P) Limited	Young Brand Apparel P Ltd	Young Brand Global P Ltd	S.P Apparel International Private Ltd
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	GBP 1 GBP = Rs. 125.64	Not Applicable	Not Applicable	LKR 1 LKR = Rs. 0.29
4	Share capital	73,000,000	38,000,000	1,57,46,800	65,16,06,060	1,00,000	4,48,57,487
5	Reserves & surplus	9,99,88,844	(-)10,22,96,982	(-)7,16,40,306.43	87,13,13,035.60	15,27,05,673.20	(-)7,79,08,441
6	Total assets	106,30,00,416	5,54,75,701	75,08,29,024	2,04,96,04,177	54,84,65,815	61,15,59,596
7	Total Liabilities	89,00,11,572	11,97,72,680	80,45,22,531	52,66,85,085	39,56,60,142	64,45,91,109
8	Investments	NIL	NIL	NIL	35,20,53,571	NIL	NIL
9	Turnover	71,53,94,917	2,58,47,680	87,04,24,682	3,03,75,79,915	2,71,44,98,597	3,88,20,984
10	Profit before taxation	(-)8,24,32,532	(-)22,37,080	(-)4,03,50,000	27,34,89,999	14,17,36,644	(-)7,65,91,943
11	Provision for taxation	(-)2,45,10,396	13,87,338	-	6,97,46,189	3,59,47,033	-
12	Profit after taxation	(-)5,79,22,137	(-)36,24,418	(-)4,03,50,000	20,37,43,810	10,57,89,611	(-)7,65,91,943
13	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
14	% of shareholding	100%	70%	100%	100%	100%	100%

Notes:

1. Names of subsidiaries which are yet to commence operations - Nil
2. Names of subsidiaries which have been liquidated or sold during the year - Nil

Part “B”: Associates and Joint Ventures

(Information in respect of each Associate presented with amounts in Rs.)

Sl. No.	Particulars	Details
1	Name of the Associate Company	Urban Stitch Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Associates	LKR 1 LKR = Rs. 0.29
4	Share capital	29,042
5	Reserves & surplus	-23,65,61,429
6	Total assets	80,11,03,098
7	Total Liabilities	1,03,76,35,486
8	Investments	Nil
9	Turnover	53,91,04,253
10	Profit before taxation	-22,13,48,984
11	Provision for taxation	6,24,32,680
12	Profit after taxation	-15,89,16,305
13	Proposed Dividend	Nil
14	% of shareholding	40%

For and on behalf of the Board of Directors

P. Sundararajan
Chairman and Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

Place : Avinashi
Date : 11.08.2026

ANNEXURE - D

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 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of
M/s. S.P. Apparels Limited
(L18101TZ2005PLC012295)
39-A, Extension Street,
Kaikattipudur,
Avinashi – 641 654.

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2026 according to the provisions of:

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

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

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

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

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

   d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

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

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

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

a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);

b) Listing Agreement entered into by the Company with the BSE Limited and National Stock Exchange of India Limited;

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

We further report that, during the year under review, there were no actions/ events in pursuant of the following Rules/ Regulations requiring compliance thereof by the Company:

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

b. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

d. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021.

We further report that based on the information provided by the Company, its officers and authorized representatives, there are no other laws specifically applicable to the Company.

We further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

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

We further report that

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

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

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

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

We further report that during the period under review, the company has obtained necessary approval from members by means of Postal Ballot dated 21st March 2026 for advancing loan or giving guarantee or providing security in connection with loan availed by any person specified under Section 185 of the Companies Act, 2013.

We further report that during the period under review, the Nomination and Remuneration Committee at its meeting held on 2nd March 2026 approved the allotment of 46,283 Equity Shares of Rs.10/- each at Rs. 250/- per share, in accordance with the terms of SPAL Employee Stock Option Plan 2024 (‘ESOP Plan’) to the employees of the Company and its subsidiary.

Other than the above, there were no instances of:

- Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.
- Redemption / buy-back of securities
- Major decision taken by the members pursuant to Section 180 of the Companies Act, 2013.
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations.

For MDS & Associates LLP
Company Secretaries

M.D.SELVARAJ
Managing Partner
Membership No.: FCS 960 C P No.: 411
Peer Review No. 6468/2025
UDIN: F000960H000422689

Place : Coimbatore
Date : 20.05.2026

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

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To

The Members of
M/s. S.P. Apparels Limited
(L18101TZ2005PLC012295)
39-A, Extension Street, Kaikattipudur,
Avinashi – 641 654.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MDS & Associates LLP
Company Secretaries

M.D.SELVARAJ
Managing Partner
Membership No.: FCS 960 C P No.: 411
Peer Review No. 6468/2025
UDIN: F000960H000422689

Place : Coimbatore
Date : 20.05.2026

FORM NO. MR-3

SECRETARIAL AUDIT REPORT OF YOUNG BRAND APPAREL PRIVATE LIMITED 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
YOUNG BRAND APPAREL PRIVATE LIMITED
(CIN: U18101TN2006PTC081600)
Kattuputhur Village, Ozhaiyur Post,
Uthiramerur Taluk, Kanchipuram
Tamil Nadu, India - 603107

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by YOUNG BRAND APPAREL PRIVATE LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2026 according to the 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. Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Standards etc., mentioned above.

We further report that, during the year under review, there were no actions/ events in pursuance of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

We further report that, the Company being an unlisted company, the following Acts/ Rules/ Regulations are not applicable to the Company during the year under review:

a. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

b. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

    i. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except Regulation 24A

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

    iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

    iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client

    v. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

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

vii. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

ix. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 and

x. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021

We further report that based on the information provided by the Company, its officers and authorized representatives, there are no laws specifically applicable to the Company.

We further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

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

We further report that

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

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

All decisions at Board meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

Other than the above, there were no instances of

- Public / Rights / Preferential issue of shares / debentures / sweat equity.
- Redemption / buy-back of securities.
- Major decision taken by the members pursuant to Section 180 of the Companies Act, 2013
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations

For MDS & Associates LLP
Company Secretaries

John Manoj A
Designated Partner
Membership No.: FCS 12945 C P No.: 21143
Peer Review No. 6468/2025
UDIN: F012945H000285987

Place : Coimbatore
Date : 05.05.2026

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

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To

The Members
YOUNG BRAND APPAREL PRIVATE LIMITED
(CIN: U18101TN2006PTC081600)
Kattuputhur Village, Ozhaiyur Post,
Uthiramerur Taluk, Kanchipuram
Tamil Nadu, India - 603107
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For MDS & Associates LLP
Company Secretaries

John Manoj A
Designated Partner
Membership No.: FCS 12945 C P No.: 21143
Peer Review No. 6468/2025
UDIN: F012945H000285987

Place : Coimbatore
Date : 05.05.2026

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 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,
YOUNG BRAND GLOBAL PRIVATE LIMITED
(CIN: U46411TN2023PTC159918)
Kattuputhur Village, Ozhaiyur Post, Uthiramerur Taluk,
Kanchipuram– 603 107, Tamil Nadu.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **YOUNG BRAND GLOBAL PRIVATE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2026 according to the 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. Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Standards etc., as mentioned above.

We further report that, during the year under review, there were no actions/ events in pursuance of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

We further report that, the Company being an unlisted company, the following Acts/ Rules/ Regulations are not applicable to the Company during the year under review:

a. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

b. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  i. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except Regulation 24A

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

  iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

  iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client

  v. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

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

vii. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

ix. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 and

x. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021

We further report that based on the information provided by the Company, its officers and authorized representatives, there are no other laws specifically applicable to the Company.

We further report that compliance with respect to the labour and environmental laws were not applicable to the Company.

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

We further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

We further report that during the audit period, the Company has obtained necessary approval of the members at the Extra-Ordinary General Meeting held on 1st April 2025 authorizing the Board of Directors of the Company to borrow moneys in excess of paid-up capital, free reserves and securities premium, in accordance with the provisions of Section 180(1)(c) of the Companies Act, 2013.

Other than the above, there were no instances of

- Public / Rights / Preferential issue of shares / debentures / sweat equity.
- Redemption / buy-back of securities.
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations

For MDS & Associates LLP
Company Secretaries

John Manoj A
Designated Partner
Membership No.: FCS 12945 C P No.: 21143
Peer Review No. 6468/2025
UDIN: F012945H000285998

Place : Coimbatore
Date : 05.05.2026

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

‘Annexure A’

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To

The Members
YOUNG BRAND APPAREL PRIVATE LIMITED
(CIN: U18101TN2006PTC081600)
Kattuputhur Village, Ozhaiyur Post,
Uthiramerur Taluk, Kanchipuram
Tamil Nadu, India - 603107
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For MDS & Associates LLP
Company Secretaries

John Manoj A
Designated Partner
Membership No.: FCS 12945 C P No.: 21143
Peer Review No. 6468/2025
UDIN: F012945H000285998

Place : Coimbatore
Date : 05.05.2026

Annexure-E

DISCLOSURES IN COMPLIANCE WITH REGUALTION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

1. Disclosure in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI:

   Disclosed in the notes to the financial statements which forms part of this Annual Report.

2. **Material Changes in the Scheme:**

   No material change has been carried out during the financial year under review.

3. **Diluted EPS on issue of shares pursuant to ESOP:** 34.89

4. **Details related to Employee Stock Option Scheme (ESOS)**

i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including

S. No	Particulars	Details
a.	Date of Shareholders' approval	26-09-2024
b.	Total number of options approved under ESOS	2,50,000 Equity Options
c.	Vesting requirements	The options granted shall have a vesting period of not more than 5 years from the date of grant and all options granted shall vest as per the vesting schedule specified in the Grant Letter. The vesting of options shall be subject to the fulfilment of the terms and conditions mentioned in the Grant Letter
d.	Exercise price or pricing formula	The Exercise Price of the Vested Options is Rs. 250/- in accordance with the Notified Scheme(s) under the SPAL ESOP 2024.
e.	Maximum term of options granted	The options shall vest not less than one year and not more than 5 years from the date of grant of Options or such other period as may be decided by the Nomination and Remuneration Committee.
f.	Source of shares	Primary
g.	Variation in terms of options	No variation

ii. **Method used to account for ESOS: Fair Value Method**

The fair value of each option granted is estimated based on the Black-Scholes-Merton formula.

iii. **Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.**

Not applicable as the Company has adopted fair value method of accounting for options issued under ESOS.

iv. Option movement during the year:

Particulars	Details
Number of options outstanding at the beginning of the period	1,94,080
Number of options granted during the year	Nil
Number of options forfeited / lapsed during the year	7,324
Number of options vested during the year	46,689
Number of options exercised during the year	46,283
Number of shares arising as a result of exercise of options	46,283
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Rs. 1,15,70,750
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	1,40,473
Number of options exercisable at the end of the year	406

v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Exercise price for the Options issued during the year under review: Rs. 250/- per option granted.

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-

a. Senior Managerial Personnel – as mentioned in the below table.

S. No	Name of the Employee	Options granted during the year
1.	P. V. Jeeva	Nil
2.	V. Balaji	Nil

b. any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year – as mentioned in the below table.

S.No	Name of the Employee	Options granted during the year
1.	Not Applicable	Nil

C. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil.

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model; - Black – Scholes Model

b. the method used and the assumptions made to incorporate the effects of expected early exercise - None

c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility - we have used 5 years daily closing share prices of S. P. Apparels to arrive at the volatility (standard deviation of the natural logarithm of returns over the period).

d. whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition- none.

5. Details related to Trust:

SPAL Employee Stock Option Plan 2024 (SPAL ESOP 2024) is directly administered by the Company and hence the disclosure of the details of the Trust is not applicable.

For and on behalf of the Board of Directors

	P. Sundararajan	**S. Latha**
Place : Avinashi	Chairman and Managing Director	Executive Director
Date : 11.08.2026	DIN : 00003380	DIN : 00003388

ANNEXURE - F

Particulars of Employees

(Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration paid to Executive Directors

Name of the Directors	Designation	% increase / (decrease) over previous year	Ratio of Remuneration to MRE
Mr.P.Sundararajan	Chairman and Managing Director	(-) 4.17%	166.56
Mrs.S.Latha	Executive Director	(-) 5.21%	131.80
Mr.S.Chenduran	Joint Managing Director	(-) 6.67%	101.38
Mrs.S.Shantha	Joint Managing Director	0.00%	8.69

2. Remuneration paid to Non-Executive Directors

The Independent Directors of the Company are entitled for sitting fee only and its details are provided in the Corporate Governance Report.

3. Remuneration of other Key Managerial Personnel (KMP)

Name of the KMP	Title	% increase over previous year
Mrs.P.V.Jeeva	Chief Executive Officer – Garment Division	5.13%
Mr.V.Balaji	Chief Financial Officer	(-)0.28%
Mrs.K.Vinodhini	Company Secretary	11.09 %

4. Percentage increase in the median remuneration of employees in the financial year : 18.29%

5. Number of Permanent employees on the roll of the Company at the end of the year: 13,534

6. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Particulars	31/03/2026
Average increase in remuneration of employees excluding KMP	2.63%
Average increase in remuneration of KMP	4.30%

7. Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

b) Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Names of the Top ten employees in terms of remuneration drawn and the name of every employee employed who was in receipt of remuneration not less than rupees one crore and two lakhs per annum or rupees eight lakhs fifty thousand per month

S. NO	NAME	DATE OF JOINING	DESIGNATION ON 31.03.2026	QUALIFICATION AND EXPERIENCE	AGE	%OF SHARE HOLDING	REMUNERATION FOR THE PERIOD 2025-26 (Rs.in millions)	LAST EMPLOYED
1	SUNDARARAJAN.P	18-11-05	MANAGING DIRECTOR	B.Sc & 40 + years	70	49.88	23.00	Nil
2	LATHA.S	18-11-05	EXECUTIVE DIRECTOR	Higher Secondary & 35 + years	62	11.78	18.20	Nil
3	CHENDHURAN.S	30-03-15	JOINT MANAGING DIRECTOR	Msc & 10 + years	37	0.11	14.00	Nil
4	JEEVA.P.V	01-07-86	CHIEF EXECUTIVE OFFICER	D.T.P & 30 + years	59	0.005	7.19	Nil
5	BALAJI.V	06-05-11	CHIEF FINANCIAL OFFICER	B.Com., FCA & 30 + years	56	0	3.65	Nil
6	SHANMUGASUNDARAM. S	12-11-03	GM - OPERATION	B.Tech; M.B.A. & 20 + years	51	0	3.19	VOLTAS LTD
7	PONNUSAMY.T.R	23-09-96	GM - MARKETING & MERCHANDISING	B.Com. & 20 + years	52	0.001	3.15	SUNRISE KNITTING MILLS
8	NARAYANAN C.	11-07-18	GM - SPINNING	D.T.T & 20 + Years	61	0	3.02	RSWM LTD, HOSUR
9	KALEESBABU	10-06-96	GM - SYSTEMS	M.C.A & 25+ YEARS	54	0	3.32	GARAN MANUFACTURING CORP.
10	MANOHARAN RAJAN	18-03-22	GM - OPERATION - 2	B.A. & 20 + years	55	0	2.97	Nil

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March 2026, in terms of Regulation 34(3) read with Para C Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") as shown below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board is committed to maintain a high standard of corporate governance practices within the Group and devotes considerable effort to identify and formalize best practices. We believe that sound and effective corporate practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and stakeholders and enhance shareholder value.

At SPAL, we are committed to practice the highest level of corporate governance across all our business functions. It is about commitment to values and ethical business conduct. Systems, policies and frameworks are regularly upgraded to meet the challenges of rapid growth in a dynamic external business environment.

2. BOARD OF DIRECTORS –

a. Composition, Category and Attendance of Directors:

The Company's Board of Directors as on 31st March 2026 comprised of Eight Directors. It has an appropriate combination of Executive and Non-Executive Directors ("NEDs"), to ensure independent functioning. The Board presently comprises of eight Directors including one (1) Chairman and Managing Director, two (2) Joint Managing Directors & one (1) Whole-time Director and all others are Independent Directors including a Woman Director. The Board's actions and decisions are aligned with the Company's best interests.

The Board has met Six times during the financial year on 27.05.2025, 06.08.2025, 14.08.2025, 12.11.2025, 14.11.2025 and 11.02.2026. The details of attendance of each Director at Board Meetings, last Annual General Meeting ("AGM") and their Directorship in other Indian Companies and membership in the Committees thereof are given below:

Name of the Director	Category	Attendance Particulars		Number of Directorships held in other Companies #	Committee of other Board's in which he/she is a Chairman/Member $	
		Board Meeting	Last AGM		Chairman	Member
Mr.P.Sundararajan @ DIN: 00003380	Chairman & Managing Director. Promoter	6	Yes	4	-	-
Mrs.S.Latha + DIN: 00003388	Executive Director. Promoter	6	Yes	4	-	-
Mr.S.Chenduran / DIN: 03173269	Joint Managing Director-Promoter	6	Yes	5	-	-
Mrs.S.Shantha/ DIN: 00088941	Joint Managing Director-Promoter	6	Yes	1	-	-
Mr.A.S.Anand Kumar % DIN: 00058292	Non-Executive Independent Director	3	Yes	-	-	-
Mr.C.R.Rajagopal DIN: 08853688	Non-Executive Independent Director	5	Yes	6	2	2
Mrs.H.Lakshmi Priya* DIN: 08858643	Non-Executive Independent Director	5	Yes	-	-	-
Mr. B Ravishankar & DIN: 07148483	Non-Executive Independent Director	5	Yes	-	-	-
Mr. Srinivas Chidambaram ^ DIN: 00514665	Non-Executive Independent Director	2	NA	-	-	-

Excludes directorships in Private Companies, Foreign Companies, Section 8 Companies & Govt. Companies

$ Only Audit Committee and Stakeholders Relationship Committee are considered as per Regulation 26 of Listing Regulation.

@ Mr. P.Sundararajan was re-appointed as the Chairman and Managing Director of the Company for further period of 3 years with effect from 21st November 2025

% Mr. A.S.Anand Kumar retired as an Independent Director of the Company with effect from closing hours of 12th November 2025 upon completion of his second term of office as Independent Director.

^ Mr.Srinivas Chidambaram was appointed as Independent Director for one Term of 5 Consecutive years with effect from 12th November 2025.

+ Mrs.S.Latha was re-appointed as the Whole-Time Director of the Company for further period of 3 years with effect from 16th August 2026

*Mrs.H.Lakshmi Priya and Mr. C.R.Rajagopal were re-appointed as Independent Director for the second Term of 5 Consecutive years with effect from 2nd September 2025.

/ Mr.S.Chenduran and Mrs.S.Shantha were re-appointed as the Joint Managing Director of the Company for further period of 3 years with effect from 11th August 2025

& Mr. B Ravishankar was appointed as Independent Director for one Term of 5 Consecutive years with effect from 7th March 2025 by the members of the Company by means of Postal Ballot dated 9th April 2025.

None of the Directors holds directorship in more than 20 Companies (including limit of maximum directorships in 10 public companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors hold directorships in more than the maximum number of Directorships prescribed under Regulation 17A of the Listing Regulation.

As per the disclosures received from the directors, none of the directors serve as member of more than 10 committees nor they serve as the Chairman / Chairperson of more than 5 committees, as per the requirements of Listing Regulation.

Disclosure of Directorships in other Listed Entities:

Non-Executive-Independent Director	Details of the other listed entities where the Directors hold Directorship	
	Name of the listed entity	Designation
Mr.C.R.Rajagopal (DIN :08853688)	1. GHCL Textiles Limited	Non-Executive-Independent Director
	2.Kalyan Jewellers India Limited	

b. Directors Inter-Se relationship:

Mr.P.Sundararajan, Chairman and Managing Director is the spouse of Mrs.S.Latha, Executive Director and father of Mr.S.Chenduran & Mrs.S.Shantha, Joint Managing Directors of the Company. None of the other directors are related to any other director on the Board.

c. Number of Shares and Convertible Instruments held by Non- Executive Directors:

None of the Non-Executive Directors holds any Equity Shares as on 31st March 2026. Further, the Company has not issued any type of Convertible instruments to Non-Executive Directors.

d. Familiarisation Programmes imparted to Independent Directors:

All independent directors inducted into the board shall attend an orientation program. The details of the familiarization programmes have been hosted on the website of the Company and can be viewed athttps://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2026/04/Familiarisation-Training-Orientation-Programmes-2026-1.pdf . Further at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

e. Key Board qualifications, expertise and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The Board Members are regularly updated on changes in Corporate and Allied Laws, Taxation Laws & matters thereto. In the quarterly Board Meetings, the Managing Director and Senior Management have conducted a session for the Board Members sharing updates about the Company's business strategy, operations and the key trends in the textile industry. These updates help the Board Members to keep themselves abreast with the key changes and their impact on the Company.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's Business Vertical(s) and those already available with the Board are as follows:

CORE SKILL/EXPERTISE/ COMPETENCIES	DESCRIPTION
Leadership	Leadership / Directorship experience resulting in effective participation in or spearheading various initiatives taken up by the Company. Ability to envision, develop talent, long-term planning and to champion & drive necessary changes.
Board service, Legal and Governance	Has experience in managing Board Services and Governance resulting in better understanding of the governance process undertaken by the organisation and helps to protect the Stakeholders' interest at large. Has experience in Legal processes and is adept at interpreting laws / regulations applicable to the Company to enhance the Governance and protect its interest.
Business Strategy	The Directors possesses required skills and specialist knowledge to assist the management in the key areas. All the directors have the ability to understand the financial statements
Technology and Innovation	Ability to develop long term plans to sustain and support the Business, anticipating future business models / changes in an innovative way. Experience in understanding technology, its purpose and its suitability for the Company.
Financial	Experience in supervising the principal financial officer or person having similar nature of function. Having the ability to read and understand the Financial Statements. Management of financial function of the organisation resulting in proficiency in financial management / reporting / processes.
Sales and Marketing	Experience in driving / heading sales and marketing, resulting in better management of sales, increase of organisation reputation and building of brand reputation.
Human Resources	Experience in people management including but not limited to talent management, dispute resolution, inter-personnel relations, liaison with external stakeholders.
Industry Knowledge	The Directors have necessary experience and knowledge in the textile industry which enables them to guide the management

CORPORATE GOVERNANCE REPORT (CONTD.)

The specific areas of focus or expertise of individual Board members have been highlighted in the below chart.

Name of the Directors/ Skills	Leadership	Board Service Legal and Governance	Business Strategy	Technology & Innovation	Financial	Sales and Marketing	Human Resources	Industry knowledge
Mr.P.Sundararajan	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.S.Latha	✓	✓	✓	✓	✓	✓	✓	✓
Mr.S.Chenduran	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.S.Shantha	✓	✓	✓	✓	✓	✓	✓	✓
Mr.A.S.Anand Kumar (Retired on 12.11.2025)	✓	✓	✓	✓	✓	✓	✓	✓
Mr.C.R.Rajagopal	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.H.Lakshmi Priya	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Srinivas Chidambaram (Appointed on 12.11.2025)	✓	✓	✓	✓	✓	✓	✓	✓
Mr.B.Ravishankar	✓	✓	✓	✓	✓	✓	✓	✓

f. Confirmation on the fulfilment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfil the conditions specified in Listing Regulation and the Companies Act, 2013 and are independent of the management.

As per the requirements of the Companies Act, 2013, all Independent Directors of the Company have applied online to the Indian Institute of Corporate Affairs for inclusion of their name in the Independent Directors Databank and obtained registration thereof as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

g. Resignation of Independent Directors before expiry of tenure:

During the year under review, none of the Independent Directors have resigned before the expiry of the tenure.

h. Separate meeting of the Independent Directors:

During the year, the meeting of Independent Directors was held on 14.11.2025 and 11.02.2026 without the attendance of Non-Independent Directors and members of Management pursuant to Schedule IV of the Companies Act, 2013. The following matters were discussed in detail:

i. Review of the performance of Non-independent directors and the Board as a whole;

ii. Review of the performance of the Chairman & Managing director of the Company, taking into account the views of Non-Executive Directors.

iii. Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

COMMITTEES OF THE BOARD:

The Board Committees play a crucial role in the governance structure of the Company and help in delegating particular matters that require greater and more focused attention. The Board has constituted the following committees of Directors to deal with matters referred to it for timely decisions.

1) Audit Committee 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee, 4) Risk Management Committee, 5) Corporate Social Responsibility (CSR) Committee, 6) Borrowing and Bank Operations Committee and 7) Investment Committee.

3. AUDIT COMMITTEE:

i. Brief description of terms of reference:

The Board has constituted a well-qualified Audit Committee in compliance with Section 177 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulation. The Committee presently comprises of three members being non-executive Independent Directors of the Company including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc., The quorum for an audit committee meeting is minimum two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

The role, powers and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and Listing Regulation. The terms of reference of this Committee are as required by SEBI under Regulation 18 read with part C of Schedule II of the Listing Regulation. Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company.

The Committee meets periodically and reviews -

- Audited and un-audited financial results;
- Internal audit reports and report on internal control systems of the Company;
- Discusses the larger issues that could be of vital concern to the Company;
- Auditors' report on financial statements and their findings and suggestions and seeks clarification thereon;
- Policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- All other important matters within the scope and purview of the committee

During the year under review, the Committee met five times on 27.05.2025, 06.08.2025, 14.08.2025, 14.11.2025 and 11.02.2026..

ii. The Composition of the Audit Committee and the attendance details of Members are as follows:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr. C R Rajagopal - Chairman	Non-Executive Independent Director	5	5
Mr.A.S.Anandkumar - Member (Upto 12.11.2025)	Non-Executive Independent Director	5	2
Mrs. H Lakshmi Priya- Member	Non-Executive Independent Director	5	5
Mr. Srinivas Chidambaram - Member* (w.e.f from 12.11.2025)	Non-Executive Independent Director	5	0

*The committee was re-constituted at the Board Meeting held on 12th November 2025 by induction of Mr. Srinivas Chidambaram, Independent Director as Member consequent to retirement of Mr. A.S.Anandkumar as an Independent Director with effect from the closing hours of 12th November 2025

CORPORATE GOVERNANCE REPORT (CONTD.)

The Chairman of the Audit Committee attended the Annual General Meeting held on 1st September 2025.

The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, Internal Auditors and Chief Financial Officer of the Company have also attended the committee meetings as invitees. The minutes of the Audit Committee meetings were circulated to the Board, and the Board discussed and took note of the same. The Audit Committee considered and reviewed the financial statements for the financial year 2025-26, before it was placed in the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

i. Brief description of terms of reference:

The Nomination and Remuneration Committee consists of 3 Independent Directors as its Members. The composition of the Committee is as per the provisions of Section 178 of the Act & Regulation 19 of the Listing Regulation and Nomination & Remuneration Policy.

The terms of reference of this committee has been mandated with the same as specified in Regulation 19 read with Part D of Schedule II of the Listing Regulation and also with the requirement of Section 178 of the Companies Act, 2013.

The Committee met four times in a year on 06.08.2025, 12.11.2025, 11.02.2026 and 02.03.2026.

ii. The Composition of the Nomination and Remuneration Committee and the attendance of each member of the Committee are as follows:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr.C.R.Rajagopal - Chairman	Non-Executive Independent Director	4	4
Mrs.H.Lakshmi Priya - Member	Non-Executive Independent Director	4	4
Mr. B Ravishankar – Member	Non-Executive Independent Director	4	4

The Chairman of Nomination and Remuneration Committee attended the Annual General Meeting held on 1st September 2025.

The Company Secretary of the Committee acts as the Secretary of the Committee.

This Committee would look into and determine the Company's policy on remuneration packages of the Executive directors and Senior Management.

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. The Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The remuneration policy of the Company can be accessed on the Company's website at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/NOMINATION-AND-REMUNERATION-POLICY-10-02-2025.pdf

Non-Executive Independent Directors of the Company do not have any pecuniary relationship or transaction with the Company. They do not draw any remuneration, except sitting fees for attending meetings of Board / Committee.

iii. Performance Evaluation of Non-Executive and Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 37(10) of the Listing Regulation and based on the guidance note issued by Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated January 5, 2017, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholder Relationship Committee. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance. Feedback on the appraisal has been provided to the board members.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Listing Regulation.

During the year under review, the Committee met four times on 10.04.2025, 10.07.2025, 10.10.2025 and 10.01.2026. The Composition of the Stakeholders Relationship Committee and the attendance of each member of the Committee are given below:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Srinivas Chidambaram* (Chairman w.e.f. 11.02.2026)	Non-Executive Independent Director	4	NA
Mr. C.R.Rajagopal* (Chairman upto 11.02.2026 & redesignated as a member w.e.f 11.02.2026)	Non-Executive Independent Director	4	4
Mrs.S.Latha - Member	Executive Director - Promoter	4	4
Mr. S.Chenduran - Member	Joint Managing Director - Promoter	4	4

*The Committee was re-constituted at the Board Meeting held on 11th February 2026 by induction of Mr. Srinivas Chidambaram, Independent Director, as the Chairman of the Stakeholders' Relationship Committee. As a result, Mr. C. R. Rajagopal, Independent Director, was redesignated as a Member of the Committee.

The Chairman of Stakeholders Relationship Committee attended the Annual General Meeting held on 1st September 2025.

Mrs. K Vinodhini, Company Secretary of the Company is the Compliance Officer/Secretary of the Committee.

The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to non-receipt of annual reports, dividend payments, and other miscella¬neous complaints.

In addition, the Committee looks into other issues including status of dematerialization / re-materialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

With a view to regulate trading in securities by the designated persons, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

As required by the Listing Regulations, Company's website www.spapparels.com is updated with the quarterly information conveyed to the Stock Exchanges. All information required to be disseminated in the Company's website as per Regulation 46(2) of the Listing Regulations are disseminated.

During the year under review, there were no investor complaints which were pending/received/resolved. Hence, no Complaint is remaining unresolved/ pending as on 31st March 2026.

6. RISK MANAGEMENT COMMITTEE:

i. Brief description of terms of reference:

The Committees composition is in compliance with the provisions of Regulation 21 of Listing Regulation. The primary responsibility of the risk management committee is to oversee and approve the company's risk management practices. The Company has framed a Risk Management Policy and the same is disseminated on the website of the Company.

During the year under review, the Committee met two times on 27.05.2025 and 14.11.2025.

The Composition of the Risk Management Committee and the attendance of each member are given below:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr. P.Sundararajan - Chairman	Chairman & Managing Director – Promoter	2	2
Mr.C.R.Rajagopal - Member	Non-Executive Independent Director	2	2
Mr. S.Chenduran - Member	Joint Managing Director - Promoter	2	2

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee consists of three directors of which one is Independent Director.

The terms of reference of this Committee, assigned by the Board encompasses:

a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII

b) To recommend the amount of expenditure to be incurred on the activities referred to in clause A

c) To monitor the CSR policy of the Company from time to time

d) Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India

The main objective of the Corporate Social Responsibility Committee is to assist the Board and the Company in fulfilling its Corporate Social Responsibility (“CSR”) activities. Besides the Committee has the overall responsibility for identifying the areas of CSR activities to be undertaken by the company as specified in Schedule VII; devising and implementing the CSR policy; co-ordinating with the Agency, if any, appointed to implement programs and executing initiatives as per CSR policy of the Company.

The CSR Policy has also been framed and its details are uploaded in the Company’s website at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/CSR-Policy.pdf

During the year under review, the Committee has met two times on 20.05.2025 and 05.08.2025.

The composition of the Corporate Social Responsibility Committee and the details of the attendance of Members are as follows

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr.P.Sundararajan - Chairman	Chairman & Managing Director - Promoter	2	2
Mrs.S.Latha - Member	Executive Director - Promoter	2	2
Mr. C.R.Rajagopal - Member	Non-Executive Independent Director	2	2

CORPORATE GOVERNANCE REPORT (CONTD.)

8. SENIOR MANAGEMENT

The particulars of senior management including the changes therein since the close of the previous financial year are as follows:

Name of Senior Management Personnel	Designation	Date of Appointment	Date of Cessation, if any
Mrs. P. V. Jeeva	Chief Executive Officer - Garment Division	01.07.1986	-
Mr. V Balaji	Chief Financial Officer	06.05.2011	-
Mrs. K Vinodhini	Company Secretary	16.12.2015	-

9. REMUNERATION OF DIRECTORS:

The remuneration of Executive Directors is governed by resolution which has been approved by the Board of Directors and the shareholders of the Company. The remuneration broadly comprises fixed and variable components. The Executive Directors are not entitled to sitting fees for attending meetings of the Board and Committees.

a. During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for attending meetings of the Company.
b. The criteria of making payments to Non – Executive Directors and the criteria to evaluate the performance of Non-Executive Directors and Independent Directors of the Company are disseminated on the Company's website at https://www.s-p-apparels.com/assets/img/docs/Criteria-for-making-payment.pdf.
c. The Company has not granted any stock options to its Directors.
d. The remuneration paid to the directors of the Company is within the limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations
e. Details of the remuneration paid to the Executive and Non-Executive Directors of the Company for the financial year ended 31st March 2026 are as follows:

(Rs. in Million)

Name of the Directors	Salary	Perquisites	Commission	Sitting Fees	Total
Mr. P Sundararajan Chairman & Managing Director	-	-	-	-	23.00
Mrs S Latha Executive Director	-	-	-	-	18.20
Mr.S.Chenduran Joint Managing Director	-	-	-	-	14.00
Mrs.S.Shantha Joint Managing Director	-	-	-	-	1.20
Mr.A.S.Anandkumar, Non-Executive Independent Director (retired on 12.11.2025)	-	-	-	0.16	0.16
Mr.C.R.Rajagopal, Non-Executive Independent Director	-	-	-	0.36	0.36
Mrs.H.Lakshmi Priya, Non-Executive Independent Director	-	-	-	0.36	0.36
Mr. B Ravishankar, Non-Executive Independent Director	-	-	-	0.20	0.20

CORPORATE GOVERNANCE REPORT (CONTD.)

Name of the Directors	Salary	Perquisites	Commission	Sitting Fees	Total
Mr. Srinivas Chidambaram, Non-Executive Independent Director (w.e.f 12.11.2025)	-	-	-	0.08	0.08

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board of Directors and / or committees thereof. No benefits, other than the above are given to the Directors. No performance linked incentive, severance fee, bonus, pension and/or stock option is given to the Directors. No service contracts were entered into with the Directors and their appointment is governed by the respective resolutions passed at the General Meeting of the Company in line with the requirements of the Companies Act, 2013 and the Listing Regulation.

10.GENERAL BODY MEETINGS:

a.Annual General Meeting:

Location and time for last three AGMs held and the Special Resolutions, if any, passed thereat, are as given below:

<table>
<tr><th>Year</th><th>Date of Meeting</th><th>Time of Meeting</th><th>Venue of the Meeting</th><th>Special Resolutions Passed, if any</th></tr>
<tr><td>2024-2025</td><td>01/09/2025</td><td>4.00 pm</td><td rowspan="3">Video Conferencing (VC) / Other Audio Visual Means (OAVM).</td><td>1. Approval of the re-appointment of Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), as Chairman and Managing Director of the Company.
2. Approval of the re-appointment of Smt. H. Lakshmi Priya (DIN: 08858643), as a Non-Executive Independent Director of the Company.
3. Approval of the re-appointment of Mr. C. R. Rajagopal (DIN: 08853688), as a Non-Executive Independent Director of the Company.</td></tr>
<tr><td>2023-2024</td><td>26/09/2024</td><td>4.00 pm</td><td>1. Approval of the SPAL Employee Stock Option Plan (SPAL ESOP 2024) and grant of Employee Stock Options under SPAL ESOP 2024 to the employees of the company.
2. Approval of the grant of Employee Stock Options under SPAL Employee Stock Option Plan (SPAL ESOP 2024) to the employees of the Subsidiary company(ies).</td></tr>
<tr><td>2022-2023</td><td>22/09/2023</td><td>4.00 pm</td><td>1. Payment of remuneration to Mr.P.Sundararajan (DIN: 00003380) Chairman and Managing Director of the Company for the period from 21st November 2023 till the remaining period of his present term i.e. till 20th November 2025
2. Payment of remuneration to Mrs. S. Latha (DIN: 00003388) Executive Director of the Company for the period from 16th August 2024 till the remaining period of her present term i.e. till 15th August 2026.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT (CONTD.)

b. Extraordinary General Meeting

No extraordinary general meeting of the members were held during the financial year 2025-2026.

c. Postal Ballot and E-Voting

The Company has conducted three Postal Ballot(s) pursuant to Notices dated 7th March 2025, 14th November 2025 and 11th February 2026 in compliance with the provisions of the Companies Act, 2013, the rules made thereunder and applicable SEBI Listing regulations during the financial year 2025-26. The approval of the Members was sought through remote e-voting for the following matters:

Postal Ballots dated 09.04.2025, 27.12.2025 & 21.03.2026:

The approval of the shareholders was sought by way of passing special resolution(s) through postal ballot remote e-voting on the dates mentioned above.

1. The details of resolutions passed through aforesaid Postal Ballot(s) and the voting pattern for the said resolutions are disclosed as under:

Resolution Particulars	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against		Invalid Votes Cast
			No of Votes	%	No of Votes	%	No of Votes
Postal Ballot dated 09.04.2025							
Approval for the appointment of Sri. Ravishankar Balaraman (DIN: 07148483) as a Non-Executive Independent Director of the Company	Special	2,06,98,585	1,98,51,757	95.91	8,46,828	4.09	0
Approval for re-appointment of Sri. Sundararajan Chenduran (DIN: 03173269) as a Joint Managing Director of the Company	Special	2,06,98,585	1,95,45,446	94.43	11,53,139	5.57	0
Approval for re-appointment of Smt. Sundararajan Shantha (DIN: 00088941) as a Joint Managing Director of the Company	Special	2,06,98,585	1,95,45,446	94.43	11,53,139	5.57	0
Postal Ballot dated 27.12.2025							
Approval for the appointment of Sri. Srinivas Chidambaram (DIN: 00514665) as a Non-Executive Independent Director of the Company.	Special	2,04,80,667	2,04,80,635	100	32	Negligible	0

CORPORATE GOVERNANCE REPORT (CONTD.)

