



BANNARI AMMAN SPINNING MILLS LIMITED

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043, Tamilnadu, INDIA

Telephone : 0422 - 2435555 E-mail : shares@bannarimills.com

Website : www.bannarimills.com CIN : L17111TZ1989PLC002476 GSTRN : 33AAACB8513A1ZE

BASML/SEC/450/SE'S/2026-27

14.7.2026

The Manager
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block G
Bandra-Kurla Complex
Bandra (East),
Mumbai 400 051

The Manager
Listing Department
BSE Limited
Floor 25
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Sir,

Sub: Filing of Annual Report for the year 2025-2026- Regulation 34(1) – reg.

Ref: Scrip Code: NSE - BASML ; BSE - 532674

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we submit herewith the Annual Report of the Company for the financial year 2025 - 2026 along with the AGM Notice.

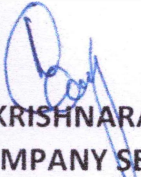
The said Annual Report has also been uploaded on the website of the Company at www.bannarimills.com

Kindly take on record the above information.

Thanking you,

Yours faithfully,

For BANNARI AMMAN SPINNING MILLS LIMITED


N KRISHNARAJ
COMPANY SECRETARY

Encl: as above

N
KRISHN
ARAJ

Digitally signed
by N
KRISHNARAJ
Date: 2026.07.14
16:55:12 +05'30'



BANNARI AMMAN SPINNING MILLS LIMITED

Regd. Office. 252, Mettupalayam Road, Coimbatore - 641043
Phone: 0422- 2435555, Website: www.bannarimills.com,
e-mail: shares@bannarimills.com CIN: L17111TZ1989PLC002476

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 36th Annual General Meeting of the Members of the Bannari Amman Spinning Mills Limited (the Company) will be held on Monday, the 10th August, 2026 at 11.00 AM (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the meeting.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the financial year ended 31st March, 2026, together with the reports of the Board of Directors' and the Auditors thereon;
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri K Sadhasivam, (DIN 00610037) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:**

RESOLVED that pursuant to Sections 196, 197, 198, 199 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, subject to the approval of shareholders, by special resolution, Sri S V Arumugam, (DIN 00002458) be and is hereby re-appointed as Managing Director of the Company for a further period of 3 (Three) years w.e.f 27.6.2026 and that Sri S V Arumugam, Managing Director (DIN 00002458) be paid the following remuneration as recommended by the Nomination and Remuneration Committee:

REMUNERATION : 10% (Ten Percent) of the Net Profits of the Company computed under the relevant provisions of the Companies Act, 2013, as overall remuneration:

A. SALARY : Rs.15,00,000/- (Rupees Fifteen Lakhs only) per month

B. PERQUISITES : An amount not exceeding annual Salary

C. OTHER PERQUISITES (included in the above remuneration):

- I. Contribution to Provident Fund as per rules of the Company, to the extent the same is not taxable under the Income Tax Act, 2025.
- II. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- III. Encashment of leave as per rules of the Company.

D. COMMISSION : Balance of overall remuneration remaining after payment of the above Salary and Perquisites at the end of each financial Year.

MINIMUM REMUNERATION:

In the absence or inadequacy of profits in any financial year, to Sri S V Arumugam, Managing Director (DIN 00002458) shall be paid the following remuneration subject to the conditions prescribed under Section II of the Part II of Schedule V of the Companies Act, 2013, as minimum remuneration, notwithstanding that such remuneration may exceed the limits specified under Section II, of the Part II, of Schedule V of the Companies Act, 2013:

A. BASIC SALARY: Rs. 15,00,000/- (Rupees Fifteen Lakhs only) per month;

B. PERQUISITES: Not Applicable

C. OTHER PERQUISITES (not included in the above remuneration):

- I. Contribution to Provident Fund @ 12% on basic salary and to the extent the same is not taxable under the relevant provisions of Income Tax Act, 2025.
- II. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

FURTHER RESOLVED that approval of shareholders by special resolution in terms of Section 196(3) of the Companies Act, 2013, be and is hereby accorded for the appointment of Sri S V Arumugam (DIN 00002458) as Managing Director, who has already attained the age of 70 years.