Resolution Particulars	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against		Invalid Votes Cast
			No of Votes	%	No of Votes	%	No of Votes
Postal Ballot dated 21.03.2026							
Approval of re-appointment & payment of remuneration of Mrs. S. Latha (DIN: 00003388) as Whole-Time Director designated as Executive Director of the Company.	Special	1,97,82,655	1,89,75,777	95.92	806878	4.08	0
Approval for advancing loan or giving guarantee or providing security in connection with loan availed by any person specified under Section 185 of the Companies Act, 2013	Special	1,97,82,655	1,64,05,567	82.93	33,77,088	17.07	0

Mr. M. D. Selvaraj, FCS, Managing Partner of MDS & Associates LLP, Company Secretaries, Coimbatore, was appointed as the scrutinizer for carrying on the aforesaid postal ballots in a fair and transparent manner.

Procedure for Postal Ballot:

Pursuant to the provisions of Section 108 & 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations, read with the relevant MCA and SEBI Circulars, the resolutions as specified in the Notice of the Postal Ballot(s) dated 7th March 2025, 14th November 2025 and 11th February 2026 were proposed to be transacted by means of voting through electronic means only (e-voting). The Company had engaged the services of MUFG Intime India Private Limited (formerly known as “Link Intime India Private Limited”) (“MIIPL”) for providing e-voting facility to the members.

Postal ballot dated 9.04.2025:

The members holding shares (either in physical form or dematerialised form) as on the cut-off date of Friday, 7th March 2025, were provided the option of exercising their right to vote on the said resolution through e-voting only during the period commencing from Tuesday, 11th March 2025 and ends at 5.00 PM (IST) on Wednesday, 9th April 2025. Upon completion of the voting period, the scrutinizer completed the scrutiny of votes cast and submitted his report to the Chairman and Managing Director. The results of the voting were declared on Thursday, 10th April 2025 on the website of the Company, Stock Exchanges and MIIPL.

Postal ballot dated 27.12.2025:

The members holding shares (either in physical form or dematerialised form) as on the cut-off date of Friday, 21st November 2025, were provided the option of exercising their right to vote on the said resolution through e-voting only during the period commencing from Friday, 28th November 2025, and ends at 5.00 PM (IST) on Saturday, 27th December 2025. Upon completion of the voting period, the scrutinizer completed the scrutiny of votes cast and submitted his report to the Chairman and Managing Director. The results of the voting were declared on Tuesday, 30th December 2025 on the website of the Company, Stock Exchanges and MIIPL.

CORPORATE GOVERNANCE REPORT (CONTD.)

Postal ballot dated 21.03.2026:

The members holding shares (either in physical form or dematerialised form) as on the cut-off date of Friday, 13th February 2026, were provided the option of exercising their right to vote on the said resolution through e-voting only during the period commencing from Friday, 20th February 2026, and ends at 5.00 PM (IST) on Saturday, 21st March 2026. Upon completion of the voting period, the scrutinizer completed the scrutiny of votes cast and submitted his report to the Chairman and Managing Director. The results of the voting were declared on Monday, 23rd March 2026 on the website of the Company, Stock Exchanges and MIIPL.

d. Postal Ballot proposed to be conducted

Further, as on date of this report, the Company does not foresee the need for postal ballot to pass any resolution in the financial year 2026-27.

11. MEANS OF COMMUNICATION

The Annual Report containing the financial statements is posted / e-mailed to the shareholders of the Company in compliance with the provisions of the Act. Towards Green Initiative, the Shareholders are requested to convey / update their e-mail address as well as register the same with their respective Depository Participant. Official-news releases and official media releases are sent to Stock Exchanges.

1. Quarterly Results are usually published in “Financial Express” (English) and in “Dinamani” (Tamil – Vernacular Language).
2. The Financial Results are also accessible on the Company’s website – www.spapparels.com. The copies of the results are forwarded to concerned stock exchanges immediately after they are approved by the board.
3. The Company does not display any official news releases in the website of the Company.
4. Presentations made to Institutional Investors and financial analysts on the Company’s unaudited quarterly as well as audited annual financial results are uploaded on the Company’s website - www.spapparels.com.

12. GENERAL SHAREHODLER INFORMATION

a. 21st Annual General Meeting:

i. Date and Time: Monday, 21st September 2026 at 4.00 PM

ii. Venue: The 21st Annual General Meeting (AGM) is being convened through Video Conferencing (VC) / Other Audio Visual Means (OAVM), and hence, the deemed venue for the AGM shall be the Registered Office of the Company.

b. Financial Year : 01.04.2025 to 31.03.2026

Date of book closure: Tuesday 15th September 2025 to Monday 21st September 2025

c. Dividend payment date: within 30 days from the date of AGM.

d. Name and Addresses of Stock Exchange(s) where Company’s shares are listed:

The Equity Shares of the Company are listed at the following Stock Exchanges:

BSE Limited - Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

National Stock Exchange of India Ltd - Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

The Annual Listing Fee payable to the Stock Exchanges for the financial year 2025-2026 have been paid in full.

e. The shares of the company are regularly traded and in no point of time the shares were suspended for trading in the stock exchanges

CORPORATE GOVERNANCE REPORT (CONTD.)

f. Registrar and Share Transfer Agent:

M/s.MUFG Intime India Private Limited, (formerly known as “Link Intime India Private Limited”), Coimbatore Branch, No. 35, Surya, Mayflower Avenue, Behind Senthil Nagar, Sowripalayalam Road, Coimbatore – 641028, Phone: 0422 – 2314792, Email id: investor.helpdesk@in.mpms.mufg.com.

Details of Compliance Officer

Mrs. K .Vinodhini,
Company Secretary
39-A, Extension Street, Kaikattipudur,
Avinashi – 641654.
Phone : 04296 – 714000
Email id: csoffice@spapparels.com

Reconciliation of Share Capital Audit

A qualified Company Secretary in Practice has carried out the reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL & CDSL.

g. Share Transfer System:

SEBI has vide circular dated 25th January 2022, prescribed procedures for processing the service requests of shareholders like transmission, issue of duplicate shares, and for conversion of the physical holding into dematerialised form through issue of Letter of Confirmation upon completion of the service request. The shares mentioned in the Letter of Confirmation issued by the Company/RTA is to be dematerialised within 120 days from the date of the Letter of Confirmation. In case of non-dematerialisation within the prescribed period as aforesaid, such shares are to be transferred to an Unclaimed Demat Suspense Escrow Account. The Company has opened a demat account in the name of “S.P. Apparels Limited Unclaimed Securities Suspense Escrow Account” in compliance with SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW/P/20223/64923 dated December 30, 2022. No share has been credited to that account during the financial year under review since 100% of the Shareholding of the Company are in Dematerialized form. There are no legal proceedings / disputes on share transfer against the Company and also there are no shares in lock in.

h. Distribution of Shareholding:

Share holdings	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Equity Capital
1 - 500	15,745	90.49	10,76,177	4.28
501 - 1000	861	4.94	6,43,617	2.56
1001 - 2000	417	2.40	5,92,475	2.36
2001 - 3000	115	0.66	2,85,998	1.14
3001 - 4000	50	0.29	1,79,072	0.71
4001 - 5000	55	0.32	2,49,846	0.99
5001 - 10000	66	0.38	4,69,545	1.87
10001 & Above	91	0.52	2,16,42,153	86.09
Total	**17,347**	**100.00**	**2,51,38,883**	**100.00**

Shareholding Pattern as on 31st March 2026

Category	Number of Shares Held	% of Holding
Promoter & Promoter Group	1,55,38,791	61.81
Relatives of Promoter	21,004	0.08
Mutual Fund	37,88,687	15.07
Alternate Investment Fund	2,26,107	0.90
Insurance Companies	1,50,863	0.60
Foreign Portfolio Investor Category I	3,24,216	1.29
Foreign Portfolio Investor Category II	47,231	0.19
Individuals	36,07,905	14.35
Hindu Undivided Family	1,36,260	0.54
Foreign Companies	3,45,212	1.37
NRI	2,72,350	1.08
Clearing Member	3,035	0.01
Bodies Corporate	5,78,464	2.30
Limited Liability Partnership	98,758	0.39
Total	**2,51,38,883**	**100.00**

i.Dematerialization of shares and liquidity:

Members have the option to hold their shares in demat form either through the National Securities Depository Limited or the Central Depository Services Limited. The ISIN Number of the Company is INE212I01016.

The Annual Custodian Fee payable to NSDL and CDSL for the financial year 2025-2026 have been paid by the Company.

As on 31st March 2026, 2,51,38,883 Equity Shares constituting 100% of the paid-up Equity Share Capital of the Company has been dematerialised. The promoters of the Company have completely dematerialized their shareholdings.

Special window for re-lodgement of transfer requests of physical shares

Pursuant to SEBI Circular dated 2nd July 2025, the Company opened a special window for Shareholders holding shares in physical form to facilitate the re-lodgement of transfer deeds that were originally lodged prior to 1st April 2019 and were rejected/ returned, due to a deficiency in the documents. The re-lodgement window was open for a period of six months from 7th July 2025 until 6th January 2026. In terms of the SEBI Circular dated 30th January 2026 another special window has been opened for a period of one year from 5th February 2026 until 4th February 2027. Shareholders may note that securities transferred under this special window shall be mandatorily credited in demat mode and shall be under lock-in for a period of one year from the date of transfer. Such securities shall not be transferred/ lien-marked/pledged during the said lock-in period. Shareholders are encouraged to take advantage of this opportunity by submitting the necessary documents to the Company's RTA i.e. MUFG Intime India Private Limited.

j. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

k. Foreign exchange risk and hedging activities: NIL

l.PLANT LOCATION

Sl.No.	LOCATION	FACILITIES
1	39-A, Extension Street, Kaikattipudur, Avinashi and 245/1 and 246/2B, Extension Street, Avinashi	Registered Office, Administration, Manufacturing of Garments
2	4/1, Extension Street, S.F.Nos.229/1 and 230/3, Avinashi	Manufacturing of Garments
3	No.5/407-6, N.H.-47 Main Road, Palangarai Village, Avinashi	Manufacturing of Garments
4	No1/477-A, Avinashi Main Road, Neelambur, Coimbatore	Manufacturing of Garments
5	S.F.No. 565/1 and 565/2, Kovai Main Road, Thekkalur	Manufacturing of Garments, Printing and Embroidery Units
6	S.F.Nos.647/1C and 647/2, and No.378-D, Samichettypalayam, Gudalur Village, Gudalur Panchayath, Coimbatore Taluk, Coimbatore District	Manufacturing of Garments
7	Athani Road, Near Government Hospital, M.Kumarapalayam, Sathyamangalam	Manufacturing of garments
8	Plot Nos.C-30,31,32, SIPCOT Industrial Growth Centre, Perundurai, Erode District	Manufacturing of garments
9	Plot No.PP 1, Phase II, SIPCOT Industrial Growth Centre, Perundurai, Erode District	Dyeing unit
10	SF.No.694/3,4 (A, B and C Block) Varapatti, Sulthanpet Main Road, Sulthanpet Post, Sulur taluk, Coimbatore District	Manufacturing of garments
11	Plot No.18, Eettiveerampalayam Village, Avinashi, Tirupur District	Manufacturing of garments
12	Attur Main Road, Valappady, Salem	Spinning unit
13	2/286, Idaisevel II Village, Chatirapatti Mall, Kovilpatti Tk, Tuticorin, Tamilnadu – 628501	Manufacturing of garments
14	S. F. No. 849/1 & 2, 856/1, Kuppanur Village, Annur Taluk	Manufacturing of garments
15	S. F. No. 578/1A, Pattalur Village, Bhavani Taluk, Erode District	Manufacturing of garments
16	Shed No. 14, Netaji Apparel Park, NH Road, New Tirupur	Manufacturing of garments
17	Unit II, Cuddalore Main Road, Kalapaganur, Pethanaickenpalayam, Attur Tk, Salem-636109	Spinning & Knitting Unit
18	S.F. No. 293/2, Palladam hi-tech Weaving park, KN Puram Post,Coimbatore - Trichy national highway,Palladam, Sukkampalayam, Tirupur.	Manufacturing of garments
19	Plot No. R44 SIPCOT Industrial Growth Center, Perundurai, Ingur Erode	Manufacturing of garments
20	SF Nos 44,49b/2,50/1,50/2,55/B1 & 55b/2b, Amathur Village, Veerasellaiyapuram, Virudhunagar Taluk, Virudhunagar	Manufacturing of garments
21	2/115A, Hub Road, Thinnanur ,Thuraiyur Taluk,,Tiruchirappalli.	Manufacturing of garments

CORPORATE GOVERNANCE REPORT (CONTD.)

m. Address for correspondence:

All Shareholders correspondence shall be addressed to:
The Company Secretary
S.P.Apparels Limited
39-A, Extension Street, Kaikattipudur,
Avinashi – 641654.
Phone : 04296 – 714000
CIN: L18101TZ2005PLC012295
Email id: csoffice@spapparels.com

n. Credit Rating:

The Company has obtained rating from ICRA during the year ended 31st March, 2026.

Rating Agency	Instrument	Rating action
ICRA Limited	Long term-Fund Based – Term Loan	[ICRA]AA- (Stable); reaffirmed/assigned for enhanced amount
ICRA Limited	Short term – Fund Based- Working Capital Facility	[ICRA]A1+; reaffirmed/assigned for enhanced amount
ICRA Limited	Short term -Non fund based Limit	[ICRA]A1+; reaffirmed

13. OTHER DISCLOSURES:

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

All the related party transactions are entered into on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or otherwise which may have potential conflict with the interest of the Company at large.

The details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards. All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company has also formulated a policy on dealing with the Related Party Transactions and the details of such policies is disseminated on the website at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2026/04/RPT-Policy-amended-dt.-11.02.2026.pdf .

Kindly refer to the notes forming part of accounts for the details of Related Party Transactions.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The company has complied with all the requirements of the Listing Agreement of the stock exchange as well as regulations and guidelines of SEBI including SEBI Listing Regulations. No penalties have been levied or strictures have been passed by SEBI, stock exchange or any other statutory authority on matters relating to capital markets during the last three years.

c. Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Company has adopted Vigil Mechanism Policy to enable Stakeholders (including Directors and Employees) to report their genuine concerns or grievances about unethical behaviour, actual or suspected fraud, misuse, misappropriation or violation

CORPORATE GOVERNANCE REPORT (CONTD.)

of codes of conduct or policies and also provide for direct access to the chairman of Audit Committee in exceptional cases.

The policy provides adequate safeguard against victimization of Director(s)/ employee(s). The Protected Disclosures, if any reported under this policy would be appropriately and expeditiously investigated by the Chairman of the Audit Committee without interference from any board members.

Your company hereby affirms that no director/employee/personnel has been denied access to the chairman of the Audit Committee and that no complaints were received during the year. The vigil mechanism policy/ Whistle Blower policy has been disclosed on the Company's website https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/Vigil-Mechanism-Policy_Revised.pdf . The policy is in line with the Company's code of conduct, vision and values and forms part of good Corporate Governance

d. Details of compliance with mandatory requirements and adoption of the non mandatory requirements

The Company has complied with all mandatory requirements of Corporate Governance norms as laid down under the provision of Listing Regulation.

The Company has adopted the non-mandatory requirement of Reporting of internal auditors to Audit Committee as recommended under Regulation 27 (1) read with Part E of Schedule II of Listing Regulation. The Company has not adopted any other non-mandatory requirements.

e. web link where policy for determining material subsidiaries is disclosed

The Company has formulated a policy for determining the Material Subsidiary and the details of such policies are disseminated in the website at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/Policy-for-Determining-Material-Subsidiaries-amended-dt10.02.2025.pdf

f. web link where policy on dealing with related party transactions

The policy on dealing with related party transactions can be accessed on the Company's website at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2026/04/RPT-Policy-amended-dt.-11.02.2026.pdf

g. Disclosure of commodity price risks and commodity hedging activities.

During the financial year ended 31st March 2026, the Company did not engage in commodity hedging activities.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the financial year ended 31st March 2026, the company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulation.

i. A Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been obtained from MDS & Associates LLP, Company Secretaries in Practice and annexed to Annual Report.

j. During the year under review, the recommendations made by the different committees of Board of Directors have been accepted. Hence, there were no instances where the Board have not accepted such recommendation of the committees.

k. The Company has paid a sum of Rs. 28,13,363/- as fees on consolidated basis to the Statutory Auditors and all entities in the network firm / entity of which the Statutory Auditors is a part for the services rendered by them

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

CORPORATE GOVERNANCE REPORT (CONTD.)

i. Number of complaints filed during the financial year – NIL
ii. Number of complaints disposed off during the financial year – NIL
iii. Number of complaints pending as on end of the financial year – NIL

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

Name of the company	Amount
S.P. Retail Ventures Limited	172.50
S.P. Apparels International Private Limited	590.40
S.P. Apparels UK (P) Limited	119.90
S.P. Retail Brands Limited	7.00

n. Details of material subsidiaries of the listed entity (based on the financials for the year ended 31st March, 2026), including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as follows:

S. No	Name of the Material Subsidiary	Date of Acquisition	Place of Incorporation	Name of the Statutory Auditors	Date of appointment of Statutory Auditors
1.	Young Brand Apparel Private Limited	21st June 2024	Kanchipuram, Chennai	ASA & Associates LLP	11.08.2025
2.	Young Brand Global Private Limited	21st June 2024	Kanchipuram, Chennai	ASA & Associates LLP	11.08.2025

14. All the requirements of corporate governance report of sub paragraphs (2) to (10) Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 have been duly complied with.

15. None of the discretionary requirements as specified in Part E of Schedule II have been adopted.

16. The Company is fully compliant with the Corporate Governance requirements as specified by Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURE ON ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report forms part of this Annual Report.

CERTIFICATE FROM CEO AND CFO:

The Managing Director and CFO certification of the Financial Statements for the year has been submitted to the Board of Directors in its meeting held on 27th May 2026, as required under Listing Obligation.

CERTIFICATE ON CORPORATE GOVERNANCE

As required by Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance Certificate from the M/s. MDS & Associates LLP, Practicing Company Secretaries, Coimbatore regarding compliance of conditions of Corporate Governance forms part of this Report.

CORPORATE GOVERNANCE REPORT (CONTD.)

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated employees. The code ensures the prevention of dealing in shares by persons having accessed to unpublished price sensitive information.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The same has been posted on the website of the Company. A declaration in accordance with Regulation 26(3) of Listing Regulation has been received from Directors and Senior Management Personnel affirming their compliance with the code of conduct for the year under review.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 39(4) read with Schedule VI of Listing Regulation, the Company does not have any unclaimed shares. Hence, opening of unclaimed suspense account is not applicable.

The Company has opened Suspense Escrow Demat Account in compliance with SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES – Not Applicable

By order of the Board
For S.P. Apparels Limited
P. Sundararajan
Chairman and Managing Director
DIN : 00003380

Place : Avinashi
Date : 11.08.2026

DECLARATION

I, P.Sundararajan, Chairman and Managing Director of S.P. Apparels Limited, hereby declare that all the members of the Board of Directors and Senior Management have, for the year ended March 31, 2026 affirm compliance with the said code of conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of Listing Regulation.

By order of the Board
For S.P. Apparels Limited
P. Sundararajan
Chairman and Managing Director
DIN : 00003380

Place : Avinashi
Date : 11.08.2026

MD/CFO CERTIFICATION

MD/CFO CERTIFICATION

To

The Board of Directors
S.P.Apparels Limited

Sir,

a) We have reviewed the Financial Statement and cash flow statement for the year ended 31st March 2026 and that to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or con tain statements that might be misleading.

   ii) These statements together present a true and fair view of the Company's affairs and are in compliance with Indian accounting standards (IND-AS), applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or in violation of the Company's code of conduct.

c) We accept the responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the audit Committee, that there are no deficiencies in the design or operation of such internal controls, if any, of which we are aware.

d) We have indicated to the auditors and Audit Committee

   i) That there is no significant change in internal control over financial reporting during the year.

   ii) There is no significant changes in the accounting policies during the year.

   iii) There is no significant fraud of which we have become aware and that the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For S.P.Apparels Limited

P.Sundararajan
Chairman and Managing Director
(DIN:00003380)

V.Balaji
Chief Financial OFficer

Place : Avinashi
Date : 11.08.2026

CERTIFICATE ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31/03/2026

To

The Members of M/s. S.P.Apparels Limited

Dear Sir(s),

We have examined the compliance of the conditions of Corporate Governance by M/s.S.P.Apparels Limited ("the Company") for the financial year ended March 31, 2026 as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2026.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MDS & Associates LLP
Company Secretaries
M D SELVARAJ
Managing Partner
Membership No.: FCS 960 C P No.: 411
Peer Review No.. 6468/2025
UDIN: F000960H001060931

Place : Coimbatore
Date : 11.08.2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of
M/s. S.P. APPARELS LIMITED
(L18101TZ2005PLC012295)
39-A, Extension Street,
Kaikattipudur,
Avinashi – 641 654

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of S.P. APPARELS LIMITED having CIN: L18101TZ2005PLC012295 and having registered office at 39-A, Extension Street, Kaikattipudur, Avinashi – 641 654 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2026 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of the Directors	DIN	Date of appointment in Company
1	#Mr. Sundararajan Perumal Mudaliar (Chairman & Managing Director)	00003380	18/11/2005
2	Mrs. Sundararajan Latha (Wholetime Director)	00003388	18/11/2005
3	$Mr.Sundararajan Chenduran (Joint Managing Director)	03173269	30/03/2015
4	*Mr.Srinivas Chidambaram	00514665	12/11/2025
5	Mr. Chathamur Raman Rajagopal	08853688	02/09/2020
6	Mrs.Harihara Sharma Lakshmi Priya	08858643	02/09/2020
7	$Mrs. Sundararajan Shantha (Joint Managing Director)	00088941	11/08/2022
8	$Mr. Ravishankar Balaraman	07148483	07/03/2025

$ *The members of the Company by means of Postal Ballot dated 9th April 2025 approved the appointment of Mr. Ravishankar Balaraman as an Independent Director of the Company for the 1st term of consecutive 5 years with effect from 7th March 2025 and also approved the re-appointment(s) of Mr. Sundararajan Chenduran and Mrs. Sundararajan Shantha as Joint Managing Director(s) of the Company with effect from 11th August 2025.*

The members of the Company at the Annual General Meeting held on 1st September 2025 approved the re-appointment of Mr. Sundararajan Perumal Mudaliar as Chairman and Managing Director of the Company for a further period of 3 years with effect from 21st November 2025 and further approved the re-appointment(s) of Mrs. Harihara Sharma Lakshmi Priya and Mr. Chathamur Raman Rajagopal as Non - Executive Independent Director(s) of the Company for the 2nd term of five consecutive years with effect from 2nd September 2025;

* *Mr. Srinivas Chidambaram was appointed as a Non-Executive Independent Director of the Company for a period of 1st term of consecutive 5 years with effect from 12th November 2025 consequent to retirement of Mr. Aravind Sundara Anand Kumar as a Non-Executive Independent Director after completion of 2nd term of consecutive 5 years with effect from the said date.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MDS & Associates LLP
Company Secretaries
M D SELVARAJ
Managing Partner
Membership No.: FCS 960 C P No.: 411
Peer Review No. 6468/2025
UDIN: F000960H001060799

Place : Coimbatore
Date : 11.08.2026

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

To the Members of S.P.Apparels Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of S.P. Apparels Limited (the "Company"), which comprise the standalone balance sheet as at March 31, 2026, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Sr No	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition** The Company's revenue is derived primarily from sale of goods (Exports of Garments). Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations as per the terms agreed with the customer by the Company	We have performed the following procedures: • Assessed the appropriateness of accounting policies of the company with relevant accounting standards. • Evaluated the design, implementation and tested the operating effectiveness of the internal controls in relation to timing of revenue recognition. • We performed detailed transaction testing by selecting samples of revenue transactions recorded during the year and around the year end date. • We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, evidence of delivery, FCR's (customer acceptances), shipping documents and subsequent receipts.
2.	**Inventories** The total value of inventory as of March 31, 2026, amounted to INR 2,393.21 million. representing 17% of the total assets. We considered this as a Key Audit Matter considering the significance of the balance, and the valuation involved.	We have performed the following procedures: • Assessed the appropriateness of accounting policies of the company with relevant accounting standards. • Evaluated the design, implementation and tested the operating effectiveness of the Key internal controls over the valuation of inventories being considered by the management. • Observed the physical verification of inventories on a sample basis across locations. • Verified the valuation of Raw materials, WIP and Finished Goods on sample basis and ensured the valuations/ assumptions are reasonable and in line with the accounting policies/generally accepted accounting principles.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report includimg Annexures to Board's Report, Corporate Governance Report, that would be included in the Annual report 2025-26 but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this audior's report.

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 identified above when it becomes available 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.

When we read the additional information, as mentioned above, that would be included in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions as applicable under the relevant laws and regulations

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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, the management and the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatement 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 misstatement 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 auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of 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, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

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

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

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act; read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to Standalone Financial Statements.

   (g) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act, in our opinion, according to the information and explanation give to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

with Schedule V of the Act, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at March 31, 2026 on its standalone financial statements - Refer Note No. 3.11 to 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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.

(c) Based on audit procedures that have been 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 (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has 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 audit trail feature being tampered with.

Audit trail has been preserved by the Company as per the statutory requirements for record retention in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

R. Gururaj
Partner
Membership No: 222259
UDIN: 26222259TAVSHM7110

Place : Avinashi
Date : May 20, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure- A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

(i) (a)(A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a)(B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.

(i) (b)The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i) (c)According to information and explanations given to us and audit procedures performed by us, the title deeds of all of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone financial statements are held in the name of the Company.

(i) (d)According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(i) (e)According to information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.

(ii) (b) 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. According to information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company, except as follows:

Name of the Bank	Quarter	Amount as per Books of Account [INR in Millions]	Amount reported in Quarterly Return/ Statement [INR in Millions]	Amount of Differences [INR in Millions]	Reasons for Discrepancies
State Bank of India, IDBI Bank, HSBC and HDFC Bank	Q1 2025-26	2,709.48	2,708.62	0.86	Discrepancies are due to the Provisions, Regrouping, and Final Entries, which are not part of the data submitted to the Bank
	Q2 2025-26	2,647.49	2,706.43	(58.94)	
	Q3 2025-26	2,447.97	2,437.86	10.11	
	Q4 2025-26	2,393.21	2,389.64	3.57	

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has, during the year, granted unsecured loan and guarantees to 2 subsidiary Companies. The aggregate amount granted during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiaries are as per the table given below:

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

Particulars	Loans	Guarantees
	(INR in Millions)	
Aggregate amount granted/ provided during the year		
Subsidiary - S.P. Apparels International (Private) Limited. Sri Lanka	368.65	
Subsidiary – S.P Retail Ventures Limited	7.50	60.00
Subsidiary – S.P Apparels (UK) (P) Limited	-	658.25
Balance outstanding as at balance sheet date in respect of above cases		
Subsidiary - S.P. Apparels International (Private) Limited. Sri Lanka	590.40	
Subsidiary – S.P Retail Ventures Limited	172.50	370.00
Subsidiary – S.P Apparels (UK) (P) Limited	-	658.25

(iii) (b) According to the information and explanations given to us and audit procedures performed by us, we are of the opinion that the investments made, during the year are, prima facie, not prejudicial to the Company's interest.

(iii) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans given by the Company, the repayment of principal amount and payment of interest has been stipulated except for one loan amounting to INR 172.50 Million which is repayable on demand and receipts of interest have been regular except in case of one subsidiary - S.P. Apparels (UK) (P) Limited, where the Interest amount of INR 2.18 Million is overdue. Further, the Company has not given any advance in the nature of loan to any party during the year.

(iii) (d) According to the information and explanations given to us and audit procedures performed by us, there is no overdue amounts for more than ninety days in respect of the loans given by the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

(iii) (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(iii) (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loans granted during the year had stipulated the scheduled repayment of principal and payment of interest, and the same were not repayable on demand. Further there are no loans/advances in nature of loans which were granted during the year to promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

(iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security as specified under Sections 185 and 186 of the Act. In respect of Investments made, loans given, and guarantees provided by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 have been compiled with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of its manufactured goods and/ or services provided by it and are of the opinion, that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) The Company does not have liability in respect of service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed unto Goods and Services Tax.

According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues applicable to it.

According to the information provided and explanations given to us and based on our examination of the records of the Company, there are no undisputed amount

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other material statutory dues, existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

(vii) (b) According to the information provided and explanations given to us, there are no statutory dues relating to Goods and Services Tax, provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute. Details of Employees' state insurance and Goods and Services Tax have been given below;

Name of the Statute	Nature of the Dues	Amount (INR in Mn)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employee State Insurance Act, 1948	Payment of Employee State Insurance	12.70 (including interest of 6.32)	October 1, 2016 to January 31, 2021	Labour Court, Coimbatore	Deposited INR 12.70 Million
Goods and Service Tax	Goods & Services Tax dues	9.44	April 2019 to March 2023	Assistant Commissioner, GST	-
Goods and Service Tax	Goods & Services Tax dues	46.14	FY 18-19 to FY 24-25	Appellate Authority, GST	Deposited INR 1.91 Mn

(viii) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3(viii) of the Order is not applicable.

(ix) (a) According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

(ix) (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) According to the information and explanations given to us and audit procedures performed by us, term loans were applied for the purposes for which they were obtained.

(ix) (d) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under Companies Act, 2013.

(ix) (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. The Company does not hold any investment in any associate or joint venture as defined under the Companies Act, 2013 during the year.

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

(x) (b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting on the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(xi) (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

under Clause 3(xi)(b) of the Order are not applicable to the Company.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable and details have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

(xiv) (a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) We have considered the internal audit reports of the Company issued for the period under audit.

(xv) According to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence the provisions of section 192 of the Companies Act, 2013, are not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(xvi) (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(xvi) (c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

(xvii) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report, which explains that the other information comprising the information included in the Company's annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clauses 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

R. Gururaj
Partner
Membership No: 222259
UDIN: 26222259TAVSHM7110

Place : Avinashi
Date : May 20, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to 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 with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone financial statements of S.P. Apparels Limited (the "Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to Standalone Financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 (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 standalone financial statements.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

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

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

R. Gururaj
Partner
Membership No: 222259
UDIN: 26222259TAVSHM7110

Place : Avinashi
Date : May 20, 2026

STANDALONE BALANCE SHEET

As at March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	As at March 31, 2026	As at March 31, 2025
ASSETS			
1 Non Current Assets			
a. Property, Plant and Equipment	1.1	4,779.76	4,144.98
b. Capital Work-In-Progress	1.1	38.30	305.64
c. Right of Use Assets	1.1	521.79	212.01
d. Intangible Assets	1.1	121.66	136.43
		5,461.51	4,799.06
e. Financial Assets			
-Investments	1.2	2,277.87	2,236.36
-Loans and Advances	1.3	830.04	375.76
-Other Financial Assets	1.4	294.69	289.57
f. Other non-current assets	1.5	151.09	313.34
Total Non Current Assets		**9,015.20**	**8,014.09**
2 Current Assets			
a. Inventories	1.6	2,393.21	2,888.39
b. Financial Assets			
- Investments	1.7	137.38	-
- Trade Receivables	1.8	1,130.49	1,040.26
- Cash and Cash Equivalents	1.9 A	528.70	296.95
- Bank Balances other than (1.9A) above	1.9 B	10.92	7.81
c. Other current assets	1.10	529.19	441.20
Total Current Assets		**4,729.89**	**4,674.61**
Total Assets		**13,745.09**	**12,688.70**
EQUITY AND LIABILITIES			
1 Equity			
a. Equity Share capital	1.11	251.39	250.93
b. Other Equity	1.12	9,143.05	8,346.60
Total Equity		**9,394.44**	**8,597.53**
Liabilities			
2 Non-current liabilities			
a. Financial Liabilities			
- Borrowings	1.13	416.17	287.61
- Lease Liabilities	1.14	133.93	169.48
- Other Financial liabilities	1.15	30.13	45.40
b. Deferred tax liabilities (net)	1.16	344.95	348.82
c. Provisions	1.17	96.76	79.98
Total Non Current Liabilities		**1,021.94**	**931.29**

STANDALONE BALANCE SHEET (CONTD..)

As at March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	As at March 31, 2026	As at March 31, 2025
3 Current liabilities			
a. Financial Liabilities			
- Borrowings	1.18	2,293.85	2,058.94
- Lease Liabilities		54.21	54.21
- Trade payables	1.19		
(A) total outstanding dues of micro enterprises and small enterprises	1.20	264.59	259.50
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		346.23	431.54
- Other Financial liabilities	1.21	294.47	262.72
b. Other current liabilities	1.22	57.88	73.67
c. Provisions	1.23	17.48	19.30
Total Current Liabilities		3,328.71	3,159.88
Total Equity and Liabilities		**13,745.09**	**12,688.70**

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)
The accompanying notes referred to above form an integral part of the Standalone Balance Sheet

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

R. Gururaj
Partner,
Membership No. : 222259

Place : Avinashi
Date : May 20, 2026

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

	Particulars	"Note No" D	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Revenue from operations	2.1	11,134.38	9,816.23
2	Other Income	2.2	67.72	73.83
3	**Total Income(1+2)**		**11,202.10**	**9,890.06**
4	**EXPENSES**			
	Cost of materials consumed	2.3	3,375.09	3,490.11
	Purchases of Stock-in-Trade - Traded goods	2.4	298.40	58.03
	Changes in inventories of finished goods and work-in-progress	2.5	236.90	(359.25)
			3,910.39	**3,188.89**
	Employee benefit expenses	2.6	3,106.28	2,752.63
	Finance costs	2.7	274.16	199.76
	Depreciation and amortisation expense	2.8	410.72	371.17
	Other expenses	2.9	2,304.20	2,260.14
	Total Expenses		**10,005.75**	**8,772.59**
5	**Profit for the year before tax (3 - 4)**		**1,196.35**	**1,117.47**
6	**Tax Expense:**			
	a. Current tax expense		302.00	281.24
	b. Short / (Excess) provision for earlier year's tax	3.1	-	24.55
	c. Deferred tax		15.93	(23.64)
	Total Tax Expenses		**317.93**	**282.15**
7	**Net profit for the year after tax (5-6)**		**878.42**	**835.32**
8	**OTHER COMPREHENSIVE INCOME**			
	A. (i) Items that will not be reclassified to Profit or Loss			
	Remeasurement of Defined Benefit Plans		(11.96)	(17.50)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		3.01	4.41
	B (i) Items that will be reclassified to Profit or Loss			
	The effective portion of gains and loss on hedging instruments in a cash flow hedge - Translation difference		(66.71)	(24.59)
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		16.79	6.19
	Total Other Comprehensive Income		**(58.87)**	**(31.49)**
9	**TOTAL COMPREHENSIVE INCOME (7+8)**		**819.55**	**803.83**

STANDALONE STATEMENT OF PROFIT AND LOSS (CONTD..)

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares		25.10	25.09
Earnings Per Share (Rs.) - Basic		35.00	33.29
Earnings Per Share (Rs.) - Diluted	3.3	34.89	33.29

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)
The accompanying notes referred to above form an integral part of the Standalone Statement of Profit and Loss

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

R. Gururaj
Partner,
Membership No. : 222259

Place : Avinashi
Date : May 20, 2026

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

A. Equity Share Capital

Balance as at April 1, 2024	Change in Equity Share Capital during the year	Balance as at March 31, 2025	Change in Equity Share Capital during the year	Balance as at March 31, 2026
250.93	-	250.93	0.46	251.39

B. Other Equity

	Reserves and surplus				Other Components of Equity			Total
	Securities Premium	Capital Redemption Reserve	Retained earnings	Share Options Outstanding Account	Additional Paid in Equity	Defined Benefit Plan	Effective portion of cash flow hedges	
2024-25								
Opening balance as at April 1, 2024 - (A)	**2,174.94**	**206.00**	**5,221.14**	**-**	**90.36**	**(97.27)**	**(56.06)**	**7,539.11**
Profit for the year	-	-	835.32	-	-	-	-	835.32
Other comprehensive income	-	-	-	-	-	(13.09)	(18.40)	(31.49)
Total comprehensive income for the year 2024-25 - (B)	-	-	**835.32**	**-**	**-**	**(13.09)**	**(18.40)**	**803.83**
Share Options Outstanding Account(Refer Note 3.6.1)	-	-	-	3.66	-	-	-	3.66
Balance as at March 31, 2025 - (C)	**2,174.94**	**206.00**	**6,056.46**	**3.66**	**90.36**	**(110.36)**	**(74.46)**	**8,346.60**
2025-26								
Opening balance as at April 1, 2025 - (A)	**2,174.94**	**206.00**	**6,056.46**	**3.66**	**90.36**	**(110.36)**	**(74.46)**	**8,346.60**
Profit for the year	-	-	878.42	-	-	-	-	878.42
Other comprehensive income	-	-	-	-	-	(8.95)	(49.92)	(58.87)
Total comprehensive income for the year 2025-26 - (B)	**-**	**-**	**878.42**	**-**	**-**	**(8.95)**	**(49.92)**	**819.55**
Premium received on issue of share options	11.11	-	-	-	-	-	-	11.11
Dividend paid for 2024-25	-	-	**(50.22)**	**-**	**-**	**-**	**-**	**(50.22)**
Share Options Outstanding Account(Refer Note 3.6.1)	-	-	-	16.01	-	-	-	16.01
Balance as at March 31, 2026 - (C)	**2,186.05**	**206.00**	**6,884.66**	**19.67**	**90.36**	**(119.31)**	**(124.38)**	**9,143.05**

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Standalone Statement of Changes in Equity

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

R. Gururaj
Partner,
Membership No. : 222259

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

Place : Avinashi
Date : May 20, 2026

STANDALONE STATEMENT OF CASH FLOWS

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,196.35	1,117.47
Adjustments for:		
Depreciation and amortization expense	410.72	371.17
(Profit) /loss on Sale of property, plant and equipment	0.66	2.15
(Profit) /loss on Sale of investments	-	(9.07)
Interest receivable on investment	(1.24)	-
Loss Allowance	2.00	4.28
Amortisation of Lease prepayments	(11.66)	(10.86)
Release of deferred income	(15.27)	(14.53)
Finance costs	228.70	185.62
Interest income	(52.04)	(35.75)
Dividend income	(0.08)	(0.00)
Unrealised exchange (gain)/loss	(53.73)	19.79
Provision for MTM (gain)/loss on forward contracts	(0.15)	16.63
Provision for Employee Stock Option Scheme(ESOP)	16.01	3.66
Provision for MTM (gain)/loss on investments	17.62	-
Operating profits before working capital changes	**1,737.89**	**1,650.56**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	495.18	(740.79)
Trade receivables	(54.68)	(211.91)
Loans and advances/Current assets	(87.61)	(143.38)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables/Other current liabilities/Provisions	(102.85)	130.52
Cash Generated from Operations	**1,987.93**	**685.00**
Net income tax (paid) / refunds	(296.79)	(251.85)
Net cash flow from / (used in) operating activities (A)	**1,691.14**	**433.15**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, including capital advances	(949.84)	(765.44)
Proceeds from sale of property, plant and equipment	13.75	7.57
Loans /Advance to subsidiary	(358.22)	(151.92)
Bank deposits not considered as cash equivalents	(3.11)	(3.26)
Investment in a subsidiary	(43.44)	(1,373.07)
Purchase of investments - Others	(151.84)	(380.05)
Proceeds from sale of investments - Others	0.01	810.54
Dividend received - Others	0.08	-
Interest received	18.01	22.93
Net cash flow from / (used in) investing activities (B)	(1,474.60)	(1,832.70)

STANDALONE STATEMENT OF CASH FLOWS (CONTD.)

For the year ended March 31, 2026 (All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share capital	11.57	-
Proceeds from long term borrowings	302.63	287.61
Repayment of long term borrowings	(59.02)	-
Repayment of finance lease liabilities	(54.21)	(54.03)
Net Increase/(decrease) of working capital borrowings	71.38	1,029.83
Dividend Paid	(50.22)	-
Finance costs	(207.05)	(163.62)
Net cash flow from / (used in) financing activities (C)	**15.08**	**1,099.79**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**231.62**	**(299.76)**
Cash and cash equivalents at the beginning of the year	296.95	596.71
Effect of exchange differences on restatement of foreign currency Cash and Cash Equivalents	0.13	-
Cash and Cash Equivalents at the end of the year	**528.70**	**296.95**
Cash and Cash Equivalents at the end of the year comprises of		
(a) Cash on hand	56.63	46.41
(b) Balances with banks		
in current account	472.07	250.54
	528.70	296.95

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)
The accompanying notes referred to above form an integral part of the Standalone Statement of Cash Flows

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

R. Gururaj
Partner,
Membership No. : 222259

Place : Avinashi
Date : May 20, 2026

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

About the Company and Material Accounting Policies

Forming part of the Standalone financial statements

A. Company Overview

S.P. Apparels Limited ('the Company') is a Company domiciled in India. The address of the Company's registered office is 39-A, Extension Street, Kaikattipudur, Avinashi – 641 654, Tirupur District, Tamilnadu, India. The Company is a leading Indian manufacturer and exporter of knitted garments for infants and children. The Company provides end-to-end garment manufacturing services from grey fabric to finished products.

The company was originally started as a partnership firm with seven partners in the year 1988 at Salem. Subsequently the firm was converted into public limited company under Part IX of the Companies Act 1956 in the year 2005. It has currently 21 manufacturing plants at Avinashi, Kovilpatti, Neelambur, Palangarai, Palladam, Perundurai, Valapady, Samichettipalayam, Sathyamangalam, Sulthanpet, Thekkalur, Netaji Apparel Park, Patlur, Sivakasi, Gobichettipalayam and Annur. The Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited

B. Basis of Accounting and preparation of Standalone financial statements

The Standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act read together with relevant rules of Companies (Indian Accounting Standards) Rules 2015 and relevant amendments issued thereafter to the extent applicable, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in note C (21). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1. Statement of Compliance

The Standalone financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity, Cash Flow Statement, together with notes for the year ended March 31, 2026 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting held on May 20, 2026.

2. Basis of Measurement

The Standalone financial statements have been prepared on the historical cost basis except for the following:

• Derivative financial instruments are measured at fair value.

• Financial assets at fair value through other comprehensive income are measured at fair value.

• Financial instruments at fair value through profit or loss are measured at fair value.

• Financial instruments at fair value through other comprehensive income are measured at fair value.

• The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.

• In relation to lease prepayments, the initial fair value of the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a Right of Use Asset.

The above items have been measured at fair value and the methods used to measure fair values are discussed further in Note C (18).

3 New and amended standards

A. Issued and effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

About the Company and Material Accounting Policies (CONTD.)
Forming part of the Standalone financial statements

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 1 – Presentation of financial statements relating to classification of liabilities as current or non-current subject to covenants, Ind AS 12 – Income Taxes relating to international tax reforms – Pillar Two Model Rules, Ind AS 21 – the effect of changes in foreign exchange rates and Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 - Statement of Cashflows relating to disclosure of supplier financing arrangements, applicable from April 1, 2025. The Company has assessed that there is no significant impact on its financial statements with respect to the amendments to Ind AS 1, Ind AS 7, Ind AS 12, Ind AS 21, and Ind AS 107.

4. Functional and Presentation Currency

Items included in the Standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The Standalone financial statements are presented in Indian Rupees (₹) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest millions except where otherwise indicated.

5. Use of estimates and judgements

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of Standalone financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognized in the Standalone financial statements are:

- Valuation of financial instruments
- Useful lives of property, plant and equipment
- Useful lives of intangible assets
- Estimate of Lease term and measurement of Right of Use Assets and Lease Liabilities
- Measurement of defined employee benefit obligations
- Provisions
- Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition
- Expected Credit losses on Financial Assets
- Impairment testing

Significant judgments on applying Ind AS 115

The Company contracts with customer to transfer goods or services. The Company assess whether such arrangements in the contract has distinct goods or services (performance obligation). Identification of distinct performance obligation involves judgment to determine ability of customer to benefit independently from other promises in the contract.

The judgment is required to measure the transaction price for the contract. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration could be fixed amount or variable amount or could be both. Transaction price could also be adjusted for time value of money if contract includes a significant financing component.

C. MATERIAL ACCOUNTING POLICIES

1. Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the Standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

2. Financial Instruments

a. Financial Assets

(i) Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates and joint ventures. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes. Investments forming part of interest in associates and joint ventures are measured at cost.

(ii) Measurements:

At initial recognition, the Company measures a financial asset at its fair value plus, except for trade receivables which are initially measured at transaction price. In the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

b) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income.

- Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any in the standalone financial statements. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount.

- Equity instruments

The Company subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

(iii) Impairment of financial assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets:

A financial asset is derecognised only when

a) The Company has transferred the rights to receive cash flows from the financial asset or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay

the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

a) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

b. Financial liabilities

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost

- at fair value through profit or loss

(i) Financial liabilities at amortised cost

The company is classifying the following under amortised cost.

a) Borrowings from banks

b) Borrowings from others

c) Finance lease liabilities

d) Trade payables

e) Other financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

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(ii) Financial liabilities at fair value through profit or loss

A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

Derecognition of financial liabilities:

A financial liability shall be derecognised when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expires.

c. Derivative financial instruments

Derivatives are initially recognised at fair value on the date of contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates the derivatives as hedging of foreign exchange risk associated with the cash flows of associated with accounting receivables (Cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as non-current assets or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current assets or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liability.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative changes in fair value of the hedged item on present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/ (losses).

When option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Company generally designates only the changes in fair value of the forward contract related to spot commitment as the hedging instrument. Gains or losses relating to the effective portion of the changes in the spot component of the forward contracts are recognised in other comprehensive income in the cash flow hedging reserve within equity. The changes in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full changes in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to effective portion of the changes in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are classified to profit or loss in the periods when the hedged item affects profit or loss (example, when the forecast sale that is hedged take place).

When the hedged forecast transaction results in the recognition of a non-financial assets (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the intrinsic value of the option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).
- With respect to gain or loss relating to the effective portion

About the Company and Material Accounting Policies (CONTD.)
Forming part of the Standalone financial statements

of the spot component of the forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred cost of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/ (losses).

If the hedge ratio for risk management purpose is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedged ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of hedge relationship rebalancing.

d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

e. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company’s operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3. Share capital

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from Equity, net of any tax effects.

4. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Amounts paid as advances towards the acquisition of Property, Plant and Equipment is disclosed separately under other non-current assets as capital advances and the cost of assets not put to use as on Balance Sheet date are disclosed under “Capital work-in-progress’.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within “other income / other expenses” in the Statement of Profit and Loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied

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within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Management's estimated useful lives for the years ended March 31, 2025 and 2024 were as follows:

	Estimated useful life (in years)	Useful life prescribed by Schedule II (in years)
Plant & Machinery	20 years	15 years
Computers & Servers	5 years	3 to 6 years
Buildings	30 years	30 years
Electrical Installations	10 years	10 years
Office & Lab Equipments	10 years	5 to 10 years
Furniture & Fittings	10 years	10 years
Vehicles - Car	10 years	8 years
Vehicles - Others	8 years	8 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

5. Intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous year are as follows:

Trademark	-10 years
Other Intangibles (Software)	- 3 - 5 years
Non-compete fees	- 10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

6. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for

About the Company and Material Accounting Policies (CONTD.)

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any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

7. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

The Company follows following method:

- Manufacturing inventories are valued at first-in-first-out (FIFO) basis,
- Trading inventories are valued at weighted average cost basis,
- Fabric waste is valued at net realizable value.

8. Impairment of non financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

Reversal of impairment loss

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

9. Employee benefits

Defined Contribution Plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment

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with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in current and prior periods, discounting that amount and deducting any recognised past service cost and fair value of any plan assets.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

10. Share based payments

Stock options are granted to the employees under the Employee stock option scheme. The costs of stock options granted to the employees of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. That expense is recognised in the Statement of Profit and Loss account over the requisite service period. Each part of the stock option that vests separately is treated as a separate award for accounting purposes. This cost is recognised, together with a corresponding increase in Share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

11. Provisions

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

12. Revenue Recognition

The Company earns revenue from export/domestic of manufactured garments, sale of traded garments, sale of products and services at spinning and processing division and right to receive export incentives from Government.

The Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services excluding the amount collected on behalf of third parties.

The revenue recognition in respect of the various streams of revenue is described as follows

Export/Domestic sale of garments:-

Revenue is earned from manufacture and export/domestic

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sale knitted garments for infants and children wear. Revenue is recognised upon completion of performance obligation of the Company.

Revenue is recognised at the transaction price agreed with the customer through a sale order received from the customers.

Sales of products and services at spinning and processing division:-

Revenue is earned from sale of products and services. Revenue is recognised upon completion of services or upon transfer of control over the product to the customer.

Right to receive export incentives from Government: -

The Company has right to receive export incentives under Duty Drawback Scheme, Scheme for Rebate for State and Central Taxes and Levies [RoSCTL] and Remission of Duties and Taxes on Export Products [RoDTEP] on export of garments and made ups.

The Company recognizes export incentive upon fulfilling the conditions established by respective regulations as applicable to the Company and as amended from time to time.

Income is recognised at the value or rate prescribed by respective regulations.

13. Interest Income and expense

Other income comprises of interest income on funds invested, dividend income, and fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in Statement of Profit and Loss on the date when the company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expense comprises of interest expense on loans and borrowings, bank charges, unwinding of discount on provision, fair value losses on financial assets at fair value through profit or loss that are recognized in Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in Statement of Profit and Loss.

14. Government grants, subsidies and export incentives

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item,it is recognised as income over the periods necessary to match them on a systematic basis to the costs,which is intended to compensate. When the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

15. Borrowing Costs

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Interest expense is recognised using effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

16. Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

(i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and

(ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

(iii) Arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred taxation arising on investments in subsidiaries and associates is recognized except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the company's share of the income and expenses of the equity method accounted investee is recorded in the statement of income, after considering any taxes on dividend payable by the equity method accounted investee and no deferred tax is set up in the books as the tax liability is not with the company.

17. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

18. Fair value measurement

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial

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and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorised within the 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 and liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the Standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Derivatives

The fair value of forward exchange contracts is based on their quoted price, if available. If a quoted price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds). The fair value of foreign currency option contracts is determined based on the appropriate valuation techniques, considering the terms of the contract. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counter party when appropriate.

(iii) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

(iv) For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

19. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

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20. Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents. Cash and cash equivalents consist of balances with banks and which are unrestricted for withdrawal and usage.

21. Current/ non-current classification

An asset is classified as current if:

(a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Depreciation As at April 01, 2025	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2026	Net Block As at March 31 2026	Net Block As at March 31, 2025
(a) Land										
Freehold	267.29	-	-	267.29	-	-	-	-	267.29	267.29
As at April 1, 2016	(5.76)	(0.58)	-	(6.34)	-	-	-	-	(6.34)	(6.34)
(b) Buildings	2,823.65	440.02	-	3,263.67	1,001.26	96.47	-	1,097.73	2,165.94	1,822.39
As at April 1, 2016	(1,528.32)	(15.00)	-	(1,543.32)	(381.82)	(50.26)	-	(432.08)	(1,111.24)	(1,111.24)
(c) Plant & Machinery	3,550.71	322.08	36.37	3,836.42	1,926.28	165.31	22.21	2,069.38	1,767.04	1,624.43
As at April 1, 2016	(2,216.82)	(225.78)	(11.26)	(2,431.34)	(883.48)	(98.20)	(5.49)	(976.19)	(1,455.15)	(1,455.15)
(d) Electrical Installations	358.86	123.43	1.03	481.26	202.02	35.93	0.70	237.25	244.01	156.84
As at April 1, 2016	(95.36)	(49.49)	-	(144.85)	(41.49)	(12.05)	-	(53.54)	(91.31)	(91.31)
(e) Furniture & Fittings	188.74	49.69	0.66	237.77	101.44	16.85	0.38	117.91	119.86	87.30
As at April 1, 2016	(135.90)	(52.65)	(0.21)	(188.34)	(67.18)	(14.91)	(0.10)	(81.99)	(106.35)	(106.35)
(f) Vehicles	70.63	27.96	1.02	97.57	37.31	5.49	0.97	41.83	55.74	33.32
As at April 1, 2016	(42.73)	(15.48)	(0.84)	(57.37)	(26.13)	(3.69)	(0.78)	(29.04)	(28.33)	(28.33)
(g) Lab Equipments	45.19	1.53	0.00	46.72	27.44	3.43	0.00	30.87	15.85	17.75
As at April 1, 2016	(10.20)	(0.10)	-	(10.30)	(8.51)	(0.55)	-	(9.06)	(1.24)	(1.24)
(h) Office Equipments	260.29	28.59	0.79	288.09	159.72	17.53	0.65	176.60	111.49	100.57
As at April 1, 2016	(124.27)	(20.21)	(0.29)	(144.19)	(71.31)	(10.39)	(0.13)	(81.57)	(62.62)	(62.62)
(i) Computers	195.83	10.26	1.30	204.79	160.74	12.74	1.23	172.25	32.54	35.09
As at April 1, 2016	(121.71)	(32.29)	(2.98)	(151.02)	(97.83)	(9.13)	(2.84)	(104.12)	(46.90)	(46.90)
Total	**7,761.19**	**1,003.56**	**41.17**	**8,723.58**	**3,616.21**	**353.75**	**26.14**	**3,943.82**	**4,779.76**	**4,144.98**
As at April 1, 2016	**(4,281.07)**	**(411.58)**	**(15.58)**	**(4,677.07)**	**(1,577.75)**	**(199.18)**	**(9.34)**	**(1,767.59)**	**(2,909.48)**	**(2,909.48)**

Note:

(1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.

(2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.

(3) Refer note on capital commitment and Security for the borrowings.

(4) During financial year 25-26, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in property, plant and equipment during the year ended March 31 , 2026

Particulars	As at April 01, 2025	Additions	Deletions	As at March 31, 2026
Capital work in progress	305.64	117.06	384.40	38.30
Total	305.64	117.06	384.40	38.30

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Depreciation As at April 01, 2025	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2026	Net Block As at March 31, 2026	Net Block As at March 31, 2025
(a) Land Lease Hold	13.53	23.49	-	37.02	2.32	0.30	-	2.63	34.39	11.21
	(13.53)	-	-	(13.53)	(2.19)	(0.13)	-	(2.32)	(11.21)	(11.34)
(b) Vehicle Leasehold	34.46	-	0.81	33.65	27.91	2.46	0.76	29.61	4.04	6.55
	(34.46)	-	-	(34.46)	(24.82)	(3.09)	-	(27.91)	(6.55)	(9.64)
(c) Building and Land	334.67	328.13	-	662.81	182.14	37.08	-	219.22	443.59	152.53
	(334.67)	-	-	(334.67)	(151.35)	(30.79)	-	(182.14)	(152.53)	(183.32)
(d) Land - MD and ED	53.42	-	-	53.42	11.70	1.95	-	13.65	39.77	41.72
	(53.42)	-	-	(53.42)	(9.75)	(1.95)	-	(11.70)	(41.72)	(43.67)
(e) Lease Prepayment	29.41	-	-	29.41	29.41	-	-	29.41	0.00	0.00
	(29.41)	-	-	(29.41)	(25.64)	(3.77)	-	(29.41)	(0.00)	(3.77)
Total	465.49	351.62	0.81	816.30	253.48	41.79	0.76	294.51	521.79	212.01
(Previous year)	(465.49)	-	-	(465.49)	(213.75)	(39.73)	-	(253.48)	(212.01)	(251.74)

Note:

a) Company has adopted modified retrospective approach as per paraC8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Amortisation As at April 01, 2025	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2026	Net Block As at March 31, 2026	Net Block As at March 31, 2025
(a) Goodwill	40.15	-	-	40.15	40.15	-	-	40.15	-	-
As at April 1, 2016	(40.15)	-	-	(40.15)	(33.36)	(6.79)	-	(40.15)	0.00	0.00
(b) Brand / Trade Marks	7.52	-	-	7.52	4.16	0.68	-	4.84	2.68	3.36
As at April 1, 2016	(117.16)	-	-	(117.16)	(22.75)	(18.39)	-	(41.14)	(76.02)	(76.02)
(c) Non-Compete Fees	144.60	-	-	144.60	11.53	14.45	-	25.98	118.62	133.07
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-
(d) Software	-	0.41	-	0.41	-	0.05	-	0.05	0.36	-
As at April 1, 2016	-	(4.09)	-	(4.09)	-	(0.19)	-	(0.19)	(3.90)	(3.90)
Total	192.27	0.41	-	192.68	55.84	15.18	-	71.02	121.66	136.43
As at April 1, 2016	(157.31)	(4.09)	-	(161.40)	(56.11)	(25.37)	-	(81.48)	(79.92)	(79.92)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31, 2024
(a) Land										
Freehold	211.90	55.39	-	267.29	-	-	-	-	267.29	211.90
As at April 1, 2016	(5.76)	(0.58)	-	(6.34)	-	-	-	-	(6.34)	(6.34)
(b) Buildings	2,681.15	142.50	-	2,823.65	914.68	86.58	-	1,001.26	1,822.39	1,766.47
As at April 1, 2016	(1,528.32)	(15.00)	-	(1,543.32)	(381.82)	(50.26)	-	(432.08)	(1,111.24)	(1,111.24)
(c) Plant & Machinery	3,470.79	111.35	31.43	3,550.71	1,795.28	155.29	24.29	1,926.28	1,624.43	1,675.51
As at April 1, 2016	(2,216.82)	(225.78)	(11.26)	(2,431.34)	(883.48)	(98.20)	(5.49)	(976.19)	(1,455.15)	(1,455.15)
(d) Electrical Installations	328.76	34.28	4.18	358.86	176.51	28.95	3.44	202.02	156.84	152.25
As at April 1, 2016	(95.36)	(49.49)	-	(144.85)	(41.49)	(12.05)	-	(53.54)	(91.31)	(91.31)
(e) Furniture & Fittings	181.11	13.20	5.57	188.74	93.28	13.34	5.18	101.44	87.30	87.83
As at April 1, 2016	(135.90)	(52.65)	(0.21)	(188.34)	(67.18)	(14.91)	(0.10)	(81.99)	(106.35)	(106.35)
(f) Vehicles	71.54	1.92	2.83	70.63	34.07	4.73	1.49	37.31	33.32	37.47
As at April 1, 2016	(42.73)	(15.48)	(0.84)	(57.37)	(26.13)	(3.69)	(0.78)	(29.04)	(28.33)	(28.33)
(g) Lab Equipments	42.52	2.70	0.03	45.19	24.18	3.29	0.03	27.44	17.75	18.34
As at April 1, 2016	(10.20)	(0.10)	-	(10.30)	(8.51)	(0.55)	-	(9.06)	(1.24)	(1.24)
(h) Office Equipments	238.21	25.72	3.64	260.29	147.22	15.88	3.38	159.72	100.57	90.99
As at April 1, 2016	(124.27)	(20.21)	(0.29)	(144.19)	(71.31)	(10.39)	(0.13)	(81.57)	(62.62)	(62.62)
(i) Computers	189.49	6.37	0.03	195.83	148.92	11.85	0.03	160.74	35.09	40.57
As at April 1, 2016	(121.71)	(32.29)	(2.98)	(151.02)	(97.83)	(9.13)	(2.84)	(104.12)	(46.90)	(46.90)
Total	**7,415.47**	**393.43**	**47.71**	**7,761.19**	**3,334.14**	**319.91**	**37.84**	**3,616.21**	**4,144.98**	**4,081.33**
As at April 1, 2016	**(4,281.07)**	**(411.58)**	**(15.58)**	**(4,677.07)**	**(1,577.75)**	**(199.18)**	**(9.34)**	**(1,767.59)**	**(2,909.48)**	**(2,909.48)**

Note:

(1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.

(2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.

(3) Refer note on capital commitment and Security for the borrowings.

(4) During financial year 24-25, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Deletions	As at March 31, 2025
Capital work in progress	187.47	290.69	172.52	305.64
Total	187.47	290.69	172.52	305.64

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31, 2025	Net Block As at March 31, 2024
(a) Land Lease Hold	13.53	-	-	13.53	2.19	0.13	-	2.32	11.21	11.34
	(13.53)	-	-	(13.53)	(2.06)	(0.13)	-	(2.19)	(11.34)	(11.47)
(b) Vehicle Leasehold	34.46		-	34.46	24.82	3.09	-	27.91	6.55	9.64
	(34.46)	-	-	(34.46)	(21.73)	(3.09)	-	(24.82)	(9.64)	(12.73)
(c) Building and Land	334.67	-	-	334.67	151.35	30.79	-	182.14	152.53	183.32
	(334.67)	-	-	(334.67)	(121.08)	(30.27)	-	(151.35)	(183.32)	(213.59)
(d) Land - MD and ED	53.42	-	-	53.42	9.75	1.95	-	11.70	41.72	43.67
	(53.42)	-	-	(53.42)	(7.80)	(1.95)	-	(9.75)	(43.67)	(45.62)
(e) Lease Prepayment	29.41	-	-	29.41	25.64	3.77	-	29.41	0.00	3.77
	(29.41)	-	-	(29.41)	(21.21)	(4.43)	-	(25.64)	(3.77)	(8.20)
Total	465.49	-	-	465.49	213.75	39.73	-	253.48	212.01	251.74
(Previous year)	(465.49)	-	-	(465.49)	(173.88)	(39.87)	-	(213.75)	(251.74)	(291.61)

Note:

a) Company has adopted modified retrospective approach as per paraC8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	Accumulated Amortisation As at April 01, 2024	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2025	Net Block As at March 31, 2025	Net Block As at March 31, 2024
(a) Goodwill	40.15	-	-	40.15	40.15	-	-	40.15	-	-
As at April 1, 2016	(40.15)	-	-	(40.15)	(33.36)	(6.79)	-	(40.15)	0.00	0.00
(b) Brand / Trade Marks	7.52	-	-	7.52	4.16	-	-	4.16	3.36	3.36
As at April 1, 2016	(117.16)	-	-	(117.16)	(22.75)	(18.39)	-	(41.14)	(76.02)	(76.02)
(c) Non-Compete Fees	-	144.60	-	144.60	-	11.53	-	11.53	133.07	-
As at April 1, 2016	-	-	-	-	-	-	-	-	-	
(d) Software	-	-	-	-	-	-	-	-	-	-
As at April 1, 2016	-	(4.09)	-	(4.09)	-	(0.19)	-	(0.19)	(3.90)	(3.90)
Total	47.67	144.60	-	192.27	44.31	11.53	-	55.84	136.43	3.36
As at April 1, 2016	(157.31)	(4.09)	-	(161.40)	(56.11)	(25.37)	-	(81.48)	(79.92)	(79.92)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.2 NON-CURRENT INVESTMENTS	As at March 31, 2026	As at March 31, 2025
a. Investment in Equity Instruments of Subsidiaries - (Unquoted) carried at amortised cost		
i. 65,160,606 shares (As at March 31, 2025 – 65,160,606 Shares) of Rs.10/- each fully paid up in Young Brand Apparels Private Limited	1,523.01	1,523.01
ii. 266,000 shares (As at March 31, 2025 - 266,000 Shares) of Rs.100/- each fully paid up in Crocodile Products Private Limited	63.74	63.74
iii. 160,000 shares (As at March 31, 2025 – 160,000 Shares) of 1 GBP each fully paid up in S.P. Apparels UK (P) Limited	15.75	15.75
iv. 7,300,000 shares (As at March 31, 2025 – 7,300,000 Shares) of Rs.10/- each fully paid up in S.P. Retail Ventures Limited	541.00	541.00
v. 15,000,000 equity shares(As at March 31, 2025 - 300,000 shares) of LKR 10 /- each fully paid up in S.P.Apparels International (Private) Limited	44.28	0.84
b. Investments carried at amortised cost		
Investments in Bonds and Non Convertible Debentures (NCDs) -(quoted)	51.37	50.13
c. Investments carried at fair value through profit or loss		
Investment in Mutual funds (quoted)	35.04	40.04
d. Investments in Equity - Others (unquoted) carried at cost		
i. 1,775 shares (As at March 31, 2025 – 1,775 Shares) of Rs. 1000/- each fully paid up in Netaji Apparel Park.	1.78	1.78
ii. 1,949 shares (As at March 31, 2025 – 636 Shares) of Rs. 10/- each fully paid up in Babu Energy P Ltd, Kancheepuram.	0.02	0.01
iii. 5 shares (As at March 31, 2025 – 140 Shares) of Rs. 100/- each fully paid up in Aravind Green Infra P Ltd, Karur	-	0.01
iv. 78 shares (As at March 31, 2025 – 508 Shares) of Rs. 100 /-each fully paid up in Apsara power India P ltd, Karur	0.01	0.05
v. 340 shares (As at March 31, 2025 – 35 Shares) of Rs. 100 /-each fully paid up in Amirthaa Green Infra P Ltd, Karur	0.03	0.00
v. 1,83,766 equity shares (As at March 31, 2025 - Nil shares) of Rs. 10/- each fully paid up in Palladam Hi-Teck Park	**1.84**	**-**
Total	**2,277.87**	**2,236.36**
Less: Impairment in Value of Investments	-	-
Total	**2,277.87**	**2,236.36**
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	86.41	90.17
Aggregate market value of quoted investments	86.41	90.17
Aggregate value of unquoted investments	2,191.46	2,146.19
Aggregate value of impairment of investments	-	-

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.3 NON-CURRENT LOANS AND ADVANCES	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless otherwise stated)		
Loans to Subsidiaries :[Refer Note 3.15]		
- S.P. Retail Ventures Limited		
(Loans and advances were given at rate of interest of 7.5% p.a for the period to S.P. Retail Ventures Limited)	172.50	165.00
- S.P.Apparels International Private Limited - Sri Lanka		
(loans and advances repayable in 10 years,were given at the rate of interest of 6-month SFOR + 50 bps p.a to S.P.Apparels International Private Limited - Sri Lanka)	590.40	145.49
- S.P. Apparels UK (P) Limited		
(Loans and advances were given at rate of interest of 4% p.a to S.P. Apparels UK (P) Limited)	67.14	65.27
Total	**830.04**	**375.76**

1.4 OTHER NON-CURRENT FINANCIAL ASSETS	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless otherwise stated)		
a. Security Deposits [Refer Note 3.15]	171.71	172.63
(Includes Rs. 80.00 Millions and Rs. 80.00 Millions paid to Poornam Enterprises Private Limited as at March 31, 2026 and March 31, 2025 respectively)		
(Includes Rs. 50.00 Millions and Rs. 50.00 Millions paid to S.P Superfine Private Limited as at March 31, 2026 and March 31, 2025 respectively)”		
b. Other Receivables	71.30	71.30
- Crocodile Products Private Limited		
c. Others		
EB Deposits	51.34	45.29
Others	0.34	0.35
Subtotal	**51.68**	**45.64**
Total	**294.69**	**289.57**

1.5 OTHER NON-CURRENT ASSETS	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless otherwise stated)		
a. Capital Advance (Unsecured, considered good unless otherwise stated)	143.50	303.26
b. Balance with government authorities (Unsecured, considered good unless otherwise stated)		
Sales Tax Deposits	0.01	0.01
c. Others - (Unsecured, considered good unless otherwise stated)		
Fringe Benefit Tax Receivables	-	0.04
Income Tax Receivables	-	2.45
Electricity Charges Receivables	7.58	7.58
Subtotal	**7.58**	**10.07**
Total	**151.09**	**313.34**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.6 INVENTORIES	As at March 31, 2026	As at March 31, 2025
a. Raw materials and Components	551.77	786.92
b. Work-in -progress	1,264.98	1,492.08
c. Finished goods	285.88	295.68
d. Stores, spares and consumable tools	290.58	313.71
Total	**2,393.21**	**2,888.39**

1.7 CURRENT INVESMENTS	As at March 31, 2026	As at March 31, 2025
a. Investments carried at fair value through profit or loss		
Mutual funds units (quoted)	137.38	-
Total	**137.38**	**-**
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	137.38	-
Aggregate market value of quoted investments	137.38	-
Aggregate value of unquoted investments	-	-
Aggregate value of impairment of investments	-	-

1.8 TRADE RECEIVABLES	As at March 31, 2026	As at March 31, 2025
a. Trade Receivables considered good - Unsecured	1,130.49	1,040.26
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	2.00	3.60
	1,132.49	1,043.86
Less: Loss Allowance	(2.00)	(3.60)
Total	**1,130.49**	**1,040.26**

Above receivables includes receivables from subsidiary / associate companies: (Refer Note 3.15)

a) S.P. Retail Ventures Limited - Rs 9.76 (as at March 31, 2025 Rs. 5.50)

b) S.P. Apparels UK (P) Limited - Rs 14.83 (as at March 31, 2025 Rs. 10.46)

c) Young Brand Apparels Private Limited - Rs 15.22 (as at March 31, 2025 Rs. 9.31)

d) Jumeirah Lanka Private Limited - Rs 211.24 (as at March 31, 2025 Rs. 0.00)

Also includes receivables from enterprises owned by KMP: (Refer Note 3.15)

a) S.P. Superfine P Ltd - Rs 78.22 (as at March 31, 2025 Rs. 31.70)

b) S.P. Retail Brand Ltd - Rs 0.05 (as at March 31, 2025 Rs. 0.02)

c) Poornam Enterprises P Ltd - Rs 0.71 (as at March 31, 2025 Rs. 0.67)

d) S.P. Charitable Trust - Rs 0.28 (as at March 31, 2025 Rs. 0.00)

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

As at 31st March, 2026

Particulars	Outstanding for following periods from invoice date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	861.35	201.85	62.70	-	4.59	-	1,130.49
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	2.00	-	2.00
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
Disputed Trade receivable - significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Total	**861.35**	**201.85**	**62.70**	**-**	**6.59**	**-**	**1,132.49**
Less: Loss allowance							**(2.00)**
Net Total							**1,130.49**

As at 31st March, 2025

Particulars	Outstanding for following periods from invoice date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	814.80	214.45	3.31	1.04	6.58	0.08	1,040.26
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	3.60	-	3.60
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
Disputed Trade receivable - significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Total	**814.80**	**214.45**	**3.31**	**1.04**	**10.18**	**0.08**	**1,043.86**
Less: Loss allowance							**3.60**
Net Total							**1,040.26**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.9A CASH AND CASH EQUIVALENTS	As at March 31, 2026	As at March 31, 2025
Balances with Banks in Current account	472.07	250.54
Cash on hand	56.63	46.41
Total	**528.70**	**296.95**

1.9 B. Bank Balances other than (1.9A) above	As at March 31, 2026	As at March 31, 2025
In Deposit accounts	10.92	7.77
In Dividend account	-	0.04
Total	**10.92**	**7.81**

1.10 OTHER CURRENT ASSETS	As at March 31, 2026	As at March 31, 2025
(Unsecured, Considered Good unless otherwise stated)		
a. Prepaid Expenses	26.44	20.85
b. Material advances	84.07	64.29
c. Balances with government authorities		
- Export Incentives Receivables	127.24	87.85
- GST Refund receivable	155.81	155.00
- GST Input Credit	89.33	80.09
- TUF receivable	20.67	20.67
- Interest subvention receivable	0.03	0.03
Subtotal	**393.08**	**343.64**
d. Deposit paid under protest	16.59	11.21
e. Others(Advance)	9.01	1.21
	529.19	**441.20**

1.11 EQUITY SHARE CAPITAL	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Rs in Millions	Number of shares	Rs in Millions
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	4,72,50,000	472.50	4,72,50,000	472.50
Total	**4,72,50,000**	**472.50**	**4,72,50,000**	**472.50**
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	2,51,38,883	251.39	2,50,92,600	250.93
Total	**2,51,38,883**	**251.39**	**2,50,92,600**	**250.93**
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	2,51,38,883	251.39	2,50,92,600	250.93
Total	**2,51,38,883**	**251.39**	**2,50,92,600**	**250.93**

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Notes

i) **Terms & Condition of Equity shares**

The Company has only one class of equity shares having a par face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
a) Equity Shares with voting rights				
Mr. P.Sundararajan	1,25,38,759	49.88%	1,25,38,759	49.97%
Ms. S.Latha	29,61,510	11.78%	29,61,510	11.80%
DSP Small Cap Fund	19,31,892	7.68%	21,76,332	8.67%

iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issued during the year	Closing Balance
Equity shares with voting rights			
Period ended March 31, 2026			
- Number of shares	2,50,92,600	46,283	2,51,38,883
- Amount (Rs. 10 each) (Rs. in Million)	250.93	0.46	251.39
Period ended March 31, 2025			
- Number of shares	2,50,92,600	-	2,50,92,600
- Amount (Rs. 10 each) (Rs. in Million)	250.93	-	250.93

iv) Details of shares held by promoters :

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.88%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.78%	0.00%
Mr. Sundararajan Chenduran	27,751	-	27,751	0.11%	0.00%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	**1,55,38,791**	**-**	**1,55,38,791**	**61.81%**	**0.00%**

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.97%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.80%	0.00%
Mr. Sundararajan Chenduran	28,251	(500)	27,751	0.11%	-1.77%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	**1,55,39,291**	**(500)**	**1,55,38,791**	**61.92%**	**-1.77%**

1.12 OTHER EQUITY	As at March 31, 2026	As at March 31, 2025
a. Securities Premium Account		
Balance as at the beginning of the period	2,174.94	2,174.94
Add: Premium received on allotment of equity shares	11.11	-
Balance as at the end of the year	**2,186.05**	**2,174.94**
The reserve has been created when equity shares have been issued at a premium. This reserve may be utilised to issue fully paid-up bonus shares, buy-back of equity shares or writing off expenses incurred on issue of equity shares.		
b. Capital Redemption Reserve		
Balance as at the beginning of the year	206.00	206.00
Add: Capital Redemption on buyback	-	-
Balance as at the end of the period	**206.00**	**206.00**

The reserve has been created as per section 55 (2) (c) of Companies Act, 2013 based on the proposal for redemption of preference shares during the board meeting held on March 15, 2018.

The company has sought approval of the Shareholders of the Company by Postal Ballot process pursuant to the provisions of Section 108 & 110 of the Companies Act, 2013 read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Resolution(s) as set out in the Postal ballot Notice dated 15th March, 2018 for the following

a. Variation of the terms of issue of the 10% Redeemable Cumulative Preference Shares and its redemption

b. Issue of 5,28,000 Equity Shares to Promoter of the Company on preferential basis. The approval received from shareholders and concluded on April 23, 2018.

The shares are proposed to be redeemed out of the profits of the company. Accordingly, out of accumulated profits, a sum equal to the nominal amount of the shares to be redeemed, has been transferred to a reserve, to be called the Capital Redemption Reserve Account.