FURTHER RESOLVED that the appointee, Sri S V Arumugam, Managing Director (DIN 00002458), shall carry on the day-to-day business activities/affairs of the Company as Managing Director, subject to the superintendence, control and directions of the Board of Directors, from time to time.

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

RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of Audit Committee, the remuneration of Rs.1,00,000/- (Rupees One Lakh only) (besides reimbursement of out of pocket expenses incurred by him for the purpose of Audit) payable to Sri M Nagarajan, Cost Auditor (Firm Registration No.102133), as approved by the Board of Directors for conducting the audit of the Cost Records of the Company for the Financial Year ending 31st March, 2027 be and is hereby ratified and confirmed.

By order of the Board

Coimbatore
29th May, 2026

S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458

STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 3

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) and in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment / re-appointment:

Name	Sri K Sadhasivam
Age	79 Years
Qualification	B.Sc.,
Experience	He has more than 52 years of experience in Transport Business & general Administration
Terms and conditions of appointment or re-appointment	The proposed resolution is for the reappoint of him in the Vacancy caused by his retirement by rotation.
Last drawn remuneration	Nil
Date of first appointment on the Board	28.2.2006
No. of shares held	NIL
Relationship with Directors, Managers and KMP	Nil
No. of Board Meetings attended during 2025-2026	8 out of 8 Meetings held
Other Directorship	Bannari Infotech Private Limited
Member of Committee	Audit Committee - Member Nomination and Remuneration Committee - Member Stakeholders Relationship Committee - Member Share Transfer Committee - Member Corporate Social Responsibility Committee - Member
Chairman/Member of the Committees of the Boards of other Companies	Nil
Listed entities from which resigned in the past three years	Nil

Except Sri K Sadhasivam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the proposed resolution.

ITEM No. 4

The term of office of Sri S V Arumugam, Managing Director (DIN 00002458) of the Company expired on 26.6.2026. Considering the duties and responsibilities entrusted to him and the Commendable performance achieved by the Company during his tenure of office, the Board of Directors have at their meeting held on 29.5.2026, subject to approval of members of the company re-appointed Sri S V Arumugam as Managing Director and also fixed the remuneration payable to him, for a further period of 3 years with effect from 27.6.2026. Considering that he is associated with the Textile Industry for nearly four decades. Under his

stewardship, the Company has grown from strength to strength and has achieved the status of one of the most reputed companies in the Textile Industry.

The aforesaid re-appointment and payment of remuneration were recommended by the Nomination and Remuneration Committee at its meeting held on 29.5.2026.

Further information about the appointee as required to be furnished under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also annexed.

A copy of memorandum setting the terms and conditions of Re-appointment of Managing Director is available at the Registered Office of the Company during business hours for inspection of members.

Approval of shareholders by Special Resolution is required for Re-appointment of Sri S V Arumugam as Managing Director, (DIN 00002458) pursuant to Section 196 (3) of the Companies Act, 2013, who has already attained the age of 70 years. The Board recommended his appointment for approval of shareholders in compliance of Section 196 (3) of the Companies Act, 2013, considering his guidance and experience which would be important for the growth of the Company.

Further the Board of Directors have recommended for payment of minimum remuneration in case of loss or inadequacy of profits during his tenure. The required information under **Schedule V** is attached to this statement.

The Board of Directors recommend the Special Resolution set out in this item of the notice for approval of members.