During the FY 22-23, the reserve has been created as per Section 69 of Companies Act, 2013 based on the buyback of equity shares. An amount equal to nominal value of share brought back has been transferred to Capital Redemption Reserve. The above reserve may be utilized by the company for the issue of fully paid up bonus shares

	As at March 31, 2026	As at March 31, 2025
c. Additional Paid in Equity		
Balance as at the beginning of the year	90.36	90.36
Balance as at the end of the year	**90.36**	**90.36**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.12 OTHER EQUITY (CONTD.)	As at March 31, 2026	As at March 31, 2025
This has arisen because of the unsecured loan received and preference shares		
(i) As per Ind AS 109, financial liability which were received at concessional rate compared to market rate are valued at fair value from the date of its availment and difference between the nominal value of unsecured loan and fair value has been treated as deferred loan and unwound during the term of loan. Further differences has been disclosed as additional paid in equity [with respect to unsecured loans related to equity holders].		
ii) As per Para 18 of Ind AS 32, a preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability. Further, the Company as at the date of issue has arrived the present value of the cash flow at market rate return of the preference shares and differences between nominal value of preference shares and present value of the cash flow has been disclosed as additional paid in equity [with respect to preference shares related to equity holders].		
d. Share Options Outstanding Account		
Balance as at the beginning of the year	**3.66**	**-**
Add: Employee stock compensation expense(Refer note 3.6.1)	**16.01**	**3.66**
Balance as at the end of the year	**19.67**	**3.66**
The Share options outstanding account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account will be transferred to securities premium upon exercise of stock options and will be transferred to general reserve on account of stock options not exercised by employees.		
e. Retained Earnings (Surplus in Statement of Profit and Loss)		
Balance as at the beginning of the year	6,056.46	5,221.14
Add: Current year profit	878.42	835.32
Less: Dividend 2024-25	(50.22)	-
Balance as at the end of the year	**6,884.66**	**6,056.46**
Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.		
f. Other Comprehensive Income		
Balance as at the beginning of the year	(184.82)	(153.33)
Add: Current year transfer from statement of profit and loss	(58.87)	(31.49)
Balance as at the end of the year	(243.69)	(184.82)
Other comprehensive income include remeasurement of net defined benefit liability / asset and changes in fair value of derivatives designated as cash flow hedges, net of taxes.When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve.The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.		
Total	**9,143.05**	**8,346.60**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 NON-CURRENT BORROWINGS	As at March 31, 2026	As at March 31, 2025
a. Secured Borrowings at Amortised Cost		
Term Loan from banks	416.17	287.61
Total	**416.17**	**287.61**

Security and Terms:

Security and Terms: The company has been sanctioned term loan of INR 600 Mn out of which, it has availed INR 590.24 Mn as of March 31, 2026. It is secured by exclusive Charge on all Immovable and movable assets being acquired from Bannari Amman under the MOU ie.1) Garment unit located at Palladam Hi-Tech Weaving Park, Palladam, Tamil Nadu and 2) 6.43 Acres of Land with Building situated at Site No. R-44, SIPCOT, Perundurai. Personal Guarantee – of MR.P.Sundararajan and Mrs. S Latha

- Loan amounting to Rs. 534.22 Million (Previous year Rs. 287.61 Million)
- Interest rate relating to term loans from banks is 8.50%(Previous Year:8.50%)
- Tenure of 6 Years including 12 months of Moratorium repayable in equal monthly instalments.
- The Company has not defaulted in repayment of principal and interest during the year.
- Refer Note 1.18(b) for Current Maturities of Long Term Borrowings.

1.14 NON-CURRENT LEASE LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Long term maturity of lease liabilities	133.93	169.48
Total	**133.93**	**169.48**

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate of 10%.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. All operating lease arrangements has been evaluated for IND AS 116 evaluations and applicable arrangements are considered for accounting after discounting of lease rental payments at the rate of 10% per annum.

The movement in lease liabilities during the Year ended March 31, 2026 and March 31, 2025 are given below

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**223.69**	**255.73**
Additions during the year	-	-
Finance cost accrued during the year	18.66	22.00
Provision for Doubtful debts	-	-
Payment of lease liabilities during the year	(54.21)	(54.04)
Balance at the end of the year	**188.14**	**223.69**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	54.21	54.21
One to five years	121.40	169.22
More than five years	46.12	52.52
Total	**221.73**	**275.95**

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Amounts recognised in profit or loss for the year ended March 31, 2026 and March 31, 2025 are given below

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on lease liabilities	18.66	22.00
Expenses relating to leases of low-value assets, including short-term leases of low value assets	61.58	53.29
Total	**80.24**	**75.29**

1.15 OTHER NON-CURRENT FINANCIAL LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Deferred Govt Grant Receivables	30.13	45.40
Total	**30.13**	**45.40**

1.16 DEFERRED TAX LIABILITIES (NET)	As at March 31, 2026	As at March 31, 2025
a. Deferred tax liabilities	344.95	348.82
Total Deferred tax (assets)/ liabilities	**344.95**	**348.82**
Deferred tax liability / (assets) in relation to:		
- Property, plant and equipment (including Intangible assets) [Refer Note 3.1]	381.95	371.95
- Other temporary differences (income tax disallowance and other adjustments.) [Refer Note 3.1]	(37.00)	(23.13)
Total	**344.95**	**348.82**

1.17 NON-CURRENT PROVISIONS	As at March 31, 2026	As at March 31, 2025
a. Provision for employee benefits		
Compensated absences	**16.01**	**11.70**
Gratuity (Net of funds) (Refer Note 3.6)	**80.75**	**68.28**
Total	**96.76**	**79.98**

1.18 CURRENT FINANCIAL LIABILITIES - BORROWINGS	As at March 31, 2026	As at March 31, 2025
a. Secured Borrowings at amortised cost		
Loans from Banks (Includes Cash Credit, Working capital demand loans, Packing credit, etc)	2,175.80	2,058.94
b. Current maturities of Long-term debts at amortised cost (Refer Note 1.13)	118.05	-
Total	**2,293.85**	**2,058.94**

Note: With respect to Cash Credit, Working Capital Demand Loan, Packing Credit from Banks, the first charge on entire current assets including stock of Raw Material, Work in Progress, Finished Goods, Stores, Spares & Consumable and receivables of the Company is given to respective banks. Second charge on the entire fixed assets of the Company (other than exclusively charged to term loans) has been extended to the banks where ever possible. Promoters guarantee and security has also been provided to banks.

1.19 CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Current maturities of finance lease obligations	54.21	54.21
Total	**54.21**	**54.21**

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.20 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	As at March 31, 2026	As at March 31, 2025
Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 3.14)	264.59	259.50
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	346.23	431.54
includes payables to enterprises owned by key managerial personnel (Refer Note 3.15)		
S.P.Lifestyles Rs.1.04 (as at March 31, 2025 Rs. 1.04)		
S.P.Superfine Cotton Mills Pvt Ltd Rs. 0.00 (as at March 31, 2025 Rs. 5.27)		
Total	**610.82**	**691.04**

As at 31 March, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues to micro enterprises and small enterprises	179.51	84.42	0.66	-	-	264.59
Dues to other than micro enterprises and small enterprises	162.96	117.01	0.06	0.00	-	280.03
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	66.20	-	-	-	-	66.20
Total	**408.67**	**201.43**	**0.72**	**0.00**	**-**	**610.82**

As at 31 March, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues to micro enterprises and small enterprises	199.23	60.27	-	-	-	259.50
Dues to other than micro enterprises and small enterprises	221.46	107.27	0.34	0.01	0.18	329.26
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	102.28	-	-	-	-	102.28
Total	**522.97**	**167.54**	**0.34**	**0.01**	**0.18**	**691.04**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.21 CURRENT FINANCIAL LIABILITIES - Others	As at March 31, 2026	As at March 31, 2025
a. Proposed dividend on cumulative preference shares including DDT	-	0.05
b. Capital Creditors	15.76	37.35
c. Employee Benefits	181.21	194.79
includes payables to Key Managerial Personnel (Refer Note 3.15)		
P. Sundararajan [Managing Director Rs. 0.01 (as at March 31, 2025 Rs. 1.63)]		
S. Shantha [Joint Managing Director Rs. 0.07 (as at March 31, 2025 Rs. 0.07)]		
S. Chenduran [Joint Managing Director Rs. 0.00 (as at March 31, 2025 Rs. 0.10)]		
d. Derivative financial liability	94.94	28.38
e. Trade Deposit from customers	2.56	2.15
Total	**294.47**	**262.72**

1.22 OTHER CURRENT LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Statutory Liabilities	55.38	71.54
b. Advances from customer	2.50	2.13
Total	**57.88**	**73.67**

1.23 CURRENT PROVISIONS	As at March 31, 2026	As at March 31, 2025
a. Provision for Income Tax	6.49	1.29
a. Provision for employee benefits		
Compensated absences	4.09	3.86
Gratuity (Net of funds)(Refer Note 3.6)	6.90	14.15
Total	**17.48**	**19.30**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.1 REVENUE FROM OPERATIONS	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Sale of Products		
Manufactured goods		
Garments - Export	9,592.41	8,474.65
Garments - Local	61.30	45.31
Yarn	183.23	179.77
Fabric - Export	96.58	-
Fabric - Local	303.28	272.01
Cotton Waste	195.11	216.91
Sub Total	**10,431.91**	**9,188.65**
b. Revenue From Services		
Dyeing charges	22.92	27.20
Embroidery charges	5.33	4.49
Printing charges	0.60	1.66
Others	0.18	0.63
Sub Total	**29.03**	**33.98**
c. Other Operating revenue		
Duty Draw Back and other Export Incentives	637.83	577.84
Corporate & IT Support Charges	17.67	-
Sale of Scrap	2.67	1.23
Release of Deferred Income(Refer Note below)	15.27	14.53
Sub Total	673.44	593.60
Total	**11,134.38**	**9,816.23**

Note - Release of deferred income is relating to incentive from Technology Upgradation Fund (TUF) Scheme loan and Export Promotion Capital Goods (EPCG) Scheme which was accounted during the transition to Ind AS, now taken to statement of profit and loss.

2.2 OTHER INCOME	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Interest Income from		
Bank Deposits & NCDS	13.74	10.76
Interest on Income Tax Refund	3.00	-
Lease Deposits	11.66	10.86
Loan to S.P.Retail Ventures Limited (Refer note 3.15)	12.96	12.17
Loan to SP Apparels International Limited (Refer note 3.15)	21.40	-
Loan to SP Apparels UK (P) Limited (Refer note 3.15)	2.18	1.96
Sub Total	**64.94**	**35.75**
b. Dividend Income from		
Non Current Investments	0.08	-
Sub Total	0.08	-

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.2 OTHER INCOME (Contd)	For the year ended March 31, 2026	For the year ended March 31, 2025
c. Other Non-operating Income		
Profit on Sale of Investments	-	9.07
Foreign Exchange Gain/(Loss) (Net)	-	28.40
Others	2.70	0.61
Sub Total	**2.70**	**38.08**
Total	**67.72**	**73.83**

2.3 COST OF MATERIALS CONSUMED	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock	1,100.63	719.08
Purchases	3,116.81	3,871.66
Sub Total	**4,217.44**	**4,590.74**
Less: Closing Stock	842.35	1,100.63
Total	**3,375.09**	**3,490.11**

2.4 PURCHASE OF STOCK-IN-TRADE - TRADED GOODS	For the year ended March 31, 2026	For the year ended March 31, 2025
Garments	298.40	58.03
Total	**298.40**	**58.03**

2.5 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Inventory at the beginning of the year		
Finished goods	295.68	263.10
Work-in-progress	1,492.08	1,165.41
(A)	**1,787.76**	**1,428.51**
b. Inventory at the end of the year		
Finished goods	285.88	295.68
Work-in-progress	1,264.98	1,492.08
(B)	**1,550.86**	**1,787.76**
Total(A-B)	**236.90**	**(359.25)**

2.6 EMPLOYEE BENEFIT EXPENSES	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	2,483.93	2,205.96
Contribution to provident, gratuity and other funds(Refer Note 3.6)	269.28	206.66
Expenses on Employee Stock Option Scheme (ESOP)(Refer Note 3.6.1)	16.01	3.66
Staff welfare expenses	337.06	336.35
Total	**3,106.28**	**2,752.63**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.7 FINANCE COST	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on bank borrowings	153.42	111.36
Interest expenses on lease liability	18.66	22.00
Other borrowing costs	56.63	52.26
Exchange loss/(gain) on foreign currency	45.45	14.14
Total	**274.16**	**199.76**

2.8 DEPRECIATION AND AMORTISATION EXPENSES	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Tangible Assets		
Buildings	96.47	86.58
Plant and Machinery	165.31	155.29
Electrical Installations	35.93	28.95
Furniture and Fittings	16.85	13.34
Office Equipment	17.53	15.88
Lab Equipment	3.43	3.29
Computers	12.74	11.85
Vehicles	5.49	4.73
Right of Use Asset		
Land	0.30	0.13
Vehicles	2.46	3.09
Buildings	39.03	36.51
Tangible assets (Including Right of Use assets)	**395.54**	**359.64**
b. Intangible Assets		
Brand/Trademarks - Acquired	0.68	-
Software - Acquired	0.05	-
Non Compete Fees on Business Acqusition	14.45	11.53
Intangible Assets	**15.18**	**11.53**
Total	**410.72**	**371.17**

2.9 OTHER EXPENSES	For the year ended March 31, 2026	For the year ended March 31, 2025
Power & Fuel	425.52	447.40
Repairs & Maintenance - Buildings	17.82	14.89
Repairs & Maintenance - Plant and Equipment	116.14	102.54
Repairs & Maintenance - Others	73.75	76.72
Fabrication Charges	116.83	146.10
Other Manufacturing Expenses	927.55	968.72
Payments to Auditors [Refer Note 2.9 (i)]	2.65	3.27
Insurance	19.54	14.61

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.9 OTHER EXPENSES (Contd)	For the year ended March 31, 2026	For the year ended March 31, 2025
Legal & Professional Charges	26.06	22.55
Loss on Sale of Property, Plant and Equipment	0.66	2.15
Printing and stationery	13.29	11.87
Communication	2.27	2.32
Travelling and conveyance	42.53	38.40
Factory lease rent	26.57	25.09
Rent	35.01	28.20
Rates and taxes	26.58	22.72
Donation	0.20	0.08
"Expenditure on Corporate Social Responsibility (Refer Note 3.4)"	25.30	24.90
Director sitting fees (Refer Note 3.2)	1.16	1.28
Commission	1.23	0.83
Freight and forwarding	193.99	189.75
Business promotion	6.94	7.42
Loss Allowance on receivables / advances	2.00	4.28
Provisions for MTM (Gain)/Loss on forward contracts	(0.15)	16.63
Provisions for MTM (Gain)/Loss on investments	17.62	-
Loss on Foreign Exchange	127.16	5.66
Miscellaneous expenses	55.98	81.76
Total	**2,304.20**	**2,260.14**
(i) Payment to auditors comprises:		
As auditors - statutory audit	2.00	2.00
For taxation	-	0.12
For Reimbursement of out of expenses	0.27	0.29
For other services	0.38	0.86
Total	**2.65**	**3.27**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.1 Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax liabilities and a description of the items that created these differences is given below :

Recognised deferred tax assets/liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Tax effect of items constituting deferred tax liabilities		
Property, Plant and Equipment	(381.95)	(371.95)
Derivative Adjustments	19.80	10.60
Others	17.20	12.53
Net deferred tax (liabilities)/assets recognised in Balance Sheet	**(344.95)**	**(348.82)**

Movement in temporary differences during current and previous year

Particulars	Property, Plant and Equipment	Derivative Adjustments	Others
Balance as at April 1, 2024	**(364.01)**	**(25.89)**	**6.84**
Recognised in income statement	(7.94)	25.89	5.69
Recognised in Equity	-	10.60	-
Balance as at March 31, 2025	**(371.95)**	**10.60**	**12.53**
Recognised in income statement	(10.00)	(10.60)	4.67
Recognised in Equity	-	19.80	-
Balance as at March 31, 2026	**(381.95)**	**19.80**	**17.20**

Income tax expense recognized in profit or loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax expense/ (reversal)	302.00	281.24
Deferred Tax expense	15.93	(23.64)
Short / (Excess) provision for earlier year's tax	-	24.55
	317.93	**282.15**

Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year before tax	1,196.35	1,117.47
Tax rate	25.17%	25.17%
Expected tax expense/(benefit)	**301.10**	**281.24**
Short / (Excess) provision for earlier year's tax	-	24.55
Due to timing differences	15.93	(23.64)
Permanent Differences	0.90	-0.00
Income Tax expenses recognised in Statement of Profit and Loss	**317.93**	**282.15**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.2 Payments to independent directors - Sitting fees	Year ended March 31, 2026	Year ended March 31, 2025
Mr. Anand Kumar AS	0.16	0.36
Ms. Lakshmi Priya	0.36	0.16
Mr. Rajagopal CR	0.36	0.36
Mr. Ravishankar B	0.20	0.04
Mr. S Chidambaram	0.08	-
Mr. V Sakthivel	-	0.36
Total	1.16	1.28

3.3 Earnings Per Share	Year ended March 31, 2026	Year ended March 31, 2025
Net Profit after Tax for the year	878.42	835.32
Weighted average number of equity shares outstanding - Basic(Refer Note (i) below)	2,50,96,404	2,50,92,600
Weighted average number of equity shares outstanding - Diluted(Refer Note (i) below)	2,51,80,278	2,50,94,540
Earnings Per Share - Basic	35.00	33.29
Earnings Per Share - Diluted	34.89	33.29

(i) Weighted average number of shares - Basic & Diluted

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Paid-up equity share capital (face value Rs. 10/-)	251.39	250.93
Face Value per share [Amount]	10.00	10.00
Weighted average number of equity shares outstanding - Basic	**2,50,96,404**	**2,50,92,600**
Add: Weighted average number of potential equity shares on account of employee stock options	83,874	1,940
Weighted average number of equity shares outstanding - Diluted	**2,51,80,278**	**2,50,94,540**

3.4 Contribution towards Corporate Social Responsibility

Section 135 of the Companies Act, 2013, requires Company to spend towards Corporate Social Responsibility (CSR). The Company is expected to spend Rs. 25.30 Millions during the year ended March 31, 2026 towards CSR in compliance of this requirement. A sum of Rs. 25.30 Millions has been spent during the current year towards CSR activities as per details given below.

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Amount required to be spent by the Company during the year	25.30	24.80
Amount of expenditure incurred*	25.30	24.90
Shortfall at the end of the year	-	-
Total of previous year shortfall / (surplus)	(0.03)	(0.10)
Reason for shortfall	NA	NA

Nature of CSR activities: Education, skill development, rural development and health care

*Out of the above expenditure incurred during FY 25-26, ₹ 13.43 millions is towards contribution to SP Charitable Trust which supports skill development activities.

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.5 Foreign currency exposure

The details of foreign currency exposure as at March 31, 2026 are as follows:

Particulars	As at March 31, 2026		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	USD	0.01	0.53
	GBP	0.00	0.53
	EUR	0.00	0.14
	SGD	0.00	0.00
	HKD	0.00	0.01
	LKR	0.05	0.01
	TAKA	0.00	0.00
	VND	4.24	0.01
		4.30	**1.23**
EEFC A/c	USD	0.00	0.00
	GBP	0.00	0.00
	EUR	0.00	0.00
		0.00	0.00
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	5.93	561.10
	GBP	1.86	234.24
	EUR	2.01	218.85
		9.80	**1,014.19**
Loans and Advances	USD	6.24	590.40
	GBP	0.95	119.90
	EUR	-	-
		7.19	**710.30**
Amounts payable in foreign currency on account of:			
Trade Payables	USD	0.62	59.03
	EUR	0.19	21.02
		0.81	**80.05**
PCFC account	USD	5.17	488.96
	GBP	0.00	0.19
	EUR	2.32	252.45
		7.49	**741.60**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The details of foreign currency exposure as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	USD	0.00	0.13
	GBP	0.01	0.68
	EUR	0.00	0.03
	SGD	0.00	0.00
	HKD	0.00	0.01
	LKR	0.01	0.00
		0.02	**0.85**
EEFC A/c	GBP	0.00	0.00
	EUR	0.00	0.00
		0.00	**0.00**
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	4.51	385.80
	GBP	2.86	316.39
	EUR	2.52	232.61
		9.89	**934.80**
Loans and Advances	USD	1.70	145.49
	GBP	0.59	65.28
		2.29	**210.77**
Amounts payable in foreign currency on account of:			
Trade Payables	USD	0.28	23.91
	EUR	0.21	19.38
		0.49	**43.29**
PCFC account	USD	5.42	463.42
	GBP	0.24	26.78
	EUR	1.73	159.35
		7.39	**649.55**

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.6 Employee benefits

a. Defined benefit plans (Gratuity)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Gratuity)

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefit obligation at the beginning of the year	134.69	120.27
Service cost	8.52	8.34
Interest cost	6.90	5.96
Remeasurement (gain)/losses	11.52	14.13
Benefits paid	(21.73)	(14.01)
Projected benefit obligation at the end of the year	139.90	134.69

Change in the fair value of plan assets

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	52.26	53.78
Interest income	3.49	3.72
Employer contributions	18.52	9.52
Benefits paid	(21.73)	(14.01)
Return on plan assets, excluding amount recognised in net interest expense	(0.29)	(0.75)
Fair value of plan assets at the end of the year	52.25	52.26

Amount recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of projected benefit obligation at the end of the year	139.90	134.69
Fair value of plan assets at the end of the year	(52.25)	(52.26)
Funded status amount of liability recognised in the Balance Sheet	**87.65**	**82.43**

Expense recognised in the Statement of Profit and Loss

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Service cost	8.52	8.34
Interest cost	6.90	5.96
Interest income	**(3.49)**	**(3.72)**
Net gratuity costs	**11.93**	**10.58**
Actual return on plan assets	**-**	**-**

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Summary of actuarial assumptions

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Discount rate	7.84%	6.89%
Expected rate of return on plan assets	6.89%	7.22%
Salary escalation rate	1.50%	2.00%
Attrition rate	6.00%	6.00%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Contributions: The Company expects to contribute Rs. 6.90 Millions to its gratuity fund during the year ending March 31, 2027. (Previous year : Rs. 55.98 Millions)

The expected cash flows over the next few years are as follows:

Year	Discounted Amount	Undiscounted Amount
1 year	12.91	14.10
2 to 5 years	30.73	50.13
6 to 10 years	26.43	74.19
More than 10 years	69.82	520.99

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2026 and March 31, 2025, by asset category is as follows:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Funds managed by insurers	100%	100%

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	For the Year Ended March 31 2026		For the Year Ended March 31 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	11.44	(9.97)	12.05	(10.70)
(% change compared to base due to sensitivity)	8.18%	-7.13%	8.95%	-7.95%
Salary Growth rate (-/+ 1%)	(10.38)	11.81	(11.02)	12.29
(% change compared to base due to sensitivity)	-7.42%	8.44%	-8.18%	9.13%

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

b. Contributions to defined contribution plans

i. Provident Fund

In accordance with Indian law, all employees receive benefits from a provident fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The company contributed Rs.70.23 Millions and Rs. 55.44 Millions during the year ended March 31, 2026 and March 31, 2025 respectively.

ii. Employee State Insurance

In accordance with Indian law, all employees receive benefits from a employee state insurance, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's salary. The Company has no further obligations under the plan beyond its monthly contributions. The company contributed Rs. 60.93 Millions and Rs. 55.01 Millions during the year ended March 31, 2026 and March 31, 2025 respectively.

3.6.1 Share based payments

a) Scheme details:-

On 26.09.2024, the shareholders of the Company approved a scheme for allotment of equity shares to employees i.e. Employee Stock Option Plan 2024. 250,000 equity shares are reserved for this plan. Consequently, 186,030 options were granted to the employees on January 27, 2025. Details of number of options to employees have been tabulated below:

Category	No. of options	Vesting pattern
Category I	46,508.00	At the end of 12 months from the date of grant
Category II	46,508.00	At the end of 24 months from the date of grant
Category III	46,507.00	At the end of 36 months from the date of grant
Category IV	46,507.00	At the end of 48 months from the date of grant

b) Fair value on the grant date:-

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares and the risk free interest rate for the term of the option. Expected volatility of the option is based on the daily closing share prices of last 5 years(Standard deviation of the natural algorithm of returns over the period). The risk-free rate is based on the 10-year Government Bonds yield as on the Grant date. The stock price is the fair market value of equity share as on January 27, 2025 (Average of opening and closing Market price on NSE)

The model inputs for options granted during the year ended March 31, 2025 are mentioned below:

Particulars	**Tranche 1**	**Tranche 2**	**Tranche 3**	**Tranche 4**
a) Exercise price(In Rs.)	250	250	250	250
b) Grant date	27-01-2025	27-01-2025	27-01-2025	27-01-2025
c) Vesting year	2025-26	2026-27	2027-28	2028-29
d) Share price at Grant date(In Rs.)	813.23	813.23	813.23	813.23
e) Expected price volatility of company's share	52.72%	52.72%	52.72%	52.72%
f) Risk free interest rate	6.68%	6.68%	6.68%	6.68%

C) Movement in share options during the year:-

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Balance at the beginning of the year	1,86,030	250	-	-
Granted during the year	726	-	1,86,030	250
Exercised during the year	46,283	250	-	-
Balance at the end of the year	1,40,473	250	1,86,030	250

3.7 Segment Reporting

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the Consolidated Financial Statements.

3.8 Financial instruments

a. Derivative financial instruments

i. Forward and option contracts

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts are initially recognized at fair value on the date the contract is entered into and subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value of the derivative contracts are recognized immediately in profit or loss. The counterparties for these contracts are generally banks or financial institutions. The details of outstanding forward contracts as at March 31, 2026 and March 31, 2025 are given below:

Particulars	Currency	As at March 31, 2026	As at March 31, 2025
Forward contracts (Sell)	USD	9.76	25.20
	EUR	8.53	6.70
	GBP	6.56	14.45
(Gain) / loss on mark to market in respect of forward contracts outstanding	INR	94.94	28.38

The Company recognized a net gain/(loss) on the forward contracts of Rs. (66.56) Millions [Previous year : Rs. (41.22) Millions] for the year ended March 31, 2026.

The forward exchange contracts and option contracts mature between one and twelve months. The table below summarizes the notional amounts of derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
	USD	USD	EUR	EUR	GBP	GBP
Not later than one month	1.26	1.55	0.48	0.00	0.50	-
Later than one month and not later than three months	5.00	8.40	3.00	2.45	2.66	3.65
Later than three months and not later than six months	3.50	10.50	3.90	3.05	2.90	6.70
Later than six months and not later than one year	-	4.75	1.15	1.20	0.50	4.10
Total	9.76	25.20	8.53	6.70	6.56	14.45

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2026 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	2,242.83	172.42	-	2,415.25	2,415.25
Trade receivables	1,130.49	-	-	1,130.49	1,130.49
Cash and cash equivalents	528.70	-	-	528.70	528.70
Other bank balances	10.92	-	-	10.92	10.92
Loans and Advances	830.04	-	-	830.04	830.04
Other financial assets	294.69	-	-	294.69	294.69
Liabilities					
Borrowings from banks	2,710.02	-	-	2,710.02	2,710.02
Finance lease liabilities	188.14	-	-	188.14	188.14
Trade payables	610.82	-	-	610.82	610.82
Other financial liabilities	229.66	-	-	229.66	229.66
Derivative financial instruments	-	0.28	94.66	94.94	94.94

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	2,196.32	40.04	-	2,236.36	2,236.36
Trade receivables	1,040.26	-	-	1,040.26	1,040.26
Cash and cash equivalents	296.95	-	-	296.95	296.95
Other bank balances	7.81	-	-	7.81	7.81
Loans and Advances	375.76	-	-	375.76	375.76
Other financial assets	289.57	-	-	289.57	289.57
Liabilities					
Borrowings from banks	2,346.55	-	-	2,346.55	2,346.55
Finance lease liabilities	223.69	-	-	223.69	223.69
Trade payables	691.04	-	-	691.04	691.04
Other financial liabilities	279.74	-	-	279.74	279.74
Derivative financial instruments	-	0.43	27.95	28.38	28.38

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2026 and 2025 that the Company has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables	1,130.49	1,040.26
Cash and cash equivalents	528.70	296.95
Total	**1,659.19**	**1,337.21**

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

Particulars	Fair value as of March 31, 2026			Fair value as of March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments	172.42	-	-	40.04	-	-
Derivative financial assets – gain on outstanding option/forward contracts	-	-	-	-	-	-
Liabilities						
Derivative financial liabilities – loss on outstanding option/forward contracts	-	94.94	-	-	28.38	-

- Level 1 – unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – unobservable inputs for the asset or liability

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

d. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Financial assets at amortised cost		
Interest income on bank deposits and NCDS	13.74	10.76
Interest income on other financial assets	48.20	24.99
(b) Financial assets at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	0.15	(16.63)
(c) Financial assets at fair value through Other Comprehensive Income (FVTOCI)		
Net gains/(losses) on fair valuation of derivative financial instruments	(66.71)	(24.59)
(d) Financial liabilities at amortised cost		
Interest expenses on lease liability	(18.66)	(22.00)
Interest expenses on borrowings from banks, others and overdrafts	(153.42)	(111.36)

3.9 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. 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 its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Company is not exposed to concentration of credit risk to any one single customer since the services are provided to and products are sold to customers who are spread over to number of customers and hence, the concentration of risk with respect to trade receivables is low. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of the business.

Cash and cash equivalents and other investments

In the area of treasury operations, the Company is presently exposed to counter-party risks relating to short term and medium term deposits placed with public-sector banks, and also to investments made in mutual funds.

The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2026 and 2025 was as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Investments	2,415.25	2,236.36
Trade receivables	1,130.49	1,040.26
Cash and cash equivalents	528.70	296.95
Other bank balances	10.92	7.81
Loans and Advances	830.04	375.76
Other financial assets	294.69	289.57
	5,210.09	**4,246.71**

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The ageing of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at March 31, 2026	As at March 31, 2025
Past due 0 - 180 days	1,063.19	1,029.25
More than 181 days	67.30	11.01
	1,130.49	**1,040.26**

Note:

Other financial assets and Loans of Rs.4,079.60 Millions as at March 31, 2026 (Rs.3,206.45 Millions as at March 31, 2025) has not been impaired.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need. The Company is also in the process of negotiating additional facilities with Banks for funding its requirements.

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

As at March 31, 2026	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	2,710.02	2,797.45	2,329.15	280.70	187.60	0.00
Finance lease liabilities	188.14	221.73	54.21	108.61	12.79	46.12
Trade payables	610.82	610.82	610.82	-	-	-
Other financial liabilities	229.66	229.66	229.66	-	-	-
Total	**3,738.64**	**3,859.66**	**3,223.84**	**389.31**	**200.39**	**46.12**

As at March 31, 2025	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	2,346.55	2,413.02	2,109.26	145.84	128.50	29.42
Finance lease liabilities	223.69	275.95	54.21	108.42	60.80	52.52
Trade payables	691.04	691.04	691.04	-	-	-
Other financial liabilities	279.74	279.74	279.74	-	-	-
Total	**3,541.02**	**3,659.75**	**3,134.25**	**254.26**	**189.30**	**81.94**

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk:

The Company's exposure in USD, GBP, Euro and other foreign currency denominated transactions gives rise to Exchange rate fluctuation risk. Company's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in USD, GBP and EUR for a twelve-month period

- Estimating the net-exposure in foreign currency, in terms of timing and amount.

- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.

- Carrying out a variance analysis between estimate and actual on an ongoing basis, subject to review by Audit Committee.

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

All amounts in respective currencies as mentioned (in millions)

The Company's exposure to foreign currency risk as at March 31, 2026 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit and Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.01	5.93	(5.17)	(0.62)	6.24	6.39
GBP	0.00	1.86	(0.00)	-	0.95	2.81
EUR	0.00	2.01	(2.32)	(0.19)	-	(0.50)
SGD	0.00	-	-	-	-	0.00
HKD	0.00	-	-	-	-	0.00
LKR	0.05	-	-	-	-	0.05
TAKA	0.00	-	-	-	-	0.00
VND	4.24	-	-	-	-	4.24

The Company's exposure to foreign currency risk as at March 31, 2025 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit and Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.00	4.51	(5.42)	(0.28)	1.70	0.51
GBP	0.01	2.86	(0.24)	-	0.59	3.22
EUR	0.00	2.52	(1.73)	(0.21)	-	0.58
SGD	0.00	-	-	-	-	0.00
HKD	0.00	-	-	-	-	0.00
LKR	0.01	-	-	-	-	0.01

A 10% weakening of the rupee against the respective currencies as at March 31, 2026 and 2025 would have increased / (decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2025.

Particulars	Other comprehensive income	Profit/(loss)
For the year ended March 31, 2026	-	(51.49)
For the year ended March 31, 2025	-	45.37

A 10% strengthening of the rupee against the above currencies as at March 31, 2026 and 2025 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

Profile

At the reporting date the interest rate profile of the Company's interest – bearing financial instruments were as follows:

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Carrying amount March 31, 2026	Carrying amount March 31, 2025
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	10.92	7.77
Financial liabilities		
- Borrowings from banks	534.21	287.61
Variable rate instruments		
Financial liabilities		
- Borrowings from banks	2,175.80	2,058.94

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis has been performed on the same basis for 2025.

Particulars	Equity	Profit or (loss)
For the year ended March 31, 2026	-	(21.76)
For the year ended March 31, 2025	-	(20.59)

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

Impact of Hedging Activities

a) Disclosure of effects of hedge accounting on financial positions

Cash flow Hedge - Foreign Exchange forward Contracts - March 2026

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
1,014.19	2,611.81	April 1, 2026 to December 31, 2026	1:1	Euro- 107.85 GBP- 122.30 USD- 91.29	94.94	94.94

Cash flow Hedge - Foreign Exchange forward Contracts - March 2025

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
934.80	4,377.84	April 1, 2025 to March 31, 2026	1:1	Euro- 92.85 GBP- 109.86 USD- 86.18	28.38	28.38

*The forward contract are denominated in the same currency as like underlying sales arrangement, therefore the Hedge ratio is 1:1

b) Disclosure of effects of hedge accounting on financial performance

As at March 31, 2026

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	66.71	(0.15)	24.59	Revenue

As at March 31, 2025

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	24.59	16.63	(96.70)	Revenue

The Companies hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic retrospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Company enters into hedge relationships where the critical terms of hedging instruments match exactly with the terms of the hedged item and so qualitative assessment of effectiveness is performed.

Ineffectiveness is recognised on cash flow hedges where the cumulative changes in the designated component value of the hedging instruments exceeds on an absolute basis the changes in value of the hedged item attributable to the hedged risk.

The ineffectiveness is recognised in statement of profit loss during March 2026 and March 2025 (refer note 2.9).

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Movement in cash flow hedging reserve

Derivative instrument	Foreign exchange forward contracts	Derivative instrument	Foreign exchange forward contracts
Cash flow hedge reserve as at April 1, 2024	72.36	Cash flow hedge reserve as of April 1, 2025	(18.40)
Less: Amount transferred to statement of profit & loss	(96.70)	Less: Amount transferred to statement of profit & loss	24.59
Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the year	(24.59)	Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the year	(66.71)
Less: Deferred tax on the above movement	30.53	Less: Deferred tax on the above movement	10.60
As at March 31, 2025	**(18.40)**	**As of March 31, 2026**	**(49.92)**

3.10 Capital management

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to shareholders. The total equity as at March 31, 2026 is Rs. 9,394.44 Millions (Previous Year: Rs. 8,597.53 Millions)

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises of long term and short term borrowings less cash and cash equivalent (Including bank balances). Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of the reporting period was as follows:

Particulars		As at March 31,2026	As at March 31,2025
Debt		2,898.16	2,570.24
Less: cash and cash equivalent (Including bank balances)		(539.62)	(304.76)
Net debt	A	**2,358.54**	**2,265.48**
Equity	B	**9,394.44**	**8,597.53**
Net debt to Equity ratio	A/B	**25%**	**26%**

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.11 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Contingent liabilities		
a. Employee State Insurance (ESI) demand	12.70	12.70
The company has received the demand from ESI for an amount of Rs. 6.38 million and interest of Rs. 6.32 million. The company has deposited Rs. 12.70 million and has filed an appeal against the demand before the labour court.		
b. Outstanding export obligations for EPCG license	334.82	172.94
c. GST Demand including interest/penalty (April 2019 to March 2025) (it has deposited Rs 1.91 Mn and has filed an appeal against demand before appellate authority)	55.58	9.44
(ii) a. Capital Commitments		
Estimated amount of Contracts remaining to be executed on the Capital Accounts (Tangible) and not provided for (Net of Advances) as confirmed by the management.	16.56	173.21
b. Other Commitments		
The Company has given corporate guarantees to Banks on behalf of S.P. Apparels UK (P) Ltd and S.P. Retail Ventures Limited.	1,028.25	450.00

3.12 Details of leasing arrangements

Operating lease arrangements

The rental expenses amounting to Rs. 61.58 Millions (for the year ended March 31, 2025 Rs. 53.29 Millions) towards operating lease is charged to statement of profit & loss. Some of the lease agreements have escalation clause ranging from 5 % to 15%. There are no exceptional / restrictive covenants in the lease agreements.

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.13 Reconciliation of liabilities from financing activities for the year ended March 31, 2026

Long term borrowings*

Particulars	As at April 1, 2025	Accepted	Repayment	Fair Value Changes	As at March 31, 2026
Borrowings from banks	287.61	302.63	(59.02)	2.99	534.21
Finance lease liabilities	223.69	-	(54.21)	18.66	188.14
Total	**511.30**	**302.63**	**(113.23)**	**21.65**	**722.35**

*Including current maturities of long term borrowings

Short term borrowings

Particulars	As at April 1, 2025	Cash Flows	Forex exchange movement	As at March 31, 2026
Working capital facilities	2,058.94	71.38	45.48	2,175.80
Total	**2,058.94**	**71.38**	**45.48**	**2,175.80**

Reconciliation of liabilities from financing activities for the year ended March 31, 2025

Long term borrowings*

Particulars	As at April 1, 2024	Accepted	Repayment	Fair Value Changes	As at March 31, 2025
Borrowings from banks	9.18	287.61	(9.18)	-	287.61
Finance lease liabilities	255.73	-	(54.04)	22.00	223.69
Total	**264.91**	**287.61**	**(63.22)**	**22.00**	**511.30**

*Including current maturities of long term borrowings

Short term borrowings

Particulars	As at April 1, 2024	Cash Flows	Forex exchange movement	As at March 31, 2025
Working capital facilities	1,014.98	1,029.83	14.13	2,058.94
Total	**1,014.98**	**1,029.83**	**14.13**	**2,058.94**

3.14 Dues to micro and small enterprises

As per the Office memorandum issued by the Ministry of Micro, Small and Medium Enterprises dated August 26, 2008 recommends that the Micro and Small Enterprises should mention in their correspondence with its customer the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the ‘Micro ,Small and Medium Enterprises Development Act,2006’(‘the Act’).Accordingly, disclosure in respect of amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 has been made in financial statements based on the information received and available with the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
a. The principal amount and interest due thereon remaining unpaid at the end of the accounting year	264.59	259.50
b. The amount of interest paid by the buyer beyond the appointed day during the accounting year	-	-
c. Principal amounts and interest due thereon unpaid beyond the appointed day at the end of the accounting year.	0.21	0.39
d. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
e. The amount of interest accrued and remaining unpaid at the end of the ac counting year.	-	-
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.15 Related party transaction

Name of Related Party	Nature of Relationship
Key Managerial Personnel	
Mr. P.Sundararajan	Managing Director
Ms. S.Latha	Executive Director (Wife of Mr.P.Sundararajan)
Mr. S.Chenduran	Joint Managing Director (Son of Mr.P.Sundararajan)
Ms. S.Shantha	Joint Managing Director (Daughter of Mr.P.Sundararajan)
Ms. P.Jeeva	Chief Executive Officer (Garment Division)
Mr. V.Balaji	Chief Financial Officer
Ms. K.Vinodhini	Company Secretary
Subsidiaries	
Crocodile Products Private Limited	Subsidiary Company
S.P. Apparels (UK) (P) Limited	Subsidiary Company
S.P.Retail Ventures Limited	Subsidiary Company
Young Brand Apparel Private Limited	Subsidiary Company
S.P.Apparels International (Private) Limited	Subsidiary Company
Young Brand Global Private Limited	Step-down Subsidiary Company
Associates	
Urban Stich Private Limited	Associate Company
Jumeirah Lanka Private Limited	Associate Company
Enterprises owned by key Managerial Personnel	
S.P.Retail Brand limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
Poornam Enterprises Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
S.P.Lifestyles	Enterprise over which Key Managerial Personnel are able to exercise significant influence
S.P Charitable Trust	Trust over which Key Managerial Personnel are able to exercise significant influence
SP Superfine Cotton Mills Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence

Note:
Related party relationships are as identified by the Management.

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31, 2026 and Balances outstanding at March 31, 2026

Nature	Particulars	Subsidiary Companies										Associate Company		Key Managerial Personnel					
		Crocodile Products Pvt Ltd		S.P. Apparels UK (P) Ltd		S.P.Retail Ventures Limited		Young Brand Apparel Pvt Limited		S.P.Apparels International (Private) Limited		Jumeirah Lanka Private Limited		Mr.P.Sundararajan		Ms. S.Latha		Mr.S.Chenduran	
		31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Trans-action Details	**Sale of Goods & Service**	-	-	17.43	10.46	0.12	0.12	28.98	25.68	-	-	80.93	-	-	-	-	-	-	-
	Interest Income	-	-	2.18	1.96	12.96	12.17	-	-	21.40	-	-	-	-	-	-	-	-	-
	Purchase of Goods & services	-	-	-	-	-	1.86	2.39	-	-	-	165.88	-	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	-	-	-	-	-	-	-	-	-	40.60	-	-	-	-
	Sale of Assets	-	-	-	-	0.29	-	-	3.40	-	-	8.91	-	-	-	-	-	-	-
	Reimbursement of expenses	-	-	-	-	2.01	1.73	0.09	0.14	-	-	-	-	-	-	-	-	-	-
	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	23.00	24.00	18.20	19.20	14.00	15.00
	Lease Rent Paid	-	-	-	-	-	-	-	-	-	-	-	-	23.26	21.78	3.31	3.31	-	-
	Investment made	-	-	-	-	-	-	-	1,523.01	43.44	0.84	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	53.68	32.37	12.50	50.50	-	-	368.65	146.87	-	-	3.00	-	-	-	-	-
	Loans & Advances Received	-	-	11.42	24.28	5.00	55.50	-	-	-	-	-	-	-	-	-	-	-	-
Out-standing Balances	Remuneration payable	-	-	-	-	-	-	-	-	-	-	-	-	0.01	1.63	-	-	-	0.10
	Lease Rent Advance	-	-	-	-	-	-	-	-	-	-	-	-	3.00	-	-	-	-	-
	Lease Rent security deposit	-	-	-	-	-	-	-	-	-	-	-	-	74.32	74.32	0.78	0.78	-	-
	Trade Payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Trade Receivables	71.30	71.30	14.83	10.46	9.76	5.50	15.22	9.31	-	-	211.24	-	-	-	-	-	-	-
	Investment in Equity Shares	63.74	63.74	15.75	15.75	541.00	541.00	1,523.01	1,523.01	44.28	0.84	-	-	-	-	-	-	-	-
	Investment in preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	119.90	65.27	172.50	165.00	0.09	-	590.40	145.49	-	-	-	-	-	-	-	-

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31 2026 and Balances outstanding at March 31 2026

Nature	Particulars	Key Managerial Personnel *								Enterprises owned by Key Managerial Personnel									
		Ms. S.Shantha		Ms. P.V.Jeeva		Mr.V.Balaji		Ms. K.Vinothini		Poornam Enterprises Private Limited		S.P.Lifestyles		S.P.Retail Brand Limited		S.P.Superfine Cotton Mills Private Limited		S.P.Charitable Trust	
		31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Trans-action Details	**Sale of Goods & Service**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50.06	31.50	4.84	-
	Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Goods & services	-	-	-	-	-	-	-	-	-	-	10.80	11.70	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CSR donation made	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.43	-
	Reimbursement of expenses	-	-	-	-	-	-	-	-	0.01	-	-	-	0.03	0.02	0.48	0.65	-	-
	Remuneration	1.20	1.20	6.88	6.84	3.66	3.66	1.84	1.64	-	-	-	-	-	-	-	-	-	-
	Lease Rent Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55.20	55.20	-	-
	Investment made	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances – Given	-	-	-	-	-	-	-	-	-	-	4.00	-	116.00	-	-	-	-	-
	Loans & Advances – **Received**	-	-	-	-	-	-	-	-	-	-	4.00	-	109.00	-	-	-	-	-
Out-standing Balances	Remuneration payable	0.07	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent Advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.51	-	-	-
	Lease Rent security deposit	-	-	-	-	-	-	-	-	80.00	80.00	-	-	-	-	50.00	50.00	-	-
	Trade Payables	-	-	-	-	-	-	-	-	-	-	1.04	1.04	-	-	-	5.27	-	-
	Trade Receivables	-	-	-	-	-	-	-	-	0.71	0.67	-	-	0.05	0.02	78.22	31.70	0.28	-
	Investment in Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Investment in preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	-	-	-	-	-	-	-	-	-	-	7.00	-	-	-	-	-

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.16 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes, namely the Code on Wages, 2019; the Code on Social Security, 2020; the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment has published draft Central Rules and FAQs to enable assessment of the financial impact arising from changes in regulations. The incremental impact of these changes, as assessed by the Company, based on the provisions currently in force, consistent with the guidance provided by the Institute of Chartered Accountants of India, do not have material impact on the standalone financial statements of the Company.

3.17 Additional Regulatory Information:

(i) Title deeds of Immovable Properties not held in name of the Company:

The company does not have the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) of which title deeds not held in the name of the company.

(ii) The Company does not have the investment property to disclose as to whether the fair value of such investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(iii) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)

(iv) The Company has not revalued its Intangible assets.

(v) The Company does not made any loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined in the Companies Act, 2013), either severally or jointly with any other person.

(vi) Capital-Work-in Progress (CWIP) aging schedule:

As at March 31, 2026					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	33.11	5.19	-	-	38.30
As at March 31, 2025					
CWIP	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	269.94	35.70	-	-	305.64

Note: The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable

(vii) Details of Benami Property held:

No proceedings has been initiated or pending against company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(viii) Where the Company has borrowings from bank or financial institutions on the basis of current assets:

During the year, the Company has been sanctioned working capital limits in excess of Rs. 50 million, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than as set out below.

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/ Statement	Amount of Differences	Reasons for Discrepancies
State Bank of India, IDBI Bank, HSBC and HDFC Bank	Q1 2025-26	2,709.48	2,708.62	0.86	The discrepancies are due to Provisions, Regrouping, final Entries, which are not part of data submitted to Bank.
	Q2 2025-26	2,647.49	2,706.43	(58.94)	
	Q3 2025-26	2,447.97	2,437.86	10.11	
	Q4 2025-26	2,393.21	2,389.64	3.57	

(ix) Willful Defaulter:

The company is not declared as willful defaulter by any bank or financial institution other lender.

(x) Relationship with Struck off Companies:

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(xi) Registration of Charges or satisfaction with Registrar of Companies (ROC):

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (‘ROC’) beyond the statutory period.

(xii) Compliance with number of layers of companies:

The Company has no layers as stipulated under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(xiii) Compliance with approved Scheme(s) of Arrangements:

The Company has not entered into any arrangements which requires approval from the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

(xiv) Key Ratios

Ratio	Explanation - Numerator	Explanation- Denominator	FY 2025-26	FY 2024-25	% Variance	Remarks
Current Ratio	Current assets	Current Liabilities	1.42	1.48	-3.9%	
Debt Equity Ratio	Total Debt = Total of current and non-current term loans and lease liabilities	Shareholder's funds	0.31	0.30	3.2%	
Debt service coverage ratio	Earning for Debt Service= Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets	Debt service = Interest & Lease Payments + Principal Repayments	4.86	6.43	-24.4%	

D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Ratio	Explanation - Numerator	Explanation- Denominator	FY 2025-26	FY 2024-25	% Variance	Remarks
Return on equity ratio	Net Profits after taxes - Preference dividend	Average Shareholder's Equity ((Opening+Closing)/2)	3.50	3.33	5.1%	
Inventory Turnover ratio	COGS = Purchase of stock-in-trade+ Change in Inventory	Average inventory is ((Opening + Closing balance) / 2)	1.48	1.27	16.9%	
Trade receivables turnover ratio	Sales (Considered inclusive of GST since debtors includes GST)	Average receivables is ((Opening + Closing balance) / 2)	10.26	10.44	-1.7%	
Trade payables turnover ratio	Net Credit Purchases=Cost of services rendered+Purchase of stock-in-trade+Changes in inventories+Employee benefits expense - ESOP expenses	Average payables is ((Opening + Closing balance) / 2)	10.78	9.12	18.2%	
Net capital turnover ratio	Net Sales	Average Working capital = ((Opening + Closing balance) / 2)	1.12	1.09	2.5%	
Net profit ratio	Net Profit after tax	Net sales	0.08	0.09	-7.3%	
Return on capital employed	Net profit before Interest and taxes	Capital Employed = Shareholder funds + Total Debt + Deferred Tax Liability	0.14	0.14	2.1%	
Return on Investment	Investment Income	Total Investments	0.01	0.01	-32.0%	Higher interest income driven by extended investment holding periods.

(xv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(xvi) Utilisation of Borrowed funds and share premium:

(A) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xvii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Registration No.: 009571N/N500006

R. Gururaj
Partner
Membership No.: 222259

Place : Avinashi
Date : May 20, 2026

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Members of S.P.Apparels Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of S.P. Apparels Limited (hereinafter referred to as the "Parent Company") and its subsidiaries (Parent Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss (including other comprehensive income), and the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Sr No	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition** The Group's revenue is derived primarily from sale of goods (Exports of Garments). Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations as per the terms agreed with the customer by the Group.	We have performed the following procedures: • Assessed the appropriateness of accounting policies of the Group with relevant accounting standards. • Evaluated the design, implementation and tested the operating effectiveness of the internal controls in relation to timing of revenue recognition. • We performed detailed transaction testing by selecting samples of revenue transactions recorded during the year and around the year end date. • We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, evidence of delivery, FCR's (customer acceptances), shipping documents and subsequent receipts.
2.	**Inventories** The total value of inventory as of March 31, 2026, amounted to Rs. 3,103.32 Million representing 20% of the total assets. We considered this as a Key Audit Matter considering the significance of the balance, and the valuation involved.	We have performed the following procedures: • Assessed the appropriateness of accounting policies of the Group with relevant accounting standards. • Evaluated the design, implementation and tested the operating effectiveness of the Key internal controls over the valuation of inventories being considered by the management. • Observed the physical verification of inventories on a sample basis across locations. • Verified the valuation of Raw materials, WIP and Finished Goods on sample basis and ensured the valuations/assumptions are reasonable and in line with the accounting policies/generally accepted accounting principles.

Other Information

The Parent Company's Board of Directors is responsible for the other information. The other information comprises Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance report, that would be included in the Annual Report 2025-26 but does not include the consolidated financial statements, and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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 in the audit or otherwise appears to be materially misstated.

When we read the additional information, as mentioned above, that would be included in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe appropriate actions as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated 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 Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 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 Board of Directors of the Parent Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each Company.

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

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

- Identify and assess the risks of material misstatement of the 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 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 Parent company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Group 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.
- Materiality is the magnitude of misstatement 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 misstatement in the consolidated financial statements.
- Obtain sufficient appropriate audit evidence regarding the financial statements/ financial information of such entities within the Group 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/ financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Parent 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidated adjustments) of Rs. 962.60 Million as at March 31, 2026, total revenue (before consolidated adjustments) of Rs. 741.25 Million, total net loss before tax of Rs. 84.67 Million and net cash outflows (before consolidated adjustments) amounting to Rs. 0.22 Million for the year then ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b) The financial statements/ financial information of two subsidiaries, whose financial statements/ financial information reflect total assets (before consolidated adjustments) of Rs. 1,362.37 Million as at March 31, 2026, total revenue (before consolidated adjustments) of Rs. 909.24 Million, total net loss before tax of Rs. 53.37 Million and net cash outflows (before consolidated adjustments) amounting to Rs. 2.14 Million for the year then ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The Consolidated financial statements also include the Group's share of net loss of Rs. 63.57 Million for the year ended March 31, 2026, in respect of one associate, whose financial information/financial results have not been audited by us. These unaudited financial statements/ financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate and our report in term of sub-section (3) of section 143 of the Act, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. According to the information and explanations given to us and copies of audited financial statements of companies incorporated in India and included in the consolidated financial statements as made available to us by the management and relied upon by us, there are no qualifications or adverse remarks made by the respective component auditors in their report under the Companies (Auditor's Report) Order (CARO).

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the "Other Matters" paragraph, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account 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 the reports of the other auditors;

(c) 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 flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2026 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of its Group Companies incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Parent Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanation give to us and based on the reports of the statutory auditors of such subsidiary companies, incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent Company and its subsidiary companies to its directors is in accordance with the provisions of section 197 read with Schedule V of the Act, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as noted in the 'Other Matters" paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2026 on the consolidated financial position of the Group. Refer Note No. 3.10 to the consolidated financial statements.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiary companies incorporated in India.

iv. (a) The respective managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries respectively 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 Parent Company or its subsidiary companies, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Parent Company or its subsidiary companies, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The respective managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries respectively, that, to the best of their knowledge and belief, no funds have been received by the Parent Company or its subsidiary companies, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its subsidiary companies, shall, 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.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Parent Company and its subsidiaries which are companies incorporated in India has neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, the Parent company and its subsidiaries which are

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

incorporated in India have accounting software for maintaining its books of account which has 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 except for the following instance.

In case of one subsidiary company incorporated India, the Company has used accounting software for maintaining its books and such accounting software does not have a feature of recording audit trail (edit log) facility and the same has not operated throughout the year for all relevant transactions recorded in the software.

During the course of performing our audit procedures and that performed by the respective auditor of a subsidiaries which are incorporated in India, except for the aforesaid instance of audit trail not maintained where the question of our commenting on whether the audit trail has been tampered with does not arise, we and the respective auditor of a aforesaid subsidiary, did not come across any instance of audit trail feature being tampered with.

Audit trail has been preserved by the Parent Company and its subsidiaries which are incorporated in India as per the statutory requirements for record retention in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 except for the aforesaid instance of audit trail not maintained where the question of our commenting on whether the audit trail has been preserved with does not arise.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

R. Gururaj
Partner
Membership No: 222259
UDIN: 26222259DNIAUG8916

Place : Avinashi
Date : May 20, 2026

Annexure - A to the Independent Auditors'

Report on the Consolidated Financial Statements of S.P. Apparels Limited for the year ended 31 March 2026

Referred to in Paragraph 2 (f) of the Independent Auditors' Report of even date to the members of S.P. Apparels Limited on the Consolidated Financial Statements for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of S.P. Apparels Limited ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which are the companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls with reference to the consolidated financial statements based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 respective 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' Responsibility

Our responsibility is to express an opinion on the Parent Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statement 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Parent Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's

Annexure - A to the Independent Auditors' (CONTD.)

Report on the Consolidated Financial Statements of S.P. Apparels Limited for the year ended 31 March 2026

internal financial control with reference to consolidated financial statements includes those policies and procedures that(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 (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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Parent Company and its subsidiary companies, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements, in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

R. Gururaj
Partner
Membership No: 222259
UDIN: 26222259DNIAUG8916

Place : Avinashi
Date : May 20, 2026

CONSOLIDATED BALANCE SHEET

As at March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

	Particulars	"Note No" D	As at March 31, 2026	As at March 31, 2025
	ASSETS			
1	**Non Current Assets**			
	a. Property, Plant and Equipment	1.1	5,964.49	5,353.10
	b. Capital Work-In-Progress	1.1	38.73	305.64
	c. Right of Use Assets	1.1	531.04	223.95
	d. Intangible Assets	1.1	124.05	138.11
	e. Goodwill on Consolidation	1.1	237.42	237.42
			6,895.73	**6,258.22**
	f. Financial Assets			
	- Investments	1.2	442.05	98.02
	- Loans and Advances	1.3	749.77	160.37
	- Other Financial Assets	1.4	302.49	318.81
	g. Other Non Current Assets	1.5	232.99	313.34
	Total Non Current Assets		**8,623.03**	**7,148.76**
2	**Current Assets**			
	a. Inventories	1.6	3,103.32	3,707.18
	b. Financial Assets			
	- Investments	1.7	137.38	-
	- Trade Receivables	1.8	2,531.44	2,507.46
	- Cash and Cash Equivalents	1.9A	537.31	352.75
	- Bank Balances other than (1.9A) above	1.9B	51.64	60.15
	- Other Financial Assets	1.10	41.31	2.25
	c. Other current assets	1.11	881.62	782.88
	Total Current Assets		**7,284.02**	**7,412.67**
	Total Assets		**15,907.05**	**14,561.43**
	EQUITY AND LIABILITIES			
	Equity			
	a. Equity Share capital	1.12	251.39	250.93
	b. Other Equity	1.13	9,209.87	8,312.50
	Equity attributable to owners of the Company		9,461.26	8,563.43
	c. Non-controlling Interest		(65.01)	(63.92)
			9,396.25	8,499.51
	Liabilities			
1	**Non-current liabilities**			
	a. Financial Liabilities			
	- Borrowings	1.14	492.92	422.43
	- Lease Liabilities	1.15	133.93	169.48
	- Other Financial liabilities	1.16	58.46	75.99
	b. Deferred Tax Liabilities (net)	1.17	214.95	249.82
	c. Provisions	1.18	100.90	80.37
	Total Non Current Liabilities		**1,001.16**	**998.09**

CONSOLIDATED BALANCE SHEET

As at March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	As at March 31, 2026	As at March 31, 2025
2 Current liabilities			
a. Financial Liabilities			
- Borrowings	1.19	3,509.27	3,162.14
- Lease Liabilities	1.20	54.21	54.21
- Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	1.21	264.59	302.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1,020.44	1,019.26
- Other Financial liabilities	1.22	488.64	351.78
b. Other current liabilities	1.23	95.46	107.28
c. Provisions	1.24	77.03	66.68
Total Current Liabilities		**5,509.64**	**5,063.83**
Total Equity and Liabilities		**15,907.05**	**14,561.43**

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)
The accompanying notes referred to above form an integral part of the Consolidated Balance Sheet

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

R. Gururaj
Partner, Membership No. : 222259

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

Place : Avinashi
Date : May 20, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

	Particulars	"Note No" D	For the year ended March 31, 2026	For the year ended March 31, 2025
	INCOME			
1	Revenue from operations	2.1	15,786.37	13,951.34
2	Other Income	2.2	181.20	121.92
3	**Total Income(1+2)**		**15,967.57**	**14,073.26**
4	**EXPENSES**			
	Cost of materials consumed	2.3	5,104.11	4,852.12
	Purchases of Stock-in-Trade - Traded goods	2.4	1,381.22	1,001.24
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.5	291.15	(64.31)
			6,776.48	**5,789.05**
	Employee benefits expense	2.6	3,987.55	3,462.12
	Finance costs	2.7	407.21	334.85
	Depreciation and amortisation expense	2.8	478.60	432.96
	Other expenses	2.9	2,844.20	2,822.07
	Total Expenses		**14,494.04**	**12,841.05**
5	**Profit before share of profit in associate company and tax (3-4)**		**1,473.53**	**1,232.21**
6	Share Profit/(Loss) of the Associate Company		(63.57)	-
7	**Net Profit before tax (5+6)**		1,409.96	1,232.21
8	**Tax Expense:**			
	a. Current tax expense		410.17	359.38
	b. Short / (Excess) provision for tax relating to prior years		(3.86)	23.62
	c. Deferred tax	3.1	**(5.80)**	**(101.81)**
	Total Tax Expenses		**400.51**	**281.19**
9	**Net Profit after tax (7-8)**		**1,009.45**	**951.02**
10	**OTHER COMPREHENSIVE INCOME**			
	A. (i) Items that will not be reclassified to Profit or Loss			
	Remeasurement of Defined Benefit Plans		(9.35)	(13.57)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		2.35	3.42

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	For the year ended March 31, 2026	For the year ended March 31, 2025
B (i) Items that will be reclassified to Profit or Loss			
The effective portion of gains and loss on hedging instruments in a cash flow hedge - Translation difference		(106.17)	(24.59)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		26.72	6.19
Total Other Comprehensive Income (A+B)		**(86.45)**	**(28.55)**
11 TOTAL COMPREHENSIVE INCOME BEFORE MINORITY INTEREST (9+10)		**923.01**	**922.47**
12 Non-controlling Interest		**1.09**	**(0.46)**
13 TOTAL OTHER COMPREHENSIVE INCOME AFTER MINORITY INTEREST (11+12)		**924.09**	**922.01**
Weighted average number of equity shares		**25.10**	**25.09**
Earnings Per Share (Rs.) - Basic	3.3	40.22	37.90
Earnings Per Share (Rs.) - Diluted		40.09	37.90

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Consolidated Statement of Profit & Loss

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

R. Gururaj
Partner, Membership No. : 222259

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

Place : Avinashi
Date : May 20, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

A. Equity Share Capital

Balance as at April 1, 2024	Change in Equity Share Capital during the year	Balance as at March 31, 2025	Change in Equity Share Capital during the year	Balance as at March 31, 2026
250.93	-	250.93	0.46	251.39

B. Other Equity

	Reserves and surplus				Other Components of Equity				Equity attributable to owners of the Company Non-controlling Interest	Non-controlling Interest	Total
	Securities Premium	Capital Redemption Reserve	Retained earnings	Share Options Outstanding Account	Additional Paid in Equity	Exchange differences on translation of foreign operation	Defined Benefit Plan	Effective portion of cash flow hedges			
2024-25											
Opening balance as at April 1, 2024 - (A)	**2,174.94**	**206.00**	**5,059.11**	**-**	**90.36**	**8.41**	**(97.27)**	**(56.06)**	**7,385.49**	**(64.38)**	**7,321.11**
Profit for the year	-	-	950.56	-	-	-	-	-	950.56	0.46	951.02
Other comprehensive income	-	-	-	-	-	1.34	(10.15)	(18.40)	(27.21)	-	(27.21)
Total comprehensive income for the year 2024-25 - (B)	**-**	**-**	**950.56**	**-**	**-**	**1.34**	**(10.15)**	**(18.40)**	**923.35**	**0.46**	**923.81**
Share Option Outstanding Account (Refer No 3.5.1)	-	-	-	3.66	-	-	-	-	3.66	-	3.66
Others Adjustments	-	-		-	-	-	-	-		-	
Balance as at March 31, 2025 - (C)	**2,174.94**	**206.00**	**6,009.67**	**3.66**	**90.36**	**9.75**	**(107.42)**	**(74.46)**	**8,312.50**	**(63.92)**	**8,248.58**
2025-26											
Opening balance as at April 1, 2025 - (A)	**2,174.94**	**206.00**	**6,009.67**	**3.66**	**90.36**	**9.75**	**(107.42)**	**(74.46)**	**8,312.50**	**(63.92)**	**8,248.58**
Profit for the year	-	-	1,010.54	-	-	-	-	-	1,010.54	(1.09)	1,009.45
Other comprehensive income	-	-	-	-	-	(3.62)	(7.00)	(79.45)	(90.07)		(90.07)
Total comprehensive income for the year 2025-26 - (B)	**-**	**-**	**1,010.54**	**-**	**-**	**(3.62)**	**(7.00)**	**(79.45)**	**920.47**	**(1.09)**	**919.38**
Premium received on allotment of equity shares	11.11	-	-	-	-	-	-	-	11.11	-	11.11
Dividend paid (Including dividend distribution tax) for 2024-25	-	-	(50.22)	-	-	-	-	-	(50.22)	-	(50.22)
Share Option Outstanding Account (Refer No 3.5.1)	-	-	-	16.01	-	-	-	-	16.01		16.01
Balance as at March 31, 2026 - (C)	**2,186.05**	**206.00**	**6,969.99**	**19.67**	**90.36**	**6.13**	**(114.42)**	**(153.91)**	**9,209.87**	**(65.01)**	**9,144.86**

Significant accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The notes referred to above form an integral part of the Consolidated Statement of Changes in Equity

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

R. Gururaj
Partner, Membership No. : 222259
Place: Avinashi
Date: May 20, 2026

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place: Avinashi
Date: May 20, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2026

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,409.96	1,232.21
Adjustments for:		
Depreciation and amortization expense	478.60	432.96
(Profit) /loss on Sale of property, plant and equipment	0.66	2.83
(Profit) /loss on Sale of investment	-	(9.07)
Interest receivable on investment	(1.24)	-
Amortisation of lease prepayments	(9.55)	(10.82)
Loss Allowance	2.00	4.28
Release of deferred Income	(15.27)	(14.53)
Finance costs	395.23	329.18
Interest income	(105.06)	(40.29)
Dividend income	(0.08)	(0.00)
Unrealised exchange (gain)/loss	(38.94)	20.48
Provision for MTM (gain)/loss on forward contracts	(0.15)	16.63
Provision for Employee Stock Option Scheme (ESOP)	16.01	3.66
Provision for MTM (gain)/loss on investment	17.62	-
Share of loss from associate	63.57	-
Operating profits before working capital changes	**2,213.36**	**1,967.52**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	603.86	(481.18)
Trade receivables	(1.29)	(499.58)
Loans and advances/Current assets	(269.58)	(382.89)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables/Other current liabilities/Provisions	(75.56)	181.48
Cash Generated from Operations	**2,470.79**	**785.35**
Net income tax (paid) / refunds	(383.94)	(341.17)
Net cash flow from / (used in) operating activities (A)	**2,086.85**	**444.18**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, including capital advances	(1,075.48)	(822.43)
Proceeds from sale of property, plant and equipment	13.75	9.68
Loans / Advance to subsidiary	(358.22)	(1.96)
Bank deposits not considered as cash and cash equivalents	15.96	(35.23)
Investment in a subsidiary	(0.00)	(1,373.07)
Purchase of investments - Others	(516.42)	(380.05)
Proceeds from sale of investments - Others	0.01	810.54
Dividend received - Others	0.08	0.00
Interest received	32.77	25.21
Net cash flow from / (used in) investing activities	**(1,887.55)**	**(1,767.31)**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

For the year ended March 31, 2026 (All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share capital	11.57	0.87
Proceeds from long term borrowings	307.20	67.76
Repayment of long term borrowings	(59.02)	-
Repayment of finance lease liablities	(54.21)	(54.03)
Net Increase/(decrease) of working capital borrowings	183.61	1,116.51
Dividend Paid	(50.22)	-
Finance costs	(353.80)	(306.12)
Net cash flow from / (used in) financing activities (C)	**(14.87)**	**824.99**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**184.43**	**(498.14)**
Cash and Cash Equivalents at the beginning of the year	352.75	787.98
Cash and Cash Equivalents acquired through business acqusition	-	62.95
Effect of exchange differences on restatement of foreign currency Cash and Cash Equivalents	0.13	(0.04)
Cash and Cash Equivalents at the end of the year	**537.31**	**352.75**
Cash and Cash Equivalents at the end of the year comprises of		
(a) Cash on hand	57.58	47.53
(b) Balances with banks		
in current account	478.69	304.18
in deposit account	1.04	1.04
in EEFC account	-	-
	537.31	**352.75**

Significant accounting policies and notes to the consolidated financial statements (Refer notes C and D).
The accompanying notes referred to above form an integral part of the Consolidated Statement of Cash Flows

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

R. Gururaj
Partner, Membership No. : 222259

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

Place : Avinashi
Date : May 20, 2026

Basis of Consolidation and Material Accounting Policies

Forming part of the consolidated financial statements

A. Group Overview

S.P. Apparels Limited ('the Parent Company') is a Company domiciled in India. The address of the Parent Company's registered office is 39-A, Extension Street, Kaikattipudur, Avinashi – 641 654, Tirupur District, Tamilnadu, India. The Parent Company, its subsidiaries (Crocodile Products Private Limited [70% holding], S.P. Retail Ventures Limited [100% holding], S.P Apparels (UK) (P) Limited [100% holding], Young Brand Apparel Private Limited [99.99% holding] and S.P. Apparels International (Private) Limited [100% holding]) and its step-down subsidiary (Young Brand Global Private Limited [100% holding]) are together referred to as 'the Group' and individually as 'Group entities'. The Group is a leading Indian manufacturer and exporter of knitted garments for infants and children. The Group provides end-to-end garment manufacturing services from grey fabric to finished products. The Parent Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited.

The Parent Company was originally started as a partnership firm with seven partners in the year 1988 at Salem. Subsequently the firm was converted into public limited company under Part IX of the Companies Act 1956 in the year 2005. It has currently 21 manufacturing plants at Avinashi, Kovilpatti, Neelambur, Palangarai, Palladam, Perundurai, Valapady, Samichettipalayam, Sathyamangalam, Sulthanpet, Thekkalur, Netaji Apparel Park, Patlur, Sivakasi, Gobichettipalayam and Annur. The Consolidated Financial Statements are for the Group consisting of S.P. Apparels Limited ('the Parent Company'), its subsidiaries as well as its interests in associate company.

B. Basis of Accounting and preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act read together with relevant rules of Companies (Indian Accounting Standards) Rules 2015 and relevant amendments issued thereafter to the extent applicable, pronouncements of regulatory bodies applicable to the Group and other provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set-out in note C (22). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1. Statement of Compliance

The Consolidated Financial Statements comprising Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of changes in Equity, Consolidated Cash Flow Statement, together with notes for the year ended March 31, 2026 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting held on May 20, 2026.

2. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

• Derivative financial instruments are measured at fair value.

• Financial assets at fair value through other comprehensive income are measured at fair value.

• Financial instruments at fair value through profit or loss are measured at fair value.

• Financial instruments at fair value through other comprehensive income are measured at fair value.

• The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

gains and the present value of the defined benefit obligation.

• In relation to lease prepayments, the initial fair value of the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment.

The above items have been measured at fair value and the methods used to measure fair values are discussed further in Note C (19).

3. New and amended Standards

A. Issued and effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 1 – Presentation of financial statements relating to classification of liabilities as current or non-current subject to covenants, Ind AS 12 – Income Taxes relating to international tax reforms – Pillar Two Model Rules, Ind AS 21 – the effect of changes in foreign exchange rates and Ind AS 107 – Financial Instruments: Disclosures and Ind AS 7 - Statement of Cashflows relating to disclosure of supplier financing arrangements, applicable from April 1, 2025. The Group has assessed that there is no significant impact on its financial statements with respect to the amendments to Ind AS 1, Ind AS 7, Ind AS 12, Ind AS 21, and Ind AS 107.

4. Functional and Presentation Currency

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian rupee (₹) is the functional currency of S.P. Apparels Limited, Indian subsidiary Crocodile Products Private Limited, Young Brand Apparel Private Limited and S.P. Retail Ventures Limited. The functional currencies of the foreign subsidiaries, S.P. Apparels (UK) (P) Limited and S.P. Apparels International (Private) Limited, located in the U.K. and Sri Lanka respectively, are the GBP Pound Sterling (£) and the Sri Lankan Rupee (LKR).

The consolidated financial statements are presented in Indian Rupees (₹) which is the Group's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest millions except where otherwise indicated.

5. Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognized in the financial statements are:

• Valuation of financial instruments

• Useful lives of property, plant and equipment

• Useful lives of intangible assets

• Estimate of Lease term and measurement of Right of Use Assets and Lease Liabilities

• Measurement of defined employee benefit obligations

• Provisions

• Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition

• Expected Credit losses on Financial Assets

• Impairment testing

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

Significant judgments on applying Ind AS 115

The Group contracts with customer to transfer goods or services. The Group assess whether such arrangements in the contract has distinct goods or services (performance obligation). Identification of distinct performance obligation involves judgment to determine ability of customer to benefit independently from other promises in the contract.

The judgment is required to measure the transaction price for the contract. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration could be fixed amount or variable amount or could be both. Transaction price could also be adjusted for time value of money if contract includes a significant financing component.

C. MATERTIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Consolidated Financial Statements.

Basis of consolidation

The financial statements of the Group companies are consolidated on a line-by-line basis. Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions, are eliminated.

It also includes the Group's share of profits of associate that are consolidated using the equity method of consolidation, as applicable.

These financial statements are prepared by applying uniform accounting policies in use at the Group.

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if the Company has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee; and

(c) the ability to use its power over the investee to affect the amount of the Company's returns.

Generally, there is a presumption that majority of voting rights results in control. To support this presumption and when the Group has less than a majority of similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

Associates are those companies over which the Company has the ability to exercise significant influence on the financial and operating policy decisions, which it does not control. Generally, significant influence is presumed to exist when the company holds more than 20% of the voting rights. The investment is accounted for under the equity method and therefore recognised at cost at the date of acquisition and subsequently adjusted for the Group's share in undistributed earnings or losses since acquisition, less any impairment incurred. When the Group's share of losses exceeds the carrying value of such investments, the carrying value is reduced to Nil and recognition of future losses is discontinued, except to the extent that the Group has incurred obligation in respect of the associate.

Non-controlling interests represent the portion of profit or loss not held by the Group and are presented separately in the consolidated financial statements.

The financial statements of subsidiaries are consolidated from the date of control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

by the Group.

Following subsidiary companies and associate have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				March 31, 2026	March 31, 2025
Crocodile Products Private Limited	Subsidiary	India	S.P. Apparels Limited	70%	70%
S.P. Retail Ventures Limited	Subsidiary	India	S.P. Apparels Limited	100%	99.99%
S.P. Apparels (UK) (P) Limited	Subsidiary	UK	S.P. Apparels Limited	100%	100%
Young Brand Apparel Private Limited	Subsidiary	India	S.P. Apparels Limited	99.99%	0%
Young Brand Global Private Limited	Step-down Subsidiary	India	Young Brand Apparel Limited	100%	100%
S.P. Apparels International (Private) Limited	Subsidiary	Sri Lanka	S.P. Apparels Limited	100%	0%
Urban Stich Private Limited	Associate	Sri Lanka		40%	

1. Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations and cash flows are translated to using average exchange rates during the period. Any differences arising on such translation are recognized in other comprehensive income. Such differences are included in the foreign currency translation reserve "FCTR" within other components of equity. When a foreign operation is disposed off, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

2. Financial Instruments

a. Financial Assets

(i) Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates and joint ventures. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes. Investments forming part of interest in associates and joint ventures are measured at cost.

(ii) Measurements:

At initial recognition, the Group measures a financial asset at its fair value plus except for trade receivables which are initially measured at transaction price. In the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

b) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income

- Equity instruments

The Group subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets:

A financial asset is derecognised only when

a) The Group has transferred the rights to receive cash flows from the financial asset or

b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

a) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

b. Financial liabilities

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost

- at fair value through profit or loss

(i) Financial liabilities at amortised cost

The Group is classifying the following under amortised cost;

a) Borrowings from banks

b) Borrowings from others

c) Finance lease liabilities

d) Trade payables

e) Other financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss

A financial liability is classified as at FVTPL if it is classified as

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

Derecognition of financial liabilities:

A financial liability shall be derecognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

c. Derivative financial instruments

Derivatives are initially recognised at fair value on the date of contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates the derivatives as hedging of foreign exchange risk associated with the cash flows of associated with accounting receivables (Cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as non-current assets or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current assets or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liability.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative changes in fair value of the hedged item on present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/ (losses).

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item (‘aligned time value’) are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the changes in fair value of the forward contract related to spot commitment as the hedging instrument. Gains or losses relating to the effective portion of the changes in the spot component of the forward contracts are recognised in other comprehensive income in the cash flow hedging reserve within equity. The changes in the forward element of the contract that relates to the hedged item (‘aligned forward element’) is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full changes in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to effective portion of the changes in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are classified to profit or loss in the periods when the hedged item affects profit or loss (example, when the forecast sale that is hedged take place).

When the hedged forecast transaction results in the recognition of a non-financial assets (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

• With respect to gain or loss relating to the effective portion of the intrinsic value of the option contracts, both the deferred hedging gains and losses and the deferred aligned

Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

time value of the option contracts are included within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

• With respect to gain or loss relating to the effective portion of the spot component of the forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are include within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred cost of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/ (losses).

If the hedge ratio for risk management purpose is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedged ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of hedge relationship rebalancing.

d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Group has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

e. Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3. Share capital

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from Equity, net of any tax effects.

4. Business Combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Holding Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date. Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible

Basis of Consolidation and Material Accounting Policies (Contd.)

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Assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment.

5. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Amounts paid as advances towards the acquisition of Property, Plant and Equipment is disclosed separately under other non-current assets as capital advances and the cost of assets not put to use as on Balance Sheet date are disclosed under ‘Capital work-in-progress’.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within “other income / other expenses” in the Statement of Profit and Loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Management’s estimated useful lives for the years ended March 31, 2026 and 2025 were as follows:

	Estimated useful life (in years)	Useful life prescribed by Schedule II (in years)
Plant & Machinery	20 years	15 years
Computers & Servers	5 years	3 to 6 years
Buildings	30 years	30 years
Electrical Installati ons	10 years	10 years
Office & Lab Equipments	10 years	5 to 10 years
Furniture & Fittings	10 years	10 years
Vehicles Car	10 years	8 years
Vehicles Others	8 years	8 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

6. Intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands,

Basis of Consolidation and Material Accounting Policies (Contd.)

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are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous year are as follows:

Trademark	-	10 years
Non-Compete Fees	-	10 years
Other Intangibles(Software)	-	3 - 5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

7. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

8. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

The Group follows following method:

Basis of Consolidation and Material Accounting Policies (Contd.)

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- Manufacturing inventories are valued at first-in-first-out (FIFO) basis,
- Trading inventories are valued at weighted average cost basis,
- Fabric waste is valued at net realizable value.

9. Impairment of non financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

Reversal of impairment loss

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

10. Employee benefits

Defined Contribution Plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in current and prior periods, discounting that amount and deducting any recognised past service cost and fair value of any plan assets.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the

Basis of Consolidation and Material Accounting Policies (Contd.)

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employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

11. Share Based Payments

Stock options are granted to the employees under the Employee stock option scheme. The costs of stock options granted to the employees of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. That expense is recognised in the Statement of Profit and Loss account over the requisite service period. Each part of the stock option that vests separately is treated as a separate award for accounting purposes. This cost is recognised, together with a corresponding increase in Share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

12. Provisions

Provisions are recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

13. Revenue Recognition

The Group earns revenue from export/domestic of manufactured garments, sale of traded garments, sale of products and services at spinning and processing division and right to receive export incentives from Government.

The Group recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services excluding the amount collected on behalf of third parties.

The revenue recognition in respect of the various streams of revenue is described as follows

Export/Domestic sale of garments:-

Revenue is earned from manufacture and export/domestic sale knitted garments for infants and child wear. Revenue is recognised upon completion of obligation of the Group.

Revenue is recognised at the transaction price agreed with the customer through a sale order received from the customers.

Sale of traded garments:-

Revenue is earned from retail sale of menswear garments in India under the brand "Crocodile". Revenue is recognised as per the obligation terms agreed with its different type of customers as given below:-

a) Large format stores [LFS] – Arrangement is on sale or return basis with the customer.

b) Distributor – It is on outright purchase model with the customer.

c) Franchise owned and Franchise operated [FOFO] – Arrangement is on sale or return basis with FOFO.

d) Company owned and Company operated [COCO] – Sale is on cash and carry basis.

In respect of LFS & FOFO, identifying the completion of performance obligation by the Group is dependent on

Basis of Consolidation and Material Accounting Policies (Contd.)

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completion of sale by LFS & FOFO to the third party, which involves careful collection of information from the customers by the Group.

Sales of products and services at spinning and processing division:-

Revenue is earned from sale of products and services. Revenue is recognised upon completion of services or upon transfer of risk and reward of products to the customer.

Right to receive export incentives from Government:-

The Group has right to receive export incentives under Duty Drawback Scheme, Rebate of State and Central Taxes and Levis [RoSCTL] Scheme and Remission of Duties and Taxes on Exported Products [RoDTEP] Scheme on export of garments and made ups.

The Group recognizes export incentive upon fulfilling the conditions established by respective regulations as applicable to the Group and as amended from time to time.

Income is recognised at the value or rate prescribed by respective regulations.

14. Interest Income and Finance Cost

Finance income comprises of interest income on funds invested, dividend income, and fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in Statement of Profit and Loss on the date when the group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expense comprises of interest expense on loans and borrowings, bank charges, unwinding of discount on provision, fair value losses on financial assets at fair value through profit or loss that are recognized in Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in Statement of Profit and Loss.

15. Government grants, subsidies and export incentives

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item,it is recognised as income over the periods necessary to match them on a systematic basis to the costs,which is intended to compensate. When the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

16. Borrowing Costs

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Interest expense is recognised using effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Group capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

17. Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as

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current tax when the Group is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Group is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

(i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and

(ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

(iii) Arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred taxation arising on investments in subsidiaries and associates is recognized except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the group's share of the income and expenses of the equity method accounted investee is recorded in the statement of income, after considering any taxes on dividend payable by the equity method accounted investee and no deferred tax is set up in the books as the tax liability is not with the group.

18. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

Basis of Consolidation and Material Accounting Policies (Contd.)

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19. Fair value measurement

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the 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 and liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Derivatives

The fair value of forward exchange contracts is based on their quoted price, if available. If a quoted price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds). The fair value of foreign currency option contracts is determined based on the appropriate valuation techniques, considering the terms of the contract. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counter party when appropriate.

(iv) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

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20. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

21. Cash flow Statements

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents. Cash and cash equivalents consist of balances with banks and which are unrestricted for withdrawal and usage.

22. Current/ non-current classification

An asset is classified as current if:

(a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Depreciation As at April 01, 2025	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2026	Net Block As at March 31 2026	Net Block As at March 31 2025
(a) Land Freehold	804.81	-	-	804.81	-	-	-	-	804.81	804.81
As at April 1, 2016	(5.77)	(0.58)	-	(6.35)	-	-	-	-	(6.35)	(6.35)
(b) Building	3,181.91	472.89	-	3,654.80	1,114.63	108.16	-	1,222.79	2,432.01	2,067.28
As at April 1, 2016	(1,528.32)	(15.00)	-	(1,543.32)	(381.82)	(50.26)	-	(432.08)	(1,111.24)	(1,111.24)
(c) Plant & Machinery	4,194.38	322.80	36.37	4,480.81	2,317.39	190.96	22.21	2,486.14	1,994.68	1,876.99
As at April 1, 2016	(2,217.47)	(225.78)	(11.26)	(2,431.99)	(884.73)	(97.39)	(5.49)	(976.63)	(1,455.36)	(1,455.36)
(d) Electrical Installations	512.91	124.61	1.03	636.49	297.01	43.92	0.70	340.23	296.26	215.90
As at April 1, 2016	(100.82)	(49.49)	-	(150.31)	(43.47)	(12.18)	-	(55.65)	(94.66)	(94.66)
(e) Furniture & Fittings	442.75	56.86	0.94	498.67	248.85	31.46	0.56	279.75	218.92	193.90
As at April 1, 2016	(145.93)	(52.65)	(0.21)	(198.37)	(72.22)	(15.74)	(0.10)	(87.86)	(110.51)	(110.51)
(f) Vehicles	73.29	28.17	1.02	100.44	40.25	5.55	0.97	44.83	55.61	33.04
As at April 1, 2016	(43.65)	(15.48)	(0.84)	(58.29)	(26.36)	(4.37)	-	(30.73)	(27.56)	(27.56)
(g) Lab Equipments	45.18	1.53	-	46.71	27.44	3.43	-	30.87	15.84	17.74
As at April 1, 2016	(10.19)	(0.10)	-	(10.29)	(8.50)	(0.55)	-	(9.05)	(1.24)	(1.24)
(h) Office Equipments	277.77	29.28	0.79	306.26	172.84	17.97	0.65	190.16	116.10	104.93
As at April 1, 2016	(125.70)	(20.21)	(0.29)	(145.62)	(72.59)	(10.39)	(0.13)	(82.85)	(62.77)	(62.77)
(i) Computers	275.89	9.49	1.42	283.96	237.38	17.65	1.34	253.69	30.26	38.51
As at April 1, 2016	(127.60)	(32.29)	(2.98)	(156.91)	(103.43)	(8.37)	(2.84)	(108.96)	(47.95)	(47.95)
Total	**9,808.89**	**1,045.63**	**41.57**	**10,812.95**	**4,455.79**	**419.10**	**26.43**	**4,848.46**	**5,964.49**	**5,353.10**
As at April 1, 2016	**(4,305.45)**	**(411.58)**	**(15.58)**	**(4,701.45)**	**(1,593.12)**	**(199.25)**	**(8.56)**	**(1,783.81)**	**(2,917.64)**	**(2,917.64)**

Note:

(1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.

(2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP & use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.

(3) Refer note on capital commitment & Security for the borrowings.

(4) During financial year 25-26, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Deletions	As at March 31, 2026
Capital work in progress	305.64	156.95	423.86	38.73
Total	**305.64**	**156.95**	**423.86**	**38.73**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Depreciation As at April 01, 2025	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2026	Net Block As at March 31 2026	Net Block As at March 31 2025
(a) Land Lease Hold	13.53	23.49	-	37.02	2.32	0.30	-	2.62	34.39	11.21
	(13.53)	-	-	(13.53)	(2.19)	(0.13)	-	(2.32)	(11.21)	(11.34)
(b) Vehicle Leasehold	34.46	-	0.81	33.65	27.91	2.46	0.76	29.61	4.04	6.55
	(34.46)	-	-	(34.46)	(24.82)	(3.09)	-	(27.91)	(6.55)	(9.64)
(c) Building and Land	334.67	328.13	-	662.80	182.14	37.08	-	219.22	443.58	152.53
	(334.67)	-	-	(334.67)	(151.35)	(30.79)	-	(182.14)	(152.53)	(183.32)
(d) Land - MD and ED	53.42	-	-	53.42	11.70	1.95	-	13.65	39.77	41.72
	(53.42)	-	-	(53.42)	(9.75)	(1.95)	-	(11.70)	(41.72)	(43.67)
(e) Lease Prepayment	47.70	0.49	1.80	46.39	35.76	2.04	0.66	37.14	9.25	11.94
	(46.25)	(2.20)	(0.75)	(47.70)	(29.48)	(6.28)	-	(35.76)	(11.94)	(16.77)
Total	**483.78**	**352.11**	**2.61**	**833.28**	**259.83**	**43.83**	**1.42**	**302.24**	**531.04**	**223.95**
(Previous year)	**(482.33)**	**(2.20)**	**(0.75)**	**(483.78)**	**(217.59)**	**(42.24)**	**-**	**(259.83)**	**(223.95)**	**(264.74)**

Note:

a) Company has adopted modified retrospective approach as per paraC8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Depreciation As at April 01, 2025	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2026	Net Block As at March 31 2026	Net Block As at March 31 2025
(a) Goodwill	40.16	-	-	40.16	40.16	-	-	40.16	-	-
As at April 1, 2016	(40.16)	-	-	(40.16)	(33.36)	(6.80)	-	(40.16)	-	-
(b) Brand / Trade Marks	19.22	-	-	19.22	17.16	0.68	-	17.84	1.38	2.06
As at April 1, 2016	(17.26)	-	-	(17.26)	(14.50)	(1.25)	-	(15.75)	(1.51)	(1.51)
(c) Softwares	30.71	1.61	-	32.32	27.73	0.54	-	28.27	4.05	2.98
As at April 1, 2016	-	(4.09)	-	(4.09)		(0.19)	-	(0.19)	(3.90)	(3.90)
(d) Non Compete Fees	144.60	-	-	144.60	11.53	14.45	-	25.98	118.62	133.07
As at April 1, 2016	-	-	-	-		-	-	-	-	-
Total	**234.69**	**1.61**	**-**	**236.30**	**96.58**	**15.67**	**-**	**112.25**	**124.05**	**138.11**
As at April 1, 2016	**(57.42)**	**(4.09)**	**-**	**(61.51)**	**(47.86)**	**(8.24)**	**-**	**(56.10)**	**(5.41)**	**(5.41)**

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP & use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.

1.1 GOODWILL ON CONSOLIDATION

The following table presents the movement in goodwill on consolidation during the year ended March 31, 2026

Particulars	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	Accumulated Amortisation As at April 01, 2025	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2026	Net Block As at March 31 2026	Net Block As at March 31 2025
(a) Goodwill	237.42	-	-	237.42	-	-	-	-	237.42	237.42
As at April 1, 2016	(58.68)	-	-	(58.68)	-	-	-	-	(58.68)	(58.68)
Total	**237.42**	**-**	**-**	**237.42**	**-**	**-**	**-**	**-**	**237.42**	**237.42**
As at April 1,2016	**(58.68)**	**-**	**-**	**(58.68)**	**-**	**-**	**-**	**-**	**(58.68)**	**(58.68)**

Note:

The company has elected to continue with the carrying amount of goodwill on consolidation measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those goodwill on consolidation are given in brackets.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Land Freehold	211.91	537.51	55.39	-	804.81	-	-	-	-	-	804.81	211.91
As at April 1, 2016	(5.77)	-	(0.58)	-	(6.35)	-	-	-	-	-	(6.35)	(6.35)
(b) Building	2,683.03	339.06	159.82	-	3,181.91	914.87	104.80	94.96	-	1,114.63	2,067.28	1,768.16
As at April 1, 2016	(1,528.32)	-	(15.00)	-	(1,543.32)	(381.82)	-	(50.26)	-	(432.08)	(1,111.24)	(1,111.24)
(c) Plant & Machinery	3,473.21	650.46	134.29	63.58	4,194.38	1,799.06	394.08	177.95	53.70	2,317.39	1,876.99	1,674.15
As at April 1, 2016	(2,217.47)	-	(225.78)	(11.26)	(2,431.99)	(884.73)	-	(97.39)	(5.49)	(976.63)	(1,455.36)	(1,455.36)
(d) Electrical Installations	389.04	88.81	39.96	4.90	512.91	213.65	50.54	37.42	4.60	297.01	215.90	175.39
As at April 1, 2016	(100.82)	-	(49.49)	-	(150.31)	(43.47)	-	(12.18)	-	(55.65)	(94.66)	(94.66)
(e) Furniture & Fittings	404.31	16.91	27.11	5.58	442.75	213.45	13.87	26.71	5.18	248.85	193.90	190.86
As at April 1, 2016	(145.93)	-	(52.65)	(0.21)	(198.37)	(72.22)	-	(15.74)	(0.10)	(87.86)	(110.51)	(110.51)
(f) Vehicles	73.01	0.69	2.42	2.83	73.29	36.22	0.66	4.86	1.49	40.25	33.04	36.79
As at April 1, 2016	(43.65)	-	(15.48)	(0.84)	(58.29)	(26.36)	-	(4.37)	-	(30.73)	(27.56)	(27.56)
(g) Lab Equipments	42.51	-	2.70	0.03	45.18	24.18	-	3.29	0.03	27.44	17.74	18.33
As at April 1, 2016	(10.19)	-	(0.10)	-	(10.29)	(8.50)	-	(0.55)	-	(9.05)	(1.24)	(1.24)
(h) Office Equipments	244.88	9.47	27.06	3.64	277.77	151.63	8.45	16.14	3.38	172.84	104.93	93.25
As at April 1, 2016	(125.70)	-	(20.21)	(0.29)	(145.62)	(72.59)	-	(10.39)	(0.13)	(82.85)	(62.77)	(62.77)
(i) Computers	240.38	26.58	8.96	0.03	275.89	196.92	22.79	17.70	0.03	237.38	38.51	43.46
As at April 1, 2016	(127.60)	-	(32.29)	(2.98)	(156.91)	(103.43)	-	(8.37)	(2.84)	(108.96)	(47.95)	(47.95)
Total	**7,762.28**	**1,669.49**	**457.71**	**80.59**	**9,808.89**	**3,549.98**	**595.19**	**379.03**	**68.41**	**4,455.79**	**5,353.10**	**4,212.30**
As at April 1, 2016	**(4,305.45)**	**-**	**(411.58)**	**(15.58)**	**(4,701.45)**	**(1,593.12)**	**-**	**(199.25)**	**(8.56)**	**(1,783.81)**	**(2,917.64)**	**(2,917.64)**

Note:

(1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.

(2) Depreciation as per P&L includes adjustments out of depreciation effect due to TUF grant receivable IND AS adjustments of Rs.Nil (As at March 31, 2021 Rs.Nil).

(2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.

(3) Refer note on capital commitment and Security for the borrowings.

(4) During financial year 24-25, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Deletions	As at March 31, 2025
Capital work in progress	187.47	7.66	292.49	181.98	305.64
Total	187.47	7.66	292.49	181.98	305.64

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Land Lease Hold	13.53	-	-	-	13.53	2.19	-	0.13	-	2.32	11.21	11.34
	(13.53)	-	-	-	(13.53)	(2.06)	-	(0.13)	-	(2.19)	(11.34)	(11.47)
(b) Vehicle Leasehold	34.46	-	-	-	34.46	24.82	-	3.09	-	27.91	6.55	9.64
	(34.46)	-	-	-	(34.46)	(21.73)	-	(3.09)	-	(24.82)	(9.64)	(12.73)
(c) Building and Land	334.67	-	-	-	334.67	151.35	-	30.79	-	182.14	152.53	183.32
	(334.67)	-	-	-	(334.67)	(121.08)	-	(30.27)	-	(151.35)	(183.32)	(213.59)
(d) Land - MD and ED	53.42	-	-	-	53.42	9.75	-	1.95	-	11.70	41.72	43.67
	(53.42)	-	-	-	(53.42)	(7.80)	-	(1.95)	-	(9.75)	(43.67)	(45.62)
(e) Lease Prepayment	46.25	-	2.20	0.75	47.70	29.48	-	6.28	-	35.76	11.94	16.77
	(45.21)	-	(2.96)	(1.92)	(46.25)	(24.20)	-	(6.84)	(1.56)	(29.48)	(16.77)	(21.01)
Total	**482.33**	**-**	**2.20**	**0.75**	**483.78**	**217.59**	**-**	**42.24**	**-**	**259.83**	**223.95**	**264.74**
(Previous year)	**(481.29)**	**-**	**(2.96)**	**(1.92)**	**(482.33)**	**(176.87)**	**-**	**(42.28)**	**(1.56)**	**(217.59)**	**(264.74)**	**(304.42)**

Note:

a) Company has adopted modified retrospective approach as per para C8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Goodwill	40.16	-	-	-	40.16	40.16	-	-	-	40.16	-	-
As at April 1, 2016	(40.16)	-	-	-	(40.16)	(33.36)	-	(6.80)	-	(40.16)	-	-
(b) Brand / Trade Marks	19.22	-	-	-	19.22	17.13	-	0.03	-	17.16	2.06	2.09
As at April 1, 2016	(17.26)	-	-	-	(17.26)	(14.50)	-	(1.25)	-	(15.75)	(1.51)	(1.51)
(c) Softwares	5.29	25.42	-	-	30.71	3.98	23.62	0.13	-	27.73	2.98	1.31
As at April 1, 2016	-	-	(4.09)	-	(4.09)	-	-	(0.19)	-	(0.19)	(3.90)	(3.90)
(d) Non Compete Fees	-		144.60	-	144.60	-	-	11.53	-	11.53	133.07	-
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-
Total	64.67	25.42	144.60	-	234.69	61.27	23.62	11.69	-	96.58	138.11	3.40
As at April 1, 2016	(57.42)	-	(4.09)	-	(61.51)	(47.86)	-	(8.24)	-	(56.10)	(5.41)	(5.41)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 GOODWILL ON CONSOLIDATION

The following table presents the movement in goodwill on consolidation during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions (Refer Note 3.14)	Disposals	As at March 31, 2025	Accumulated Amortisation As at April 01, 2024	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Goodwill	58.68	178.74	-	237.42	-	-	-	-	237.42	58.68
As at April 1, 2016	(58.68)	-	-	(58.68)	-	-	-	-	(58.68)	(58.68)
Total	**58.68**	**178.74**	**-**	**237.42**	**-**	**-**	**-**	**-**	**237.42**	**58.68**
As at April 1, 2016	**(58.68)**	**-**	**-**	**(58.68)**	**-**	**-**	**-**	**-**	**(58.68)**	**(58.68)**

Note:

The company has elected to continue with the carrying amount of goodwill on consolidation measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those goodwill on consolidation are given in brackets.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.2 NON-CURRENT INVESTMENTS	As at March 31, 2026	As at March 31, 2025
a. Investments carried at amortised cost		
Investments in Bonds and Non Convertible Debentures (NCDs) -(quoted)	51.37	50.13
b. Investments carried at fair value through profit or loss		
Investment in Mutual funds (quoted)	381.00	40.04
c. Others - (unquoted) carried at amortised cost		
i. 1,775 shares (As at March 31, 2025 – 1,775 Shares) of Rs. 1000/- each fully paid up in Netaji Apparel Park.	1.78	1.78
ii. 1,949 shares (As at March 31, 2025 – 636 Shares) of Rs. 10/- each fully paid up in Babu Energy P Ltd, Kancheepuram.	0.02	0.01
iii. 5 shares (As at March 31, 2025 – 140 Shares) of Rs. 100/- each fully paid up in Aravind Green Infra P Ltd, Karur	-	0.01
iv. 78 shares (As at March 31, 2025 – 508 Shares) of Rs. 100/- each fully paid up in Apsara power India P Ltd, Karur	0.01	0.05
v. 340 shares (As at March 31, 2025 – 35 Shares) of Rs. 100 /-each fully paid up in Amirthaa Green Infra P Ltd, Karur	0.03	-
vi. 1,36,842 equity shares (As at March 31, 2025 - 1,36,842 shares) of Rs. 10/- each fully paid up in Nellai Renewables Private Limited	6.00	6.00
vii. 1,83,766 equity shares (As at March 31, 2025 - Nil shares) of Rs. 10/- each fully paid up in Palladam Hi-Teck Park	**1.84**	**-**
Sub total	**442.05**	**98.02**
Less: Impairment in Value of Investments	-	-
Total	**442.05**	**98.02**
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	432.37	90.17
Aggregate market value of quoted investments	432.37	90.17
Aggregate value of unquoted investments	9.68	7.85
Aggregate value of impairment of investments	-	-

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.3 NON-CURRENT LOANS	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless otherwise stated)		
a. Advances to Related Parties:		
Urban Stitch Private Limited [refer note 3.15] (loans and advances,repayable in 10 years,were given at the rate of interest of 6-month SOFR + 50 bps p.a)	709.68	144.93
b. Other Advance	40.09	15.44
Total	**749.77**	**160.37**

1.4 OTHER NON-CURRENT FINANCIAL ASSETS	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless otherwise stated)		
a. Security Deposits	250.75	258.71
includes security deposits from enterprises owned by key managerial personnel [refer note 3.15]		
(Includes Rs. 80.00 Millions and Rs. 80.00 Millions paid to Poornam Enterprises Private Limited as at March 31, 2026 and March 31, 2025 respectively)		
(Includes Rs. 50.00 Millions and Rs. 50.00 Millions paid to S.P.Superfine Private Limited as at March 31, 2026 and March 31, 2025 respectively)		
b. EB Deposits	51.40	56.69
c. Others	0.34	3.41
Total	**302.49**	**318.81**

1.5 OTHER NON-CURRENT ASSETS	As at March 31, 2026	As at March 31, 2025
a. Capital Advance	225.40	303.26
b. Balance with government authorities (Unsecured, considered good unless otherwise stated)		
Sales Tax Deposits	0.01	0.01
c. Others - (Unsecured, considered good unless otherwise stated)		
Fringe Benefit Tax Receivables	-	0.04
Income Tax Receivables	-	2.45
Electricity Charges Receivables	7.58	7.58
	7.58	**10.07**
Total	**232.99**	**313.34**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.6 INVENTORIES	As at March 31, 2026	As at March 31, 2025
a. Raw materials and Components	772.64	1,066.42
b. Work-in -progress	1,358.42	1,516.77
c. Finished goods	375.74	441.04
d. Stock-in-trade - Traded goods		
- Garments	293.56	361.06
d. Stores, spares and consumable tools	302.96	321.89
Total	**3,103.32**	**3,707.18**

1.7 CURRENT INVESTMENTS	As at March 31, 2026	As at March 31, 2025
a. Investments carried at fair value through profit or loss		
Investments in mutual funds (quoted)	137.38	-
Total	**137.38**	**-**
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	137.38	-
Aggregate market value of quoted investments	137.38	-
Aggregate value of unquoted investments	-	-
Aggregate value of impairment of investments	-	-

1.8 CURRENT FINANCIAL ASSETS -TRADE RECEIVABLES	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Unsecured		
includes receivables from enterprises owned by key managerial personnel [refer note 3.15]	2,531.44	2,507.46
Poornam Enterprises Private Limited Rs.6.93 Millions (as at March 31, 2025 Rs. 6.89 Millions)		
S.P.Retail Brand Limited Rs.95.90 Millions (as at March 31, 2025 Rs. 160.41 Millions)		
S.P. Superfine Private Limited Rs. 78.22 Millions (as at March 31, 2025 Rs.31.70 Millions)		
S.P. Charitable Trust Rs. 0.28 Millions (as at March 31, 2025 Rs.0.00 Millions)		
Jumeirah Lanka Private Limited Rs. 211.24 Millions (as at March 31, 2025 Rs.0.00 Millions)		
Trade Receivables - credit impaired	2.00	3.60
	2,533.44	2,511.06
Less: Loss Allowance	(2.00)	(3.60)
Total	**2,531.44**	**2,507.46**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Ageing of trade receivables as at March 31, 2026

Particulars	Outstanding for following periods from invoice date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,117.71	905.69	137.89	343.75	10.26	16.14	2,531.44
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	2.00	-	2.00
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
Disputed Trade receivable - significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Total	**1,117.71**	**905.69**	**137.89**	**343.75**	**12.26**	**16.14**	**2,533.44**
Less: Loss allowance							**(2.00)**
Net Total							**2,531.44**

Ageing of trade receivables as at March 31, 2025

Particulars	Outstanding for following periods from invoice date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,119.21	1,205.22	153.12	10.59	19.24	0.08	2,507.46
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	3.60	-	3.60
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
Disputed Trade receivable - significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Total	**1,119.21**	**1,205.22**	**153.12**	**10.59**	**22.84**	**0.08**	**2,511.06**
Less: Loss allowance							**(3.60)**
Net Total							**2,507.46**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.9 CASH AND CASH EQUIVALENTS	As at March 31, 2026	As at March 31, 2025
1.9A CASH AND CASH EQUIVALENTS		
Balances with Banks in Current account	478.69	304.18
in Deposit account	1.04	1.04
in EEFC account	-	-
Cash on hand	57.58	47.53
Total	**537.31**	**352.75**

1.9B. Bank Balances other than (1.9A) above	As at March 31, 2026	As at March 31, 2025
In Deposit accounts & lien against letter of credit and buyers credit	51.64	60.11
In Dividend account	-	0.04
Total	**51.64**	**60.15**

1.10 OTHER CURRENT FINANCIAL ASSETS	As at March 31, 2026	As at March 31, 2025
(Unsecured, Considered Good unless otherwise stated)		
a. Interest accrued on deposits	41.31	2.25
Total	**41.31**	**2.25**

1.11 OTHER CURRENT ASSETS	As at March 31, 2026	As at March 31, 2025
(Unsecured, Considered Good unless otherwise stated)		
a. Prepaid Expenses	35.07	29.74
b. Material advances	74.10	107.45
c. Balances with government authorities		
- Export Incentives Receivables	183.27	133.81
- GST/VAT Refund receivable	379.08	213.53
- GST Input	115.39	253.05
- Royalty Receivables	20.69	5.71
- TUF receivable	32.00	20.67
- Interest subvention receivable	0.03	0.03
	730.46	**626.80**
d. Deposit paid under protest	19.65	11.21
e. Advance Tax net of provisions	-	1.18
f. Others - Advance	22.34	6.50
Total	**881.62**	**782.88**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.12 SHARE CAPITAL	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Rs in Millions	Number of shares	Rs in Millions
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	4,72,50,000	472.50	4,72,50,000	472.50
	4,72,50,000	**472.50**	**4,72,50,000**	**472.50**
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	2,51,38,883	251.39	2,50,92,600	250.93
	2,51,38,883	**251.39**	**2,50,92,600**	**250.93**
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	2,51,38,883	251.39	2,50,92,600	250.93
Total	**2,51,38,883**	**251.39**	**2,50,92,600**	**250.93**

Notes

i) Terms & Condition of Equity shares

The Company has only one class of equity shares having a par face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
a) Equity Shares with voting rights				
Mr. P.Sundararajan	1,25,38,759	49.88%	1,25,38,759	49.97%
Ms. S.Latha	29,61,510	11.78%	29,61,510	11.80%
DSP Small Cap Fund	19,31,892	7.68%	21,76,332	8.67%

iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issued during the year	Closing Balance
Equity shares with voting rights			
Period ended March 31, 2026			
- Number of shares	2,50,92,600	46,283	2,51,38,883
- Amount (Rs. 10 each) (Rs. in Million)	250.93	0.46	251.39
Period ended March 31, 2025			
- Number of shares	2,50,92,600	-	2,50,92,600
- Amount (Rs. 10 each) (Rs. in Million)	250.93	-	250.93

iv) Details of shares held by promoters :

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.88%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.78%	0.00%
Mr. Sundararajan Chenduran	27,751	-	27,751	0.11%	0.00%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	**1,55,38,791**	**-**	**1,55,38,791**	**61.80%**	**0.00%**

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.97%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.80%	0.00%
Mr. Sundararajan Chenduran	28,251	(500)	27,751	0.11%	-1.77%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	**1,55,39,291**	**(500)**	**1,55,38,791**	**61.92%**	**-1.77%**

1.13 OTHER EQUITY	As at March 31, 2026	As at March 31, 2025
a. Securities Premium Account		
Balance as at the beginning of the period	2,174.94	2,174.94
Less: Premium received on allotment of equity shares	11.11	-
Balance as at the end of the period	**2,186.05**	**2,174.94**
The reserve has been created when equity shares have been issued at a premium. This reserve may be utilised to issue fully paid-up bonus shares, buy-back of equity shares or writing off expenses incurred on issue of equity shares.		
b. Capital Redemption Reserve		
Balance as at the beginning of the year	206.00	206.00
Add: Capital Redemption on buyback	-	-
Balance as at the end of the period	**206.00**	**206.00**
The reserve has been created as per section 55 (2) (c) of Companies Act, 2013 based on the redemption of preference shares during the financial year 2018-19.		
The shares are redeemed out of the profits of the company. Accordingly, out of accumulated profits, a sum equal to the nominal amount of the shares to be redeemed, has been transferred to Capital Redemption Reserve.		

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 OTHER EQUITY (CONTD.)	As at March 31, 2026	As at March 31, 2025
During the FY 22-23, the reserve has been created as per section 69 of Companies Act, 2013 based on the buy back of equity shares. An amount equal to the nominal value of share bought back has been transferred to Capital Redemption Reserve.		
The above reserve may be utilised by the Company for issuing fully paid bonus shares.		
c. Additional Paid in Equity		
Balance as at the beginning of the year	90.36	90.36
Balance as at the end of the period	**90.36**	**90.36**
This has arisen because of the unsecured loan received and preference shares.		
i) As per Ind AS 109 financial liability which were received at concessional rate compared to market rate are valued at fair value from the date of its availment and difference between the nominal value of unsecured loan and fair value has been treated as deferred loan and unwound during the term of loan. Further differences has been disclosed as additional paid in equity [with respect to unsecured loans related to equity holders].		
ii) As per Para 18 of Ind AS 32 a preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability. Further, the Company as at the date of issue has arrived the present value of the cash flow at market rate return of the preference shares and differences between nominal value of preference shares and present value of the cash flow has been disclosed as additional paid in equity [with respect to preference shares related to equity holders].		
d. Share Options Outstanding Account		
Balance as at the beginning of the year	3.66	-
Add: Employee stock compensation expense(Refer note 3.5.1)	16.01	3.66
Balance as at the end of the year	**19.67**	**3.66**
The Share options outstanding account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account will be transferred to securities premium upon exercise of stock options and will be transferred to general reserve on account of stock options not exercised by employees.		
e. Retained Earnings (Surplus in Statement of Profit and Loss)		
Balance as at the beginning of the year	6,009.67	5,059.11
Add: Current year profit	1,010.54	950.56
Less: Dividend for 2024-25	(50.22)	-
Balance as at the end of the year	**6,969.99**	**6,009.67**
Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.		

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 OTHER EQUITY (CONTD.)	As at March 31, 2026	As at March 31, 2025
f. Exchange difference on translation of foreign operations		
Balance as at the beginning of the year	9.75	8.41
Add: Current year gain/(loss)	(3.62)	1.34
Balance as at the end of the year	**6.13**	**9.75**
The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.		
g. Other Comprehensive Income		
Balance as at the beginning of the year	(181.88)	(153.33)
Add: Current year transfer from statement of profit & loss	(86.45)	(28.55)
Balance as at the end of the year	**(268.33)**	**(181.88)**
Other comprehensive income include remeasurement of net defined benefit liability / asset and changes in fair value of derivatives designated as cash flow hedges, net of taxes.		
When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.		
Total	**9,209.87**	**8,312.50**

1.14 NON-CURRENT BORROWINGS	As at March 31, 2026	As at March 31, 2025
a. Secured Borrowings at Amortised Cost		
Term Loan from banks	469.40	401.09
b. Unsecured Borrowings at Amortised Cost		
Loans and Advances from related parties	23.52	21.34
Total	**492.92**	**422.43**

Security and Terms: The Parent Company has been sanctioned term loan of Rs. 600 Million out of which, it has availed Rs. 590.24 Million as of March 31, 2026. It is secured by exclusive Charge on all Immovable and movable assets being acquired from Bannari Amman under the MOU ie.1) Garment unit located at Palladam Hi-Tech Weaving Park, Palladam, Tamil Nadu and 2) 6.43 Acres of Land with Building situated at Site No. R-44, SIPCOT, Perundurai. Personal Guarantee – of MR.P.Sundararajan and Mrs. S Latha. The Term Loan is payable in 6 years including 12 months of Moratorium repayable in equal monthly installments at a rate of interest of 8.50% p.a. Loan amounting to Rs. 534.22 Million (Previous year Rs. 287.61 Million).

The subsidiary company's (S.P. Retail Ventures Limited) term loan is secured by exclusive charge on the assets acquired out of term loan, Collateral : Land measuring 30.25 cents in the name of Mr.Sundarrajan at Avinashi, Personal Guarantee : Mr. P. Sundarrajan and Corporate Guarantee : S.P.Apparels Limited (Holding Company). Loan amounting to Rs. 22.50 Million (Previous year Rs. 32.50 Million) is repayable in 9 quarterly instalments at a rate of interest of 9.5% p.a.

"The subsidiary company's (Young Brand Apparel Private Limted) term loan is secured by first charge on entire current assets including stock of Raw Material, Work in Progress, Finished Goods, Stores, Spares & Consumable and receivables of the Company is given to respective banks. Second charge on the entire fixed assets of the Company (other than exclusively charged to term loans) has been extended to the banks where ever possible. Term loan amounting to 75.60 Million (2025: Rs. 110.46 Million) is repayable in 82 monthly installments from June 2021 to March 2028 at a rate of interest of 9% p.a (2025: 10.35% p.a)"

- Unsecured loan from promoters are repayable after one year.
- The Company has not defaulted in repayment of principles and interest during the year.
- Refer Note 1.19(b) for Current Maturities of Long Term Borrowings.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.15 NON-CURRENT LEASE LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Long term maturity of lease liabilities	133.93	169.48
Total	**133.93**	**169.48**

The lease liability is initially measured at amortized cost at the present value of the future lease payments. All operating lease arrangements has been evaluated for IND AS 116 evaluations and applicable arrangements are considered for accounting after discounting of lease rental payments at the rate of 10% per annum.

The movement in lease liabilities during the Year ended March 31, 2026 and March 31, 2025 are given below

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**223.69**	**255.73**
Additions	-	-
Finance cost accrued during the year	18.66	22.00
Deletions	-	-
Payment of lease liabilities	(54.21)	(54.04)
Balance at the end of the year	**188.14**	**223.69**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	54.21	54.21
One to five years	121.40	169.22
More than five years	46.12	52.52
Total	**221.73**	**275.95**

Amounts recognised in profit or loss for the year ended March 31, 2026 and March 31, 2025 are given below

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on lease liabilities	18.66	22.00
Expenses relating to leases of low-value assets, including short-term leases of low value assets	139.30	134.75
Total	**157.96**	**156.75**

1.16 OTHER NON-CURRENT FINANCIAL LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Other Trade Deposits	24.11	26.37
b. Deferred Govt Grant Receivables	34.34	49.62
c. Other non-current Liability	0.01	-
Total	**58.46**	**75.99**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.17 DEFERRED TAX LIABILITIES (NET)	As at March 31, 2026	As at March 31, 2025
a. Deferred tax liabilities	366.15	378.23
b. Deferred tax (assets)	(133.42)	(110.63)
Total Deferred tax (assets)/ liabilities before Minimum Alternate Tax [MAT] Credit entitlement as per Income Tax Act, 1961	232.73	267.60
c. MAT Credit entitlement	(17.78)	(17.78)
Total Deferred tax (assets)/ liabilities	**214.95**	**249.82**
Deferred tax liability / (assets) in relation to: (Refer Note 3.1)		
- Property, plant and equipment (including Intangible assets)	281.49	293.22
- Other temporary differences (income tax disallowance and other adjustments)	(66.54)	(43.40)
Total	**214.95**	**249.82**

1.18 OTHER NON-CURRENT LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Lease Income Deferral	-	0.39
b. Provisions for employee benefits		
Compensated absences	16.00	-
Gratuity (Net of funds) [Refer Note 3.5]	84.90	79.98
Total	**100.90**	**80.37**

1.19 CURRENT FINANCIAL LIABILITIES - BORROWINGS	As at March 31, 2026	As at March 31, 2025
a. Secured Borrowings at amortised cost		
Loans from Banks [Refer note below]	3,346.35	3,064.76
(Includes Cash Credit, Working capital demand loans, Packing credit, etc)		
b. Current maturities of Long-term debts at amortised cost [Refer Note 1.14]	162.92	97.38
Total	**3,509.27**	**3,162.14**

Note : With respect to Cash Credit, Working Capital Demand Loan, Packing Credit from Banks, the first charge on entire current assets including stock of Raw Material, Work in Progress, Finished Goods, Stores, Spares & Consumable and receivables of the Company is given to respective banks. Second charge on the entire fixed assets of the Company (other than exclusively charged to term loans) has been extended to the banks where ever possible. Promoters guarantee and security has also been provided to banks.

1.20 CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Current maturities of finance lease obligations	54.21	54.21
Total	**54.21**	**54.21**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.21 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	As at March 31, 2026	As at March 31, 2025
Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises	264.59	302.48
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,020.44	1,019.26
includes payables to enterprises owned by key managerial personnel [refer note 3.15]		
Crocodile International Pte Ltd Rs. 21.17 Millions (as at March 31, 2025 Rs. 14.39 Millions)		
S.P.Lifestyles Rs. 1.04 Millions (as at March 31, 2025 Rs. 4.00 Millions)		
Poornam Enterprises Private Limited Rs. 2.14 Millions (as at March 31, 2025 Rs. 2.14 Millions)		
S.P. Superfine Private Limited Rs. 0.00 Millions (as at March 31, 2025 Rs.5.27 Millions)		
includes payables to key managerial personnel [refer note 3.15]		
Mr.S.Chenduran Rs. 2.84 Millions (as at March 31, 2025 Rs. 1.46 Millions)		
Total	**1,285.03**	**1,321.74**

Ageing of trade payables as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues to micro enterprises and small enterprises	179.51	84.42	0.66	-	-	264.59
Dues to other than micro enterprises and small enterprises	162.96	748.92	9.31	8.78	8.50	938.47
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	81.97	-	-	-	-	81.97
Total	**424.44**	**833.34**	**9.97**	**8.78**	**8.50**	**1,285.03**

Ageing of trade payables as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues to micro enterprises and small enterprises	199.23	96.25	6.82	0.18	-	302.48
Dues to other than micro enterprises and small enterprises	224.38	660.48	1.66	7.09	7.43	901.04
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	118.22	-	-	-	-	118.22
Total	**541.83**	**756.73**	**8.48**	**7.27**	**7.43**	**1,321.74**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.22 CURRENT FINANCIAL LIABILITIES - Others	As at March 31, 2026	As at March 31, 2025
a. Proposed dividend on cumulative preference shares	-	0.05
b. Capital Creditors	15.76	37.35
c. Employee Benefits	241.07	257.49
Includes payables to Key Managerial Personnel (Refer Note 3.15)		
P. Sundararajan [Managing Director Rs. 0.01 (as at March 31, 2025 Rs. 1.63)]		
S. Shantha [Joint Managing Director Rs. 0.07 (as at March 31, 2025 Rs. 0.07)]		
S. Chenduran [Joint Managing Director Rs. 0.00 (as at March 31, 2025 Rs. 0.10)]		
d. Derivative Financial Liabilities	134.40	29.48
e. Trade Deposit from customers	33.84	25.72
f. Other Financial Liablities	63.57	1.69
	488.64	**351.78**

1.23 OTHER CURRENT LIABILITIES	As at March 31, 2026	As at March 31, 2025
a. Statutory Liabilities	68.97	87.60
b. Advance from customers	10.15	-
c. Other liabilities	16.34	19.68
Total	**95.46**	**107.28**

1.24 CURRENT PROVISIONS	As at March 31, 2026	As at March 31, 2025
a. Provision for Income Tax (net off advance Tax)	22.55	-
b. Provision for employee benefits		
Compensated absences	10.74	23.85
Gratuity (Net of funds) [Refer Note 3.5]	43.74	42.83
Total	**77.03**	**66.68**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.1 REVENUE FROM OPERATIONS	Year ended March 31, 2026	Year ended March 31, 2025
a. Sale of Products		
Manufactured goods		
Garments - Export	12,514.14	10,917.86
Garments - Local	102.28	84.48
Yarn	183.23	179.77
Fabric - Export	96.58	-
Fabric - Local	303.28	246.33
Cotton Waste	195.11	216.91
Traded Goods		
Garments	1,538.47	1,534.41
Subtotal	**14,933.09**	**13,179.76**
b. Revenue From Services		
Dyeing charges	17.25	27.20
Embroidery charges	5.33	4.49
Printing charges	0.60	1.66
Others	0.18	0.63
Subtotal	**23.36**	**33.98**
c. Other Operating revenue		
Duty Draw Back and other Export Incentives	801.07	708.36
Corporate & IT Support Charges	0.11	-
Sale of Scrap	13.47	14.71
Others (Refer note below)	15.27	14.53
Subtotal	**829.92**	**737.60**
Total	**15,786.37**	**13,951.34**

Note: It includes release of deferred income of Rs. 15.27 Million (14.53 Million in 2024-25) relating to incentive from Technology Upgradation Fund (TUF) Scheme loan and Export Promotion Capital Goods (EPCG) Scheme which was accounted during the transition to Ind AS, now taken to statement of profit and loss.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.2 OTHER INCOME	Year ended March 31, 2026	Year ended March 31, 2025
a. Interest Income from		
Deposits and NCDs	21.95	17.20
Lease Deposits	11.66	10.86
Loan to SP Apparels UK (P) Limited	7.80	1.96
Loan to Associates	38.82	-
Interest on Income Tax Refund	3.03	-
Subtotal	**83.26**	**30.02**
b. Dividend Income from		
Current Investments	0.08	-
Subtotal	**0.08**	**-**
c. Other Non-operating Income		
Profit on Sale of Investments	-	9.07
Foreign Exchange Gain (Net)	56.03	72.87
Others	41.83	9.96
Subtotal	**97.86**	**91.90**
Total	**181.20**	**121.92**

2.3 COST OF MATERIALS CONSUMED	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock	1,380.13	719.08
Acquired from business combination [refer note 3.14]	-	349.90
Purchases	4,787.20	5,171.45
	6,167.33	**6,240.43**
Less:		
Closing Stock	1,063.22	1,388.31
Total	**5,104.11**	**4,852.12**

2.4 PURCHASE OF STOCK-IN-TRADE - TRADED GOODS	Year ended March 31, 2026	Year ended March 31, 2025
Garments	1,381.22	1,001.24
Total	**1,381.22**	**1,001.24**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended March 31, 2026	Year ended March 31, 2025
a. Inventory at the beginning of the year		
Finished goods	441.04	263.10
Work-in-progress	1,516.77	1,165.41
Stock in trade	361.06	599.91
Acquired from business combination		
Finished goods	-	185.93
Work-in-progress	-	40.21
	2,318.87	**2,254.56**
b. Inventory at the end of the year		
Finished goods	375.74	441.04
Work-in-progress	1,358.42	1,516.77
Stock in trade	293.56	361.06
	2,027.72	**2,318.87**
Total	**291.15**	**(64.31)**

2.6 EMPLOYEE BENEFITS EXPENSE	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	3,201.00	2,798.47
Contribution to provident, gratuity and other funds (Refer Note 3.5)	331.65	251.33
Expenses on Employee Stock Option Scheme (ESOP) (Refer Note 3.5.1)	16.01	3.66
Staff welfare expenses	438.89	408.66
Total	**3,987.55**	**3,462.12**

2.7 FINANCE COST	Year ended March 31, 2026	Year ended March 31, 2025
Interest Expense on Bank Borrowings	219.29	197.84
Interest Expense on Trade Deposits	1.25	1.36
Interest Expense on Lease Liabilities	18.66	22.00
Other Borrowing Costs	124.26	99.51
Exchange (gain) / loss on foreign currency borrowings	43.75	14.14
Total	**407.21**	**334.85**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.8 DEPRECIATION AND AMORTISATION EXPENSES	Year ended March 31, 2026	Year ended March 31, 2025
a. Tangible assets		
Buildings	108.16	94.96
Plant and Machinery	190.96	177.95
Electrical Installations	43.92	37.42
Furniture and Fittings	31.46	26.71
Office Equipments	17.97	16.14
Lab Equipments	3.43	3.29
Computers	17.65	17.70
Vehicles	5.55	4.86
Right of Use Asset		
- Land	0.30	0.13
- Vehicles	2.46	3.09
- Others	41.07	39.02
Tangible assets (Including Right of Use assets)	**462.93**	**421.27**
b. Intangible Assets		
Brand/Trademarks - Acquired	0.68	0.03
Softwares - Acquired	0.54	0.13
Non Compete Fees on Business Acqusition	14.45	11.53
Intangible assets	**15.67**	**11.69**
Total	**478.60**	**432.96**

2.9 OTHER EXPENSES	Year ended March 31, 2026	Year ended March 31, 2025
Power & Fuel	471.18	486.44
Repairs & Maintenance - Building	17.82	15.11
Repairs & Maintenance - Machinery	154.80	114.39
Repairs & Maintenance - Others	80.48	82.68
Fabrication Charges	116.83	146.10
Other Manufacturing Expenses	1,017.14	1,116.96
Payments to Auditors	4.05	4.70
Insurance	25.62	20.81

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.9 OTHER EXPENSES (CONTD.)	Year ended March 31, 2026	Year ended March 31, 2025
Legal & Professional Charges	48.80	47.97
Loss on sale of property, plant and equipment	0.66	2.83
Printing and stationery	20.75	18.87
Communication	11.08	11.07
Travelling and conveyance	86.96	77.53
Factory lease rent	26.57	28.84
Rent	112.73	105.91
Rates and taxes	29.74	24.22
Donation	0.20	0.08
Expenditure on Corporate Social Responsibility	30.43	27.54
Director sitting fees [refer note 3.2]	1.33	1.39
Commission	16.33	12.18
Freight and forwarding	242.81	284.50
Bad debts written off	6.15	-
Discount and allowance	4.71	-
Business promotion	46.53	42.50
Royalty	20.47	22.17
Loss Allowance on receivables / advances	2.00	4.28
Provisions for MTM (Gain)/Loss on investment	36.25	-
Provisions for MTM (Gain) / Loss on forward contracts	(1.25)	17.73
Loss on Foreign Exchange	146.09	9.61
Miscellaneous expenses	66.94	95.66
Total	**2,844.20**	**2,822.07**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.1 Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and a description of the items that created these differences is given below:

Recognised deferred tax assets/liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Tax effect of items constituting deferred tax liabilities		
Property, Plant and Equipment	(281.49)	(293.22)
Derivative Adjustments	27.27	8.80
Recognized in Equity	21.49	16.82
Minimum Alternate Tax [MAT] credit entitlement as per Income Tax Act, 1961	17.78	17.78
Net deferred tax (liabilities)/assets recognised in Balance Sheet	**(214.95)**	**(249.82)**

Movement in temporary differences during current and previous year

Particulars	MAT	Property, Plant and Equipment	Derivative Adjustments and defined benefit plan	Others
Balance as at April 1, 2024	**17.78**	**(282.52)**	**(25.89)**	**(3.79)**
Add: Acquired From Business Combination (Refer Note 3.14)		**(71.80)**	**(0.81)**	**5.79**
DTA/(DTL) Balance after Business Combination	**17.78**	**(354.32)**	**(26.70)**	**2.00**
Recognised in income statement	-	61.10	25.89	14.82
Recognised in Equity	-	-	9.61	-
Balance as at March 31, 2025	**17.78**	**(293.22)**	**8.80**	**16.82**
Recognised in income statement	-	11.73	(10.60)	4.67
Recognised in Equity	-	-	29.07	-
Balance as at March 31, 2026	17.78	(281.49)	27.27	21.49

Income tax expense recognized in profit or loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax expense/ (reversal)	410.17	359.38
Deferred Tax expense	(5.80)	(101.81)
Short / (Excess) provision for earlier year's tax	(3.86)	23.62
	400.51	**281.19**

Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before taxes	1,409.96	1,232.21
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	**354.86**	**310.12**
Short / (Excess) provision for earlier year's tax	(3.86)	23.62
Due to temporary differences	(5.80)	(101.81)
Difference on account of differential tax rates in different jurisdictions	50.74	-
Permanent differences	4.57	49.26
Income Tax expenses recognised in Statement of Profit and Loss	**400.51**	**281.19**

3.2 Payments to independent directors - Sitting fees

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Mr. Anand Kumar AS	0.16	0.36
Ms. Lakshmi Priya	0.36	0.16
Mr. Rajagopal CR	0.53	0.47
Mr. Ravishankar B	0.20	0.04
Mr. S Chidambaram	0.08	-
Mr. V Sakthivel	-	0.36
	1.33	1.39

3.3 Earnings Per Share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net Profit after Tax for the year	1,009.45	951.02
Weighted average number of equity shares outstanding - Basic (Refer Note (a) below)	2,50,96,404	2,50,92,600
Weighted average number of equity shares outstanding - Diluted (Refer Note (a) below)	2,51,80,278	2,50,94,540
Earnings Per Share - Basic	40.22	37.90
Earnings Per Share - Diluted	40.09	37.90
(a) Weighted average number of shares - Basic & Diluted		
Paid-up equity share capital (face value Rs. 10/-) [Amount]	251.39	250.93
Face Value per share [Amount]	10.00	10.00
Weighted average number of equity shares outstanding - Basic	2,50,96,404	2,50,92,600
Add: Weighted average number of potential equity shares on account of employee stock options	83,874	1,940
Weighted average number of equity shares outstanding - Diluted	**2,51,80,278**	**2,50,94,540**

(All amounts are in Indian ₹ Millions except share data and as stated)

3.4 Foreign currency exposure

The details of foreign currency exposure as at March 31, 2026 are as follows:

Particulars	As at March 31, 2026		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	USD	0.01	0.80
	GBP	0.00	0.53
	EUR	0.00	0.14
	SGD	0.00	0.00
	HKD	0.00	0.01
	BDT	0.01	0.01
	LKR	0.05	0.01
	TAKA	0.00	0.00
	VND	4.24	0.01
		4.31	**1.51**
EEFC A/c	USD	0.00	0.00
	GBP	0.00	0.00
	EUR	0.00	0.00
		0.00	**0.00**
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	10.16	961.28
	GBP	1.86	234.24
	MYR	0.21	3.82
	EUR	2.01	218.85
		14.24	**1,418.19**
Loans and Advances	USD	0.24	22.51
	GBP	0.08	10.60
		0.32	**33.11**
Amounts payable in foreign currency on account of:			
Trade Payable	USD	0.91	86.56
	EUR	0.19	21.02
		1.10	**107.58**
PCFC account	USD	5.17	488.96
	GBP	0.00	0.19
	EUR	2.32	252.45
		7.49	**741.60**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The details of foreign currency exposure as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	USD	0.00	0.31
	GBP	0.01	0.68
	EUR	0.00	0.03
	SGD	0.00	0.00
	HKD	0.00	0.01
	BDT	0.01	0.01
	LKR	0.01	0.00
		0.03	**1.04**
EEFC A/c	GBP	0.00	0.00
	EUR	0.00	0.00
		0.00	**0.00**
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	9.06	775.25
	GBP	2.86	316.85
	MYR	0.20	3.79
	EUR	2.52	232.61
		14.64	**1,328.50**
Loans and Advances	USD	0.00	0.00
	GBP	0.14	15.44
	SEK	0.00	0.00
		0.14	**15.44**
Amounts payable in foreign currency on account of:			
Trade Payable	USD	0.39	33.53
	SGD	0.01	0.56
	EUR	0.21	19.38
		0.61	**53.47**
PCFC account	USD	5.42	463.42
	GBP	0.24	26.78
	EUR	1.73	159.35
		7.39	**649.55**

(All amounts are in Indian ₹ Millions except share data and as stated)

3.5 Employee benefits

a. Defined benefit plans (Gratuity)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Gratuity)

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefit obligation at the beginning of the year	**175.07**	**126.34**
Add: Acquired from Business Combination (Refer Note 3.14)	-	40.80
Projected benefit obligation after Business Combination	**175.07**	**167.14**
Service cost	16.77	11.21
Interest cost	9.35	9.04
Remeasurement (gain)/losses	8.91	10.19
Benefits paid	(29.21)	(22.51)
Projected benefit obligation at the end of the year	**180.89**	**175.07**

Change in the fair value of plan assets

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	52.26	53.78
Interest income	3.49	3.72
Employer contributions	18.52	9.52
Benefits paid	(21.73)	(14.01)
Return on plan assets, excluding amount recognised in net interest expense	(0.29)	(0.75)
Fair value of plan assets at the end of the year	**52.25**	**52.26**

Amount recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of projected benefit obligation at the end of the year	180.89	175.07
Fair value of plan assets at the end of the year	(52.25)	(52.26)
Funded status amount of liability recognised in the Balance Sheet	**128.64**	**122.81**

Expense recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Service cost	16.77	11.21
Interest cost	9.35	9.04
Interest income	**(3.49)**	**(3.72)**
Net gratuity costs	**22.63**	**16.53**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Summary of actuarial assumptions

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	6.08% to 7.84%	6.55%-6.89%
Expected rate of return on plan assets	6.89%	7.22%
Salary escalation rate	1.5% to 2%	2.00%
Attrition rate	6% to 50%	6%-50%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Contributions: The Group expects to contribute Rs. 6.90 Millions to its gratuity fund during the year ending March 31, 2026. (Previous year : Rs. 55.98 Millions)

The expected cash flows over the next few years are as follows:

Year	Discounted Amount	Undiscounted Amount
1 year	15.67	17.02
2 to 5 years	39.24	62.35
6 to 10 years	32.65	90.00
More than 10 years	86.39	639.00

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2026 and March 31, 2025, by asset category is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Funds managed by insurers	100%	100%

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31 2026		March 31 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	11.44	(9.97)	12.05	(10.70)
(% change compared to base due to sensitivity)	8.18%	-7.13%	8.95%	-7.95%
Salary Growth rate (-/+ 1%)	(10.38)	11.81	(11.02)	12.29
(% change compared to base due to sensitivity)	-7.42%	8.44%	-8.18%	9.13%

b. Contributions to defined contribution plans

i. Provident Fund

In accordance with Indian law, all employees receive benefits from a provident fund, which is defined contribution plan. Both the employee and employer make ‘ monthly contributions to the plan, each equal to a specified percentage of employee’s basic salary. The Holding Company and its subsidiary companies which are incorporated in India has no further obligations under the plan beyond ‘its monthly contributions. The Holding Company and its subsidiary companies which are incorporated in India contributed Rs.111.78 Millions and Rs.94.87 Millions during the year ended March 31, 2026 and March 31, 2025 respectively.

ii. Employee State Insurance

In accordance with Indian law, all employees receive benefits from a employee state insurance, which is defined contribution plan. Both the employee and ‘employer make monthly contributions to the plan, each equal to a specified percentage of employee’s salary. The Holding Company and its subsidiary companies which are incorporated in India has no further obligations under the’plan beyond its monthly contributions. The Holding Company and its subsidiary companies which are incorporated in India contributed Rs.73.85 Millions and Rs.68.29 Millions during the year ended March 31, 2026 and March 31, 2025 respectively.

Note: The provisions of the Gratuity Act, the Employees’ Provident Funds and Miscellaneous Provisions Act, and the Employees’ State Insurance Act are not applicable to S.P. Apparels UK (P) Limited and S.P. Apparels International (Private) Limited, as these companies are incorporated outside India. These Acts are also not applicable to Crocodile Products Private Limited and Young Brand Global Private Limited, as they currently do not have any employees.

3.5.1Share based payments

a) Scheme details:-

On 26.09.2024, the shareholders of the Holding Company approved a scheme for allotment of equity shares to employees i.e. Employee Stock Option Plan 2024. 250,000 equity shares are reserved for this plan. Consequently, 186,030 options were granted to the employees on January 27, 2025. Details of number of options to employees have been tabulated below:

Category	No. of options	Vesting pattern
Category I	46,508	At the end of 12 months from the date of grant
Category II	46,508	At the end of 24 months from the date of grant
Category III	46,507	At the end of 36 months from the date of grant
Category IV	46,507	At the end of 48 months from the date of grant

b) Fair value on the grant date:-

The fair value at grant date is determined using “Black Scholes Model” which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares and the risk free interest rate for the term of the option. Expected volatility of the option is based on the daily closing share prices of last 5 years(Standard deviation of the natural algorithm of returns over the period). The risk-free rate is based on the 10-year Government Bonds yield as on the Grant date. The stock price is the fair market value of equity share as on January 27, 2025 (Average of opening and closing Market price on NSE)

The model inputs for options granted during the year ended March 31, 2025 are mentioned below:

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4
a) Exercise price(In Rs.)	250	250	250	250
b) Grant date	1/27/2025	1/27/2025	1/27/2025	1/27/2025
c) Vesting year	2025-26	2026-27	2027-28	2028-29
d) Share price at Grant date(In Rs.)	813.23	813.23	813.23	813.23
e) Expected price volatility of holding company's share	52.72%	52.72%	52.72%	52.72%
f) Risk free interest rate	6.68%	6.68%	6.68%	6.68%

C) Movement in share options during the year:-

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Balance at the beginning of the year	1,86,030	250	-	-
Granted during the year	726	-	1,86,030	250
Exercised during the year	46,283	250	-	-
Balance at the end of the year	1,40,473	250	1,86,030	250

3.6 Segment Reporting

The Chief Operating Decision Maker ("CODM"), the Board of Directors and the senior management, evaluate the Group's performance as a whole. The Group is in manufacturing of knitted garment. Accordingly revenue represented by geography is considered for segment information.

Segment Revenue	March 31, 2026	March 31, 2025
Outside India	13,446.03	11,661.10
Within India	2,340.34	2,290.24
Total	**15,786.37**	**13,951.34**

3.7 Financial instruments

a. Derivative financial instruments

Forward and option contracts

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts are initially recognized at fair value on the date the contract is entered into and subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value of the derivative contracts are recognized immediately in profit or loss. The counterparties for these contracts are generally banks or financial institutions. The details of outstanding forward contracts as at March 31, 2026 and March 31, 2025 are given below:

Particulars	Currency	As at March 31, 2026	As at March 31, 2025
Forward contracts (Sell)	USD	15.51	27.20
	EUR	8.53	6.70
	GBP	6.56	14.45
(Gain) / loss on mark to market in respect of forward contracts outstanding	INR	134.40	29.48

The Group recognized a net gain/(loss) on the forward contracts of Rs. (104.92) Millions (Previous year : Rs. (42.32) Millions) for the year ended March 31, 2026.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The forward exchange contracts and option contracts mature between one and twelve months. The table below summarizes the notional amounts of derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
	USD	USD	EUR	EUR	GBP	GBP
Not later than one month	2.26	1.55	0.48	0.00	0.50	-
Later than one month and not later than three months	6.00	8.40	3.00	2.45	2.66	3.65
Later than three months and not later than six months	6.00	10.50	3.90	3.05	2.90	6.70
Later than six months and not later than one year	1.25	6.75	1.15	1.20	0.50	4.10
Total	**15.51**	**27.20**	**8.53**	**6.70**	**6.56**	**14.45**

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2026 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	61.05	518.38	-	579.43	579.43
Trade receivables	2,531.44	-	-	2,531.44	2,531.44
Cash and cash equivalents	537.31	-	-	537.31	537.31
Other bank balances	51.64	-	-	51.64	51.64
Loans and Advances	749.77	-	-	749.77	749.77
Other financial assets	343.80	-	-	343.80	343.80
Liabilities					
Borrowings from banks	3,978.67	-	-	3,978.67	3,978.67
Borrowings from others	23.52	-	-	23.52	23.52
Finance lease liabilities	188.14	-	-	188.14	188.14
Trade payables	1,285.03	-	-	1,285.03	1,285.03
Other financial liabilities	412.70	-	-	412.70	412.70
Derivative financial instruments	-	0.28	134.12	134.40	134.40

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	57.98	40.04	-	98.02	98.02
Trade receivables	2,507.46	-	-	2,507.46	2,507.46
Cash and cash equivalents	352.75	-	-	352.75	352.75
Other bank balances	60.15	-	-	60.15	60.15
Loans and Advances	160.37	-	-	160.37	160.37
Other financial assets	321.06	-	-	321.06	321.06
Liabilities					
Borrowings from banks	3,563.23	-	-	3,563.23	3,563.23
Borrowings from others	21.34	-	-	21.34	21.34
Finance lease liabilities	223.69	-	-	223.69	223.69
Trade payables	1,321.74	-	-	1,321.74	1,321.74
Other financial liabilities	398.29	-	-	398.29	398.29
Derivative Financial Instruments	-	1.53	27.95	29.48	29.48

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2026 and 2025 that the Group has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	2,531.44	2,507.46
Cash and cash equivalents	537.31	352.75
Other bank balances	51.64	60.15
Total	**3,120.39**	**2,920.36**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

Particulars	Fair value as of March 31, 2026			Fair value as of March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments	518.38	-	-	40.04	-	-
Derivative financial assets - gain on outstanding option/forward contracts	-	-	-	-	-	-
Liabilities						
Derivative financial liabilities - loss on outstanding option/forward contracts	-	134.40	-	-	29.48	-

- Level 1 – unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – unobservable inputs for the asset or liability .

d. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Recognised deferred tax assets/liabilities	Year ended March 31, 2026	Year ended March 31, 2025
(a) Financial assets at amortised cost		
Interest income on bank deposits	21.95	17.20
Interest income on other financial assets	58.28	12.82
(b) Financial assets at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	1.25	(17.73)
(c) Financial assets at fair value through other comprehensive income (FVTOCI)		
Net gains/(losses) on fair valuation of derivative financial instruments	(106.17)	(24.59)
(d) Financial liabilities at amortised cost		
Interest expenses on lease obligations	(18.66)	(22.00)
Interest expenses on borrowings from banks, others and overdrafts	(220.54)	(199.20)

3.8 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Credit risk:

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Group is not exposed to concentration of credit risk to any one single customer since the services are provided to and products are sold to customers who are spread over a to number of customers and hence, the concentration of risk with respect to trade receivables is low. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Group grants credit terms in the normal course of the business.

Cash and cash equivalents and other investments

In the area of treasury operations, the Group is presently exposed to counter-party risks relating to short term and medium term deposits placed with public-sector banks, and also to investments made in mutual funds.

The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2026 and 2025 was as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Investments	579.43	98.02
Trade receivables	2,531.44	2,507.46
Cash and cash equivalents	537.31	352.75
Other bank balances	51.64	60.15
Loans and Advances	749.77	160.37
Other financial assets	343.80	321.06
Derivative Financial Assets	-	-
	4,793.39	**3,499.81**

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The ageing of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at March 31, 2026	As at March 31, 2025
Past due 0 - 180 days	2,023.40	2,324.43
More than 181 days	508.04	183.03
Total	**2,531.44**	**2,507.46**

Note:

Other financial assets and Loans of Rs.2,261.95 Millions as at March 31, 2026 (Rs.992.35 Millions as at March 31, 2025) has not been impaired.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Group has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need. The Group is also in the process of negotiating additional facilities with Banks for funding its requirements.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

As at March 31, 2026

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	3,978.67	3,241.61	2,760.81	293.20	187.60	-
Borrowings from others	23.52	23.52	-	23.52	-	-
Finance lease liabilities	188.14	221.73	54.21	108.61	12.79	46.12
Trade payables	1,285.03	1,285.03	1,285.03	-	-	-
Other financial liabilities	412.70	412.70	388.58	-	24.12	-
	5,888.06	**5,184.59**	**4,488.63**	**425.33**	**224.51**	**46.12**

As at March 31, 2025

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	3,563.23	3,650.63	3,215.16	271.67	134.38	29.42
Borrowings from others	21.34	21.34	-	21.34	-	-
Finance lease liabilities	223.69	275.95	54.21	108.42	60.80	52.52
Trade payables	1,321.74	1,321.74	1,321.74	-	-	-
Other financial liabilities	398.29	398.29	371.91	-	26.38	-
	5,528.29	**5,667.95**	**4,963.02**	**401.43**	**221.56**	**81.94**

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Currency risk:

The Group's exposure in USD, GBP, Euro and other foreign currency denominated transactions gives rise to Exchange rate fluctuation risk. Group's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in USD, GBP and EUR for a twelve-month period

- Estimating the net-exposure in foreign currency, in terms of timing and amount.

- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.

- Carrying out a variance analysis between estimate and actual on an ongoing basis, subject to review by Audit Committee.

The Group's exposure to foreign currency risk as at March 31, 2026 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit & Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.01	10.16	(5.17)	(0.91)	0.24	4.33
GBP	0.00	1.86	(0.00)	-	0.08	1.94
EUR	0.00	2.01	(2.32)	(0.19)	-	(0.50)
SGD	0.00	-	-		-	0.00
HKD	0.00	-	-	-	-	0.00
LKR	0.05	-	-	-	-	0.05
BDT	0.01	-	-	-	-	0.01
TAKA	0.00	-	-	-	-	0.00
VND	4.24	-	-	-	-	4.24
MYR	-	0.21	-	-	-	0.21
SEK	-	-	-	-	-	-

The Group's exposure to foreign currency risk as at March 31, 2025 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit & Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.00	9.06	(5.42)	(0.39)	0.00	3.25
GBP	0.01	2.86	(0.24)	-	0.14	2.77
EUR	0.00	2.52	(1.73)	(0.21)	-	0.58
SGD	0.00	-	-	(0.01)	-	(0.01)
HKD	0.00	-	-	-	-	0.00
BDT	0.01	-	-	-	-	0.01
LKR	0.01	-	-	-	-	0.01
MYR	-	0.20	-	-	-	0.20
SEK	-	-	-	-	0.00	0.00

A 10% weakening of the rupee against the respective currencies as at March 31, 2026 and 2025 would have increased / (decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2025.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Other comprehensive income	Profit/(loss)
March 31, 2026	-	60.36
March 31, 2025	-	64.20

A 10% strengthening of the rupee against the above currencies as at March 31, 2026 and 2025 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Group

Profile

At the reporting date the interest rate profile of the Group's interest – bearing financial instruments were as follows:

Particulars	Carrying amount March 31, 2026	Carrying amount March 31, 2025
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	52.68	61.15
Financial liabilities		
- Borrowings from banks	632.32	498.47
- Borrowings from others	23.52	21.34
Variable rate instruments		
Financial liabilities		
- Borrowings from Banks	3,346.35	3,064.76

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis has been performed on the same basis for 2024.

	Equity	Profit or (loss)
March 31, 2026	-	(33.46)
March 31, 2025	-	(30.65)

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

Impact of Hedging Activities

a) Disclosure of effects of hedge accounting on financial positions

Cash flow Hedge - Foreign Exchange forward Contracts - March 2026

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
1,429.19	3,121.75	April 1, 2026 to December 31, 2026	1:1	Euro- 107.85 GBP- 122.30 USD- 90.28	134.40	134.40

Cash flow Hedge - Foreign Exchange forward Contracts - March 2025

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
1,334.70	4,549.74	April 1, 2025 to March 31, 2026	1:1	Euro- 92.85 GBP- 109.86 USD- 86.19	29.48	29.48

*The forward contract are denominated in the same currency as like underlying sales arrangement, therefore the Hedge ratio is 1:1

b) Disclosure of effects of hedge accounting on financial performance

As at March 31, 2026

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	106.17	(1.25)	24.59	Revenue

As at March 31, 2025

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	24.59	17.73	(96.70)	Revenue

The Group hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic retrospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of hedging instruments match exactly with the terms of the hedged item and so qualitative assessment of effectiveness is performed.

Ineffectiveness is recognised on cash flow hedges where the cumulative changes in the designated component value of the hedging instruments exceeds on an absolute basis the changes in value of the hedged item attributable to the hedged risk.

The ineffectiveness is recognised in statement of profit & loss during March 2026 and March 2025 (Refer note 2.9)

Derivative instrument	Foreign exchange forward contracts	Derivative instrument	Foreign exchange forward contracts
Cash flow hedge reserve as of April 1, 2024	72.36	Cash flow hedge reserve as of April 1, 2025	(18.40)
Less: Amount transferred to statement of profit & loss	(96.70)	Less: Amount transferred to statement of profit & loss	24.59
Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the period	(24.59)	Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the period	(106.17)
Less: Deferred tax on the above movement	30.53	Less: Deferred tax on the above movement	20.53
As of March 2025	**(18.40)**	**As of March 2026**	**(79.45)**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.9 Capital management

The Group's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Group's capital management is to maximise shareholders value. The Group manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Group does so by adjusting dividend paid to shareholders. The total equity as on March 31, 2026 is Rs. 9,396.25 Millions (Previous Year: Rs. 8,499.51 Millions).

The Group monitors capital using gearing ratio, which is net debt divided by equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

		As at March 31, 2026	As at March 31, 2025
Debt		4,190.33	3,808.26
Less: cash and cash equivalents (including bank balance)		(588.95)	(412.90)
Net debt	A	**3,601.38**	**3,395.36**
Equity	B	**9,396.25**	**8,499.51**
Net debt to Equity ratio	A/B	**38%**	**40%**

No changes were made in the objectives, policies or processes for managing capital of the Group during the current and previous year.

3.10 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Contingent liabilities		
a. Employee State Insurance (ESI) demand	12.70	12.70
The Group has received the demand from ESI for an amount of Rs. 6.38 million and interest of Rs. 6.32 million. The Group has deposited Rs. 12.70 million and has filed an appeal against the demand before the labour court."		
b. Outstanding export obligations for EPCG license	334.82	172.94
c. GST Demand(April 2019 to March 2025) (it has deposited Rs. 1.91 Million and has filed an appeal against demand before appeallate authority).	57.02	10.88
d. Service Tax	6.65	6.65
e. Town Planning Authority	7.96	7.96
f. Employee Provident Fund	7.79	7.79
(ii) Capital Commitments		
a. Capital Commitments	53.45	179.13
Estimated amount of Contracts remaining to be executed on the Capital Accounts (Tangible) and not provided for (Net of Advances) as confirmed by the management.		
b. Other Commitments	1.87	1.87
The Group has given corporate guarantees to banks on behalf of Nellai Renewables Private Limited		

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.11 Details of leasing arrangements

Operating lease arrangements

The rental expenses towards operating lease is charged to statement of profit & loss amount of Rs.139.30 Millions (for the year ended 31st March 2025 Rs. 134.75 Millions). Some of the lease agreements have escalation clause ranging from 5 % to 15%. There are no exceptional / restrictive covenants in the lease agreements.

3.12 Reconciliation of liabilities from financing activities for the year ended March 31, 2026

Long term borrowings*

Particulars	As at April 1, 2025	Accepted	Repayment	Fair Value Changes	As at March 31, 2026
Borrowings from banks	498.47	302.63	(171.77)	2.99	632.32
Borrowings from others	21.34	-	-	2.18	23.52
Finance lease liabilities	223.69	-	(54.21)	18.66	188.14
Total	**743.50**	**302.63**	**(225.98)**	**23.83**	**843.98**

*Including current maturities

Short term borrowings

Particulars	As at April 1, 2025	Accepted/ (Repayment)	Forex exchange movement	As at March 31, 2026
Working capital facilities	3,064.76	236.10	45.48	3,346.35
Total	**3,064.76**	**236.10**	**45.48**	**3,346.35**

Reconciliation of liabilities from financing activities for the year ended March 31, 2025

Long term borrowings*

Particulars	As at April 1, 2024	Accepted	Repayment	Fair Value Changes	As at March 31, 2025
Borrowings from banks	51.68				
Add: Acquired from business combination (Refer note 3.14)	299.13				
Borrowings from Bank	350.81	278.44	(130.78)	-	498.47
Borrowings from others	23.04	-	(1.70)	-	21.34
Finance lease liabilities	255.73	-	(54.04)	22.00	223.69
Total	**629.58**	**278.44**	**(186.52)**	**22.00**	**743.50**

*Including current maturities

Short term borrowings

Particulars	As at April 1, 2024	Accepted/ (Repayment)	Forex exchange movement	As at March 31, 2025
Working capital facilities	1,703.73			
Add: Acquired from business combination (Refer note 3.14)	309.43			
Borrowings from Bank	2,013.16	1038.33	13.27	3,064.76
Total	**2,013.16**	**1,038.33**	**13.27**	**3,064.76**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.13 Additional disclosure as per part III of Schedule III of the Companies Act, 2013

As at March 31, 2026

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Company				
S.P. Apparels Limited	99.98%	9394.44	87.02%	878.42
Indian Subsidiaries				
Crocodile Products Pvt Ltd	-0.68%	(64.29)	-0.25%	(2.54)
S.P Retail Ventures Limited	1.84%	172.99	-5.74%	(57.92)
Young Brand Apparel Pvt Ltd	17.83%	1,675.59	30.67%	309.52
Foreign subsidiaries				
S.P Apparels (UK) (P) Ltd	-0.59%	(55.89)	-4.00%	(40.35)
S.P Apparels International (Private) Ltd	0.32%	30.52	-1.29%	(13.02)
Associate				
Urban Stich Private Limited	-0.68%	(63.57)	-6.30%	(63.57)
Total Eliminations	**-17.33%**	**(1,628.53)**	**0.00%**	**(0.00)**
Non-controlling interest	-0.69%	(65.01)	-0.11%	(1.09)
Total	**100.00%**	**9,396.25**	**100.00%**	**1,009.45**

As at March 31, 2025

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Company				
S.P. Apparels Limited	101.15%	8,597.53	87.83%	835.32
Indian Subsidiaries				
Crocodile Products Pvt Ltd	-0.71%	(60.66)	0.11%	1.07
S.P Retail Ventures Limited	2.70%	229.90	-11.10%	(105.54)
Young Brand Apparel Pvt Ltd	16.41%	1,394.66	31.39%	298.47
Foreign subsidiaries				
S.P Apparels (UK) (P) Ltd	-0.14%	(11.64)	-8.17%	(77.71)
S.P Apparels International (Private) Ltd	0.00%	(0.18)	-0.11%	(1.05)
Total Eliminations	**-18.66%**	**(1,586.18)**	**0.00%**	**(0.00)**
Non-controlling interest	-0.75%	(63.92)	0.05%	0.46
Total	**100.00%**	**8,499.51**	**100.00%**	**951.02**

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.14 Acquisition of Young Brand Apparel Private Limited, the subsidiary of Bannari Amman Spinning Mills Limited

Pursuant to the approval of the board of directors of the Holding Company at its meeting held on December 9, 2023, a Share Purchase Agreement (“SPA”) was entered on June 6, 2024 amongst the Holding Company and Young Brand Apparel Private Limited (YBAPL), its erstwhile Promoters and members of the erstwhile Promoter group of YBAPL for the purchase of 100% of the issued and paid-up equity share capital of the YBAPL. The Holding Company has completed the 100% acquisition of the issued and paid-up equity share capital of Young Brand Apparel Private Limited (YBAPL) and became its promoter and holding company with effect from June 21, 2024. A total purchase consideration of ₹1,523.01 million was paid for the acquisition of 65,160,606 equity shares of YBAPL.

The fair value of indentifiable assets and liabilities acquired as at the date of acquisition (21st June, 2024) were:

Particulars		Fair Value as on June 21, 2024
Non Current Assets		
a. Property, Plant and Equipment		
- Land		537.51
- other Assets		544.45
b. Intangible Assets		1.80
c. Financial Assets		-
- Investments		6.00
- Other Financial Assets		11.33
d. Other Non Current Assets		9.43
Current Assets		
a. Inventories		576.04
b. Financial Assets		-
- Trade Receivables		396.96
- Cash and cash equivalents		62.95
- Other Financial Assets		2.06
d. Other Current Assets		207.99
Fair Value of Assets Taken over	**A**	**2356.52**
Non-current liabilities		
a. Financial Liabilities		
- Borrowings		299.13
b. Provisions		43.21
c. Deferred Tax Liabilities (Net)		66.82
d. Other non-current liabilities		4.21
Current Liabilities		
a. Financial Liabilities		
- Borrowings		309.43
- Trade payables		169.19
- Other Financial liablities		91.86

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars		Fair Value as on June 21, 2024
b. Other current liabilities		5.99
c. Provisions		22.41
Fair Value of Liabilities Taken Over	**B**	**1012.25**
Fair Value of Net Assets Take Over	**C = A - B**	**1344.27**
% of Equity Holding of the company in YBAPL	**D**	**100%**
Fair Value of Net Assets attributable to the Company	**E = C * D**	**1344.27**
Consideration Paid	**F**	**1523.01**
Goodwill	**G = F - E**	**178.74**
% of Non controlling Interest in YBAPL		0%
Share of Non controllig Interest in YBAPL		-

The Holding Company has paid Rs 1523.01 Millions as purchase consideration towards purchase of 6,51,60,606 equity shares of YBAPL.

Acquisition related cost of Rs 3.31 Millions incurred by the holding company have been recognised as an expense in the consolidated statement of Profit and Loss.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.15 Related party transaction

Name of Related Party	Nature of Relationship
Key Managerial Personnel	
Mr. P. Sundararajan	Managing Director
Ms. S. Latha	Executive Director (Wife of Mr.P.Sundararajan)
Mr. S. Chenduran	Joint Managing Director (Son of Mr.P.Sundararajan)
Ms. S. Shantha	Joint Managing Director (Daughter of Mr.P.Sundararajan)
Ms. P. Jeeva	Chief Executive Officer (Garment Division)
Mr. V. Balaji	Chief Financial Officer
Ms. K. Vinodhini	Company Secretary
Mr. T. V. Guru Krishnan	Chief Financial Officer (Till October 14, 2024 - Young Brand Apparel Private Limited)
Relative of Key Managerial Personnel	
P.Ashokraman	Brother of Mr.P.Sundararajan
Associate	
Crocodile International Pte Ltd	Associate Company
Urban Stich Private Limited	Associate Company
Jumeirah Lanka Private Limited	Associate Company
Enterprises owned by key Managerial Personnel	
S.P.Retail Brand limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
Poornam Enterprises Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
S.P.Lifestyles	Enterprise over which Key Managerial Personnel are able to exercise significant influence
Enterprises owned by relatives of key Managerial Personnel	
SP Superfine Cotton Mills Private Limited	Enterprise over which relative of Key Managerial Personnel are able to exercise significant influence
Perumal Spinning Mills Private Limited	Enterprise over which relative of Key Managerial Personnel are able to exercise significant influence.
Trust controlled by Key Managerial Personnel	
S.P. Charitable Trust	Trust over which Key Managerial Personnel are able to exercise significant influence.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties – During the year ended March 31, 2026 and Balances outstanding at March 31, 2026

Nature	Particulars		Associate Company						Key Managerial Personnel *					
			Urban Stitch Private Limited		Jumeirah Lanka Private Limited		Crocodile International Pte Limited		Mr.P. Sundararajan		Ms. S.Latha		Mr.S. Chenduran	
			31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Trans-action Details	Sale of Goods & Service		-	-	80.93		-	-	-	-	-	-	-	-
	Royalty Paid		-	-			20.48	22.17						
	Interest Income		38.82	0.54			-	-	-	-	-	-	-	-
	Purchase of Goods & services		-	-	165.88		-	-	-	-	-	-	-	-
	Purchase of Land		-	-			-	-	-	40.60	-	-	-	-
	CSR Donation Made		-	-			-	-	-	-	-	-	-	-
	Sale of Asset				8.91									
	Reimbursement of expenses		-	-			-	-	-	-	-	-	-	-
	Remuneration		-	-			-	-	28.40	27.60	18.20	19.20	14.00	15.00
	Lease Rent Paid		-	-			-	-	23.26	21.78	3.31	3.31	-	3.60
	Lease Rent Paid Ind As 116		-	-			-	-	-	-	-	-	-	-
	Investment made		-	-			-	-	-	-	-	-	-	-
	USL -Net Accepted/ (Repaid)	Accepted	-	-			-	-	-	-	-	-	-	-
		Repaid	-	-			-	-	-	1.70	-	-	-	-
	Loans & Advances	Given	421.97	144.93			-	-	-	-	-	-	-	-
		Received	-	-			-	-	-	-	-	-	-	-
Out-standing Balances	Remuneration payable		-	-			-	-	0.01	1.63	-	-	-	0.10
	Lease Rent payable		-	-			-	-	-	-	-	-	-	-
	Lease Rent security deposit		-	-			-	-	74.32	74.32	0.78	0.78	-	-
	Lease rent advance									-				
	Un secured Loan payable		-	-			-	-	21.34	21.34	-	-	-	-
	Trade Payables		-	-			21.17	14.39	-	-	-	-	2.84	1.46
	Trade Receivables		-	-	211.24		-	-	-	-	-	-	-	-
	Investment in Equity Shares		-	-			63.74	63.74	-	-	-	-	-	-
	Investment in prefer-ence Shares		-	-			-	-	-	-	-	-	-	-
	Loans & Advances Given		569.68	144.93			-	-	-	-	-	-	-	-
	Advances Paid -Land purchase		-	-			-	-	-	-	-	-	-	-

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31, 2026 and Balances outstanding at March 31, 2026

Nature	Particulars		Key Managerial Personnel *									
			Ms. S.Shantha		Ms. P.V.Jeeva		Mr.V.Balaji		Ms. K.Vinothini		Mr. T. V. Guru Krishnan	
			31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Trans-action Details	Sale of Goods & Service		-	-	-	-	-	-	-	-	-	-
	Royalty Paid										-	-
	Interest Income		-	-							-	-
	Purchase of Goods & services		-	-	-	-	-	-	-	-	-	-
	Purchase of Land		-	-	-	-	-	-	-	-	-	-
	CSR Donation Made		-	-	-	-	-	-	-	-	-	-
	Sale of Asset				-	-	-	-	-	-	-	-
	Reimbursement of expenses		-	-	-	-	-	-	-	-	-	-
	Remuneration		1.20	1.20	7.10	6.84	3.82	3.66	1.72	1.64	-	1.37
	Lease Rent Paid		-	-	-	-	-	-	-	-	-	-
	USL -Net Accepted/ (Repaid)	Accepted	-	-	-	-	-	-	-	-	-	-
		Repaid	-	-	-	-	-	-	-	-	-	-
	Loans & Advances	Given	-	-	-	-	-	-	-	-	-	-
		Received	-	-	-	-	-	-	-	-	-	-
Out-standing Balances	Remuneration payable		0.07	0.07	-	-	-	-	-	-	-	-
	Lease Rent payable		-	-	-	-	-	-	-	-	-	-
	Lease Rent security deposit		-	-								
	Lease rent advance											
	Un secured Loan payable		-	-								
	Trade Payables		-	-	-	-	-	-	-	-	-	-
	Trade Receivables		-	-	-	-	-	-	-	-	-	-
	Investment in Equity Shares		-	-	-	-	-	-	-	-	-	-
	Investment in preference Shares		-	-	-	-	-	-	-	-	-	-
	Loans & Advances Given		-	-	-	-	-	-	-	-	-	-
	Advances Paid -Land purchase		-	-	-	-	-	-	-	-	-	-

Details of transactions with related parties – During the year ended March 31, 2026 and Balances outstanding at March 31, 2026

Nature	Particulars	Enterprises owned by Key Managerial Personnel						Entities Owned by Relatives of KMP				Trust controlled by KMP	
		Poornam Enterprises Private Limited.		S.P. Lifestyles		S.P. Retail Brand Limited		Perumal Spinning Mills Private Limited		S.P.Superfine Cotton Mills Private Limited		S.P.Charitable Trust	
		31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Trans-action Details	Sale of Goods & Service	-	-	-	-	77.69	138.09	-	-	50.06	31.50	4.84	-
	Royalty Paid							-	-				
	Interest Income	-	-	-	-	-	-	2.69	0.55	-	-	-	-
	Purchase of Goods & services	-	-	10.80	11.70	-	-	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	-	-	-	-	-	-	-	-
	CSR Donation Made	-	-	-	-	-	-	-	-	-	-	18.56	3.34
	Sale of Asset												
	Reimbursement of expenses	0.01	-	-	-	0.03	0.02	-	-	0.48	0.65	-	-
	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent Paid	-	-	-	-	-	-	-	-	55.20	55.20	-	-
	USL -Net Accepted/ (Repaid) – Accepted	-	-	-	-	-	-	-	-	-	-	-	-
	USL -Net Accepted/ (Repaid) – Repaid	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances – Given	-	-	4.00	-	116.00	-	-	25.00	140.00	-	-	-
	Loans & Advances – Received	-	-	4.00	-	109.00	-	5.00	-	-	-	-	-
Out-standing Balances	Remuneration payable	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent payable	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent security deposit	80.00	80.00	-	-	-	-	-	-	50.00	50.00	-	-
	Lease rent advance									2.51			
	Un secured Loan payable	-	-	-	-	-	-	-	-	-	-	-	-
	Trade Payables	2.14	2.14	1.04	1.04	-	-	-	-	-	5.27	-	-
	Trade Receivables	6.93	6.89	-	-	95.90	160.41	-	-	78.22	31.70	0.28	-
	Investment in Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-
	Investment in prefer-ence Shares	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	0.08	0.37	7.00	-	20.00	25.00	140.00	-	-	-
	Advances Paid -Land purchase	-	-	-	-	-	-	-	-	-	-	-	-

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.16 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes, namely the Code on Wages, 2019; the Code on Social Security, 2020; the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment has published draft Central Rules and FAQs to enable assessment of the financial impact arising from changes in regulations. The incremental impact of these changes, as assessed by the Group, based on the provisions currently in force, consistent with the guidance provided by the Institute of Chartered Accountants of India, , do not have material impact on the consolidated financial statements of the Company.

3.17 Additional Regulatory Information:

(i) The Holding Company and its Subsidiary Companies which are incorporated in India do not have investment property to disclose as to whether the fair value of such investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(ii) The Holding Company and its Subsidiary Companies which are incorporated in India have not revalued its Property, Plant and Equipment (including Right-of-Use Assets).

(iii) The Holding Company and its Subsidiary Companies which are incorporated in India do not have the Intangible assets so the revaluation of the Intangible is not applicable.

(iv) Capital-Work-in Progress (CWIP):

(a) CWIP aging schedule:

As at March 31, 2026					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	33.54	5.19	-	-	38.73
As at March 31, 2025					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	269.94	35.70	-	-	305.64

Note: The Holding Company and its Subsidiary Companies which are incorporated in India do not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

(v) Details of Benami Property held:

No proceedings has been initiated or pending against the Holding Company and its Subsidiary Companies which are incorporated in India for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(vi) Where the Company has borrowings from bank or financial institutions on the basis of current assets:

The Holding Company and its Subsidiary Companies which are incorporated in India have made borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Holding Company and its Subsidiary Companies which are incorporated in India with banks are in agreement with the books of account other than as set out below.

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

a.) S.P. Apparels Limited

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/ Statement	Amount of Differences	Reasons for Discrepancies
State Bank of India, IDBI Bank, HSBC and HDFC Bank	Q1 2025-26	2,709.48	2,708.62	0.86	Provisions, Regrouping, Final Entries are not part of data submitted to Bank.
	Q2 2025-26	2,647.49	2,706.43	(58.94)	
	Q3 2025-26	2,447.97	2,437.86	10.11	
	Q4 2025-26	2,393.21	2,389.64	3.57	

b.) Young Brand Apparel Private Limited

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/ Statement	Amount of Differences	Reasons for Discrepancies
HDFC Bank	Q1 2025-26	518.13	606.30	88.17	Provisions, Regrouping, Final Entries are not part of data submitted to Bank.
	Q2 2025-26	485.21	504.54	19.33	
	Q3 2025-26	395.28	415.29	20.01	
	Q4 2025-26	416.55	411.93	(4.63)	

c.) S.P. Retail Ventures Private Limited

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/Statement	Amount of Differences	Reasons for Discrepancies
HSBC, HDFC Banks and ICICI Bank	Q1 2025-26	753.97	732.80	(21.17)	Provisions, Regrouping, Final Entries are not part of data submitted to Bank. Quarterly return for Q4 2025-26 was not filed with the Banks as on the date of the audit report.
	Q2 2025-26	810.21	741.96	(68.25)	
	Q3 2025-26	790.87	547.33	(243.54)	

(vii) Wilful Defaulter:

The Holding Company and its Subsidiary Companies which are incorporated in India are not declared as wilful defaulter by any bank, financial institution or other lender.

(viii) Relationship with Struck off Companies:

The Holding Company and its Subsidiary Companies which are incorporated in India have no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(ix) Compliance with number of layers of companies:

The Holding Company and its Subsidiary Companies which are incorporated in India have no layers as stipulated under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(x) Compliance with approved Scheme(s) of Arrangements:

The Holding Company and its Subsidiary Companies which are incorporated in India have not entered into any arrangements which requires approval from the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

(xi) Utilisation of Borrowed funds and share premium:

(A) The Holding Company and its Subsidiary Companies which are incorporated in India have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its Subsidiary Companies which are incorporated in India (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Holding Company and its Subsidiary Companies which are incorporated in India have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Holding Company and its Subsidiary Companies which are incorporated in India shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xii) The Holding Company and its Subsidiary Companies which are incorporated in India do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.

(xiii) The Holding Company and its Subsidiary Companies which are incorporated in India do not have traded or invested in Crypto currency or Virtual Currency during the financial year.

(xiv) The Holding Company and its Subsidiary Companies which are incorporated in India do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

3.18 Previous year includes Consolidated Financial Statements of Young Brand Apparel Private Limited for 284 days (from June 21, 2024, to March 31, 2025) in this Consolidated Financial Statements and therefore the previous period results are not comparable.

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

R. Gururaj
Partner, Membership No. : 222259

Place : Avinashi
Date : May 20, 2026

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 20, 2026

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting ("AGM") of the Shareholders of the Company will be held on Monday, 21st day of September 2026 at 4.00 PM (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone & Consolidated Audited Financial Statements including Statement of Profit and Loss (including other comprehensive income), along with the Statement of Cash Flows and the Statement of changes in Equity for the financial year ended 31st March, 2026, the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend of the Company for the financial year ended 31st March 2026.
3. To appoint a Director in the place of Mrs.S. Latha (DIN: 00003388), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

4. To consider and approve the sub-division of face value of Equity Shares of the Company from Rs.10/- each to Rs. 2/- each and in this regard, if thought fit, to pass the following resolution as a **Special Resolution:**

   RESOLVED THAT pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Share Capital and Debentures) Rules, 2014 and pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment made thereof for the time being in force), and in accordance with the Articles of Association of the Company and subject to receipt of such other approvals, consent, permissions and sanctions, as may be required, from concerned statutory/ regulatory authority(ies) and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, and on recommendation of the Board of Directors of the Company (herein after referred to as "the Board", which expression shall include any Committee of the Board of Directors), the consent of the members of the Company be and is hereby accorded for sub-division/ Split of the each existing equity share of the Company having face value of Rs. 10/- (Rupees Ten only) each fully paid-up into 5 (Five) equity shares of Rs. 2/- (Rupees Two Only) each fully paid-up, ranking pari-passu with existing equity shares in all respects with effect from such date as may be fixed for the said purpose ('Record date') to be determined by the Board or any individual authorized by the Board for this purpose and without altering the aggregate amount of paid-up share capital.

   RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, since all the existing equity shares of the Company are being held in dematerialized form, the number of sub-divided equity shares of the face value of Rs. 2/- (Rupees Two only) each, fully paid up, shall be credited to the respective beneficiary account of the shareholders maintained with their respective depository participants, in lieu of the existing credits representing the equity shares of face value of Rs.10/- (Rupees Ten only) each, fully paid up, of the Company on the Record Date and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing Equity Shares of the Company.

   RESOLVED FURTHER THAT consequent to the above subdivision of equity shares, the Board be and is hereby authorized to make appropriate adjustments to ensure fair and reasonable adjustment to the entitlement of the participants under the "SPAL Employee Stock Option Plan 2024 ("ESOP 2024")" of the Company to the outstanding stock options (whether vested or unvested as on the Record Date) in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this above resolution."

5. To consider and approve the alteration of Capital Clause of the Memorandum of Association of the Company and in this regard, if thought fit, to pass the following resolution as a **Special Resolution:**

   RESOLVED THAT pursuant to the provisions of Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with relevant rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, as may be required, from any authority and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, and on recommendation of the Board of Directors of the Company (herein after referred to as "the Board"), the consent of the members of the Company be and is hereby accorded to delete the existing Clause V of the Memorandum of Association of the Company in entirety and to substitute thereof with a new Clause V as following:

   "V. The Authorized Share Capital of the Company is Rs. 47,25,00,000/- (Rupees Forty Seven Crores Twenty Five Lakhs only) divided into 23,62,50,000 (Twenty Three Crores Sixty Two Lakhs and Fifty Thousands only) Equity Shares of Rs.2/- (Rupees Two only) each with the power to increase or reduce the capital of the Company and to reclassify or divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, redeemable, qualified with special rights, privileges, conditions or restrictions as may be determined by or in accordance with the provisions of the Articles of Association of the Company for the time being in force, and to vary, modify, enlarge or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the Articles of Association of the Company or the legislative provisions for the time being in force."

   RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this above resolution."

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No(s).: 4 & 5:

The Equity Shares of the Company are listed and traded on the BSE Limited and National Stock Exchange of India Limited. In order to enhance liquidity of the Company's equity shares and to encourage participation of small investors by making equity shares of the Company more attractive to invest, the Board of Directors of the Company at their meeting held on 11th August 2026 considered and approved, subject to the approval of Members of the Company and statutory/ Regulatory authorities (if any), the sub-division/ Split of one (1) Equity Share of face value of Rs. 10/- (Rupees Ten Only) each to Five (5) Equity Shares of face value of Rs. 2/- (Rupees Two only) each, ranking pari passu with each other in all respects.

The Record date for the aforesaid sub-division/ Split of the equity shares shall be fixed by the Board of Directors.

Since all the Equity shares of the Company are being held in dematerialized form, the sub-divided equity shares will be directly credited to the respective shareholder's demat account on record date, in lieu of their existing equity shares.

The Authorized, Subscribed and Paid-up Equity Share Capital of the Company, pre and post Sub-division of Equity Shares, is as detailed below:

Type of Capital	Pre Sub-division			Post Sub-division		
	No. of Equity Shares	Face Value (In Rs.)	Total Share Capital (In Rs.)	No. of Equity Shares	Face Value (In Rs.)	Total Share Capital (In Rs.)
Authorized Equity Share Capital	4,72,50,000	10	47,25,00,000	23,62,50,000	2	47,25,00,000
Issued Equity Share Capital	2,51,38,883	10	25,13,88,830	12,56,94,415	2	1,25,69,44,150
Subscribed and Paid-up Equity Share Capital	2,51,38,883	10	25,13,88,830	12,56,94,415	2	1,25,69,44,150

The members are further informed that the Company has in place the SPAL Employee Stock Option Plan 2024 ("ESOP 2024"), approved by the members at the Annual General Meeting held on 26th September 2024. The said Sub-Division/ Split of Equity Shares inter alia results in a reduction in the face value of shares, the Exercise Price, the number of Options granted/ to be granted under ESOP 2024, which shall stand automatically adjusted proportionately, so as to ensure that the cumulative paid-up value remains unchanged. Consequent to the proposed subdivision of equity shares from face value of Rs. 10/- each to Rs.2/- each, the aforesaid automatic adjustments will be given effect to by the Nomination and Remuneration Committee in accordance with the provisions of the ESOP 2024 and the applicable SEBI Regulations. No separate member approval is required for such adjustments as the same are self-executing under the existing terms of the ESOP 2024 already approved by the members.

Consequent to the sub division of equity shares of face value of Rs.10/- each into equity shares of face value of Rs.2/- each, the Clause V – Capital Clause of the Memorandum of Association of the Company is required to be altered. Hence, the necessary resolution has been proposed in item no 5 of the notice for the amendment of Clause V – Capital Clause of the Memorandum of Association of the Company.

Accordingly, the Board of Directors recommends the Special Resolution(s) as set out in item no(s). 4 & 5 of the Notice for the approval of the members.

None of the Directors, Key Managerial Personnel or their relatives are directly or indirectly, financially or otherwise, interested or concerned in the Resolution(s) set out under item no(s). 4 & 5 of the Notice.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Secretarial Standards on General Meetings, brief profile of the Directors, who are proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, other directorships and committee memberships, their shareholding and relationship with other Directors of the Company are given below:

Name of the Director	**Smt. S Latha**
DIN	00003388
Date of Birth/Age	17/04/1964/62 years
Nationality	Indian
Date of appointment on the Board	18.11.2005
Qualification	Higher Secondary
Experience / Area of Expertise	She has vast experience in retail business,
Management & Garments	
No. of Shares held in the Company	29,61,510 Equity Shares
Inter-se Relationship with other directors	Related to Sri. Sundararajan Perumal Mudaliar, Chairman and Managing Director, Mrs. Sundararajan Shantha & Mr. Sundararajan Chenduran, Joint Managing Directors
Board position held	Executive Director
Terms of Appointment/ Re-appointment	Liable to retire by Rotation
Remuneration sought to be paid	Rs. 6 Lakhs per month plus 1% of Commission on net profits.
Remuneration last drawn	Rs. 18.20 Millions
No. of Board Meetings attended during the year	6 (Six)
List of Directorships held in other Companies	i. S.P Retail Ventures Limited
	ii. Crocodile Products Private Limited
	iii. S.P. Retail Brands Limited
	iv. Young Brand Apparel Private Limited
Details of Membership in Committees of Other Companies	Nil
Names of listed entities in which the person has resigned in the past three years	Nil

By Order of the Board
For S.P. APPARELS LIMITED

PERUMAL SUNDARARAJAN
CHAIRMAN AND MANAGING DIRECTOR
DIN: 00003380

Place: Avinashi
Date: XX August 2026

Notes :

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 20/2020 dated 5th May 2020 and General Circular No.03/2025 dated 22nd September 2025 permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Corporate Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI etc.,) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting or e-voting during the meeting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to spal@mdsassociates.in with a copy marked to the Company at csoffice@spapparels.com and to its RTA at enotices@in.mpms.mufg.com.

4. The statement setting out the material facts pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 read with Rules setting out all material facts relating to the resolutions mentioned in the Notice is annexed hereto.

5. The Register of Members and share transfer books of the Company will remain closed from Tuesday, 15th September 2026 to Monday, 21st September 2026 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.

6. Members may note that ASA & Associates LLP., Chartered Accountants (Firm Registration No. 009571N/N500006) were appointed as Statutory Auditors of the Company at the 17th Annual General Meeting (AGM) held on 19th September, 2022, to hold their office for a period of 5 consecutive years till the conclusion of the 22nd AGM to be held during the year 2027. Hence, no resolution is being proposed for the appointment of Statutory Auditors at this 21st Annual General Meeting.

7. Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration, to those Members whose names appear on the Register of Members as per the details received from the depositories for this purpose as at the close of the business hours on Friday, 04th September 2026.

8. Members who have not registered their Bank particulars with the Depository Participant(s) ("DP") / Company are advised to utilize the electronic solutions provided by National Automated Clearing House ("NACH") for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participant(s) for availing this facility. Members holding shares in physical form are requested to download the NACH form from the website of the Company viz., www.s-p-apparels.com and the same, duly filled up and signed along with original cancelled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent ("RTA").

9. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025 the Company shall make the payment of Dividend to the Shareholders only in Electronic mode and payment of Dividend by way of cheque/warrant has been dispensed with.

10. Members whose shareholding is in electronic mode are requested to update bank account details (Bank Account Number, Name of the Bank, Branch, IFSC, MICR code and place with Postal Identification Number Code) to their respective Depository Participant(s) and not with the Company. Regular updation of Bank particulars is intended to prevent fraudulent activities.

11. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip- based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holding(s) to electronic mode.

12. a. Members are requested to notify immediately any change in their address:

    i. to their Depository Participant(s) ("DPs") in respect of the shares held in electronic form, and

    ii. to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz, Aadhar Card/ Electricity Bill/ Telephone Bill/Ration Card/ Voter ID Card/ Passport etc.,

    b. In case the registered mailing address is without the Postal Identification Number Code ("PIN Code"), Members are requested to kindly inform their "PIN Code" immediately to the Company / RTA/ DPs.

13. Non-Resident Indian ("NRI") Members are requested to inform the Company or its RTA or to the concerned Depository Participant(s), as the case may be, immediately:

    a. the change in their residential status on return to India for permanent settlement, or

    b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.

14. As per the provisions of Section 72 of the Act, the facility for making nominations is now available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the RTA of the Company or can download the same from the Company's website namely www.s-p-apparels.com. Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities.

15. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA, namely, MUFG Intime India Private Limited (formerly Link Intime India Private Limited) 'Surya', 35, Mayflower Avenue, behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028, Tamil Nadu, India, by quoting the Folio number or the Client ID number with DP ID number.

16. In case of joint holders, the Member whose name appears as the first holder in the order of names will be entitled to vote at the AGM.

17. A Member who needs any clarification on accounts or operations of the Company shall send his/her queries addressed to the Company Secretary of the Company at least seven days before the Annual General Meeting. Such queries will be replied by the Company suitably, during the AGM or through a separate e-mail.

18. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / RTA of the Company.

19. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Companies Act, 2013. The details of unpaid dividend can be viewed on the Company's website www.s-p-apparels.com. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority. Details of Shareholders whose shares are liable to be transferred to IEPF are available on the Company's website: www.s-p-apparels.com. The Shareholders whose unclaimed dividend /share has been transferred to the Investor Education and Protection Fund, may claim the same from the IEPF authority by filing Form IEPF-5 along with the requisite documents.

20. In compliance with the aforesaid MCA Circulars and the Listing Regulations, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email address is registered with the Company/ RTA/ Depository Participants. Further, a letter providing the web link including the exact path where the complete details of the Annual Report is available will be sent to the Shareholders who have not registered their email address. Members may note that the Notice and Annual Report 2025-26 is also available on the Company's website www.s-p-apparels.com, websites of the Stock Exchanges i.e., BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of MIIPL www.in.mpms.mufg.com. Further, pursuant to the Listing Regulations, the Company will be sending a hard copy of the Annual Report to those Shareholders who request for the same at csoffice@spapparels.com.

21. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

22. Pursuant to Section 393 of the Income tax Act, 2025, the Company shall be required to deduct tax at source ("TDS") from dividends paid to Shareholders at the prescribed rates set out therein. For the prescribed rates for various categories, the Shareholders are requested to refer to the Income tax Act, 2025 and amendments thereof. The Shareholders are requested to update their Residential Status, Category as per Income Tax Act ("IT Act"), Permanent Account Number ("PAN") with the Company/ RTA (in case of shares being held in physical mode) and depositories (in case of shares being held in demat mode) immediately. A resident individual Shareholder having PAN and entitled to receive dividend amount exceeding Rs.10,000/- and who is not liable to pay Income Tax, can submit a yearly declaration in Form No. 121, to avail the benefit of non-deduction of tax at source by clicking on the link https://web.in.mpms.mufg.com/client-downloads.html on or before 21st September 2026. Shareholders are requested to note that in case their PAN is not registered with the DP/Company, tax will be deducted at the applicable higher rate.

    Non-resident Shareholders can avail beneficial rates under the relevant tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form No 41, any other document which may be required to avail the tax treaty benefits by clicking on the link https://web.in.mpms.mufg.com/client-downloads.html. The aforesaid declarations and documents need to be submitted by a Shareholder on or before 21st September 2026.

    Separate intimation in this regard will be given to the Shareholders.

23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

24. The Securities and Exchange Board of India ("SEBI") has mandated for submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their demat account(s).

25. a. Members may kindly note that in accordance with SEBI circular dated 31st July 2023, the Company has registered on the SMART ODR (Securities Market Approach for Resolution through Online Disputes Resolution) Portal. This platform aims to enhance investor grievance resolution by providing access to Online Dispute Resolution institutions for addressing complaints. Members can access the SMART ODR Portal via: https://smartodr.in/login. Members may utilize this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes between Members and the Company (including RTA).

    b. A Member shall first take up his / her / their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the Member may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the Member is not satisfied with the outcome, he / she / they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Members are requested to take note of the same. The aforesaid SEBI Circular can be viewed on the following link: https://www.sebi.gov.in/legal/circulars/sep-2023/redressal-of-investor-grievances-through-the-sebi-complaint-redressal-scores-platform-and-linking-it-to-online-dispute-resolution-platform_77159.html

26. Brief resume, details of shareholding and Directors' inter-se relationship; for Directors seeking election / re-election as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, are provided as Annexure to this Notice.

27. The Shareholders are advised to register/update their e-mail address with the concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents in electronic mode.

28. Annual/provisional financial statements and related details of the wholly owned / Step Down Subsidiary/ fellow subsidiary companies viz, Young Brand Apparel Private Limited, Young Brand Global Private Limited, S.P.Apparels International Private Limited, S.P.Retail Ventures Limited, Crocodile Products Private Limited and S.P. Apparels (UK) (P) Limited are posted on the Company's website and are also kept for inspection at the Registered Office of the companies and at the respective offices of the subsidiary companies. A copy of the same will be provided to the Members on request.

29. Soft copies of the Register of Directors' and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members during the AGM.

Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by MUFG Intime India Private Limited ("MIIPL") as an alternative, for all Members' of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting/ e-voting during the AGM. Instructions to Shareholders provided hereinafter for e-voting explains the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner.

I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of AGM Notice and holding shares as on the cut-off date, i.e., Monday, 14th September 2026, may refer to this Notice of the AGM, posted on Company's website www.s-p-apparels.com for detailed procedure with regard to remote e-voting. Any person who ceases to be a Member of the Company as of the cut-off date and is in receipt of this Notice, shall treat this Notice for information purposes only.

II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a resolutions is cast by the Member, the Member shall not be allowed to change it subsequently.

III. The remote e-voting period begins on Friday, 18th September 2026 at 9.00 AM (IST) and ends on Sunday, 20th September 2026 at 5.00 PM (IST). The remote e-voting module shall be disabled by MIIPL for voting thereafter. During this period, the Members of the Company holding shares in dematerialized form, as on the cut-off date (record date) i.e., Monday, 14th September 2026, may cast their vote electronically.

IV. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, Monday, 14th September 2026.

V. Sri. M D Selvaraj, Managing Partner of MDS & Associates LLP, Company Secretaries, Coimbatore, has been appointed as the Scrutinizer to scrutinize the voting through remote e-voting process and e-voting during the AGM in a fair and transparent manner.

VI. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the AGM by electronic means but have not cast their votes by availing the remote e-voting facility.

VII. The Scrutinizer shall, after the conclusion of voting at the AGM first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days of the conclusion of the AGM, a combined 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 declare the result of the voting forthwith.

VIII. The results shall be declared within the time stipulated under the applicable laws. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.s-p-apparels.com and on the website of MIIPL and be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed, by the Chairman or a person authorized by him.

<u>**Remote e-Voting Instructions for shareholders:**</u>

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

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

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on “Beneficial Owner” icon under “IDeAS Login Section”.

b) Click on “Beneficial Owner” icon under “IDeAS Login Section”.

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.

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

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select “Register Online for IDeAS Portal” or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.

c) Enter the last 4 digits of your bank account / generate ‘OTP’

d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

METHOD 2 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the “Login” tab available under ‘Shareholder/Member’ section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.

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

METHOD 3 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID/ mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.

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

Individual Shareholders registered with CDSL Easi/ Easiest facility

METHOD 1 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com & click on New System Myeasi Tab.

b) Enter existing username, Password & click on “Login”.

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com.

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

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

a) Login to DP website

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

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

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

STEP 1: LOGIN / SIGNUP to InstaVote

Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.

b) Enter details as under:

   1. User ID: Enter User ID
   2. Password: Enter existing Password
   3. Enter Image Verification (CAPTCHA) Code
   4. Click "Submit".

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

Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on “Sign Up” under ‘SHARE HOLDER’ tab & register with details as under:

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
    - o Shareholders holding shares in NSDL form, shall provide ‘point 4’ above
    - o Shareholders holding shares in physical form but have not recorded ‘point 3’ and ‘point 4’, shall provide their Folio number in ‘point 4’ above
5. Set the password of your choice.

    (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click “Submit” (You have now registered on InstaVote).

    Post successful registration, click on “Login” under ‘SHARE HOLDER’ tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the “Notification for e-voting”.

B. Select ‘View’ icon. E-voting page will appear.

C. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).

D. After selecting the desired option i.e. Favour / Against, click on ‘Submit’.

E. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

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

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

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

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on “Sign Up” under “Custodian / Corporate Body/ Mutual Fund”

C. Fill up your entity details and submit the form.

D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on "Investor Mapping" tab under the Menu Section

C. Map the Investor with the following details:

1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

2) 'Investor's Name - Enter Investor's Name as updated with DP.

3) 'Investor PAN' - Enter your 10-digit PAN.

4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

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

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

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

STEP 3 – Steps to cast vote for Resolutions through InstaVote

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

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No.".

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

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

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select “View” icon for “Company’s Name / Event number”.

d) E-voting page will appear.

e) Download sample vote file from “Download Sample Vote File” tab.

f) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.

g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.

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

Helpdesk:

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

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

Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

Forgot Password:

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

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

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

- Click on “Login” under ‘SHARE HOLDER’ tab.
- Click “forgot password?”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

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

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

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

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

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

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
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- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
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Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

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

InstaVote Support Desk
M/s. MUFG Intime India Private Limited (formerly known as "M/s. Link Intime India Private Limited")

Instameet VC Instructions for Shareholders:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the Companies can conduct their AGMs/ EGMs by means of Video Conference (VC) or other audio-visual means (OAVM) until further notice.

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

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

a) Visit URL: https://instameet.in.mpms.mufg.com & click on “Login”.

b) Select the “Company Name” and register with your following details:

c) Select Check Box - Demat Account No. / Folio No. / PAN

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

d) Click “Go to Meeting”

You are now registered for InstaMeet, and your attendance is marked for the meeting.

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

a) Shareholders who would like to speak during the meeting must register their request with the company.

b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.

c) Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

d) Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

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

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

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

a) On the Shareholders VC page, click on the link for e-Voting “Cast your vote”

b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET

c) Click on 'Submit'.

d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

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

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

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

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

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

Helpdesk:

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

InstaMeet Support Desk
M/s. MUFG Intime India Private Limited (formerly known as "M/s. Link Intime India Private Limited")

S.P. APPARELS LIMITED

39-A, Extension Street,
Kaikattipudur, Avinashi – 641 654,
Tirupur District