Information pursuant to Clause (iv) of Section II of Schedule V is as follows:

S. No.	Name of the Appointee - Sri S V Arumugam	
I	General Information	
	1) Nature of industry	Textile Manufacturing
	2) Date or expected date of commencement of commercial production	Not applicable, existing Company
	3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
	4) Financial performance based on given indicators	Financial Year 2025-26 (Rs. in Lakhs) Gross Revenue : 87742.07 Profit after Tax : 1565.20 Rate of Dividend : Rs. 0.25 per share Earnings Per share : 2.17
	5) Foreign investments or collaborators, if any	The Company has not made any foreign investments or collaborators
II	Information about the appointee:	
	1) Background details	Sri S V Arumugam, holds B.Sc., degree and is a qualified Chartered Accountant. He is associated with the Textile Industry for nearly four decades. Sri S V Arumugam occupies the position of Managing Director (DIN 00002458) in the Company since 2005. Under his stewardship, the Company has grown from strength to strength and has achieved the status of one of the most reputed companies in the Textile Industry.

S. No.	Name of the Appointee - Sri S V Arumugam (Contd...)									
	2) Past remuneration	<table><tr><th>Year</th><th>in Rs.</th></tr><tr><td>2024-25</td><td>60.00 Lakhs</td></tr><tr><td>2023-24</td><td>60.00 Lakhs</td></tr><tr><td>2022-23</td><td>60.39 Lakhs</td></tr></table>	Year	in Rs.	2024-25	60.00 Lakhs	2023-24	60.00 Lakhs	2022-23	60.39 Lakhs
Year	in Rs.									
2024-25	60.00 Lakhs									
2023-24	60.00 Lakhs									
2022-23	60.39 Lakhs									
	3) Recognition or awards	Past Chairman of Southern India Mills Association and Confederation of Indian Textile Industry and Vice Chairman of Indian Wind Power Association.								
	4) Job profile and his suitability	He is the Managing Director of the Company and devotes whole time attention to the management of the day-to-day affairs of the Company subject to superintendence and guidance of Board of Directors.								
	5) Remuneration proposed	REMUNERATION: 10% (Ten Percent) of the Net Profits of the Company computed under the relevant provisions of the Companies Act, 2013, as overall remuneration: A. SALARY: Rs.15,00,000/- (Rupees Fifteen Lakhs only) per month B. PERQUISITES: An amount not exceeding annual Salary C. OTHER PERQUISITES (included in the above remuneration): I. Contribution to Provident Fund as per rules of the Company, to the extent the same is not taxable under the Income Tax Act, 2025. II. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. III. Encashment of leave as per rules of the Company. D. COMMISSION: Balance of overall remuneration remaining after payment of the above Salary and Perquisites at the end of each financial Year. MINIMUM REMUNERATION: In the absence or inadequacy of profits in any financial year, to Sri S V Arumugam, Managing Director (DIN 00002458) shall be paid the following remuneration subject to the conditions prescribed under Section II of the Part II of Schedule V of the Companies Act, 2013, as minimum remuneration, notwithstanding that such remuneration may exceed the limits specified under Section II, of the Part II, of Schedule V of the Companies Act, 2013: A. BASIC SALARY: Rs.15,00,000/- (Rupees Fifteen Lakhs only) per month; B. PERQUISITES: Not Applicable								

S. No.	Name of the Appointee - Sri S V Arumugam (Contd...)	
		C. OTHER PERQUISITES (not included in the above remuneration): I. Contribution to Provident Fund @ 12% on basic salary and to the extent the same is not taxable under the relevant provisions of Income Tax Act, 2025. II. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
	6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized business.
	7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director
III.	Other information:	
	1) Reasons of loss or inadequate profits	Not Applicable
	2) Steps taken or proposed to be taken for improvement	Not Applicable
	3) Expected increase in productivity and profits in measurable terms	Not Applicable

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) and in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment / re-appointment:

Name	Sri S V Arumugam
Age	77 Years
Qualification	B.Sc., ACA
Experience	He has nearly 5 decades of experience in Industry. He has vast experience and expertise in Textile Industry Management particularly in the fields of Project Operational and Financial Managements for more than four decades.
Terms and conditions of appointment or re-appointment	The proposed resolution is for the reappointment of him consequent to the end of tenure of appointment as a Managing Director.
Last drawn remuneration	Rs. 155.93 Lakhs for the Financial Year 2025-26.
Date of first appointment on the Board	27.6.2005
No. of shares held	8,49,071 Equity shares of Rs.5/- each
Relationship with Directors, Managers and KMP	NIL
No. of Board Meetings attended during 2025 - 2026	8 out of 8 meetings held.
Other Directorship	Bannari Amman Flour Mill Private Limited Sakthi Murugan Transports Private Limited Anamallais Agencies Private Limited Anamallais Automobiles Private Limited Anamallais Motors Private Limited Bannari Amman Properties Private Limited Bannari Amman Retails Private Limited Bannari Infotech Private Limited (formerly Bannari Amman Infinite Trendz Private Limited) Murugan Enterprise Private Limited Senthil Infrastructure Private Limited
Member of Committee	Stakeholders Relationship Committee - Member
Chairman/Member of the Committees of the Boards of other Companies	Nil
Listed entities from which resigned in the past three years	Nil

Except Sri S V Arumugam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the proposed resolution.

ITEM NO. 5 :

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Sri M Nagarajan, Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2027.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending 31st March 2027, as set out in the resolution.

The Board of Directors recommend the Ordinary Resolution as set out in this item of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

By order of the Board

Coimbatore
29th May, 2026

S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458

Notes :

1. Ministry of Corporate Affairs Circular Ref. Nos: 20/2020 dated May 5, 2020, 2/2022 dated May 5, 2022, 3/2025 dated September 22, 2025 and SEBI Circular No: SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 permitted the holding of Annual General Meeting through VC/OAVM without the physical presence of the members at the common Venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Annual General Meeting of the members of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting 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 Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to sharpcs1@gmail.com with copies marked to the Company at shares@bannarimills.com and to its RTA at coimbatore@in.mpms.mufig.com.
4. The name of the RTA changed from "Link Intime India Private Limited" to "MUFG Intime India Private Limited" w.e.f. 31.12.2024
5. Members are requested to submit the questions in advance on the e-mail address shares@bannarimills.com.
6. As per MCA General Circular No. 20/2020 dated May 5, 2020 and 2/2022 dated May 5, 2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, dispatching of physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith), such statements shall be sent only by e-mail to the members and hence sending of Annual Report by physical mode has been dispensed with.
7. The members attending the meeting through VC/OAVM shall be reckoned for the purpose of Quorum as stipulated under Section 103 of the Companies Act, 2013.
8. All the resolutions will be passed through the facility of e-voting system only.
9. The Statement of material facts pursuant to Section 102 of the Companies Act, 2013, which sets out details in respect of items 4 & 5 of the Agenda forms part of this document.
10. The register of members and the share Transfer books of the company will remain closed from 4.8.2026 to 10.8.2026 (both days are inclusive)
11. 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, Shareholders are requested to refer to the Income Tax Act, 2025 and the amendments thereof. 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.mufig.com/formsreg/submission-of-Form-121-41.html> on or before 3rd August 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.mufig.com/formsreg/submission-of-Form-121-41.html>. The aforesaid declarations and documents need to be submitted by a Shareholder on or before 3rd August 2026.

12. Previous year figures are given in brackets for the purpose of comparison.
13. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection through electronic mode only.
14. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically.
15. The voting through electronic means will commence on 7.8.2026 at 10.00 A.M and will end on 9.8.2026 at 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter. The persons those who are holding shares as on the cut-off date of 3.8.2026 are only eligible to cast their e-voting.

16. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate the following instructions to be followed:

- i) Shareholders holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address if any, self-attested copy of PAN Card and bank account details (enclose cancelled Cheque leaf) quoting their folio nos. to the Registrar and Share Transfer Agents M/s. MUFG Intime India Private Limited, Surya, 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028.
 - ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the e-mail address and bank account details in the demat account as per the process followed and advised by the DP.
17. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2025-26 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Further a letter providing the weblink 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 of Annual General Meeting and Annual Report for

the financial year 2025-26 will also be available on the Company's website www.bannarimills.com; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

18. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
19. The Company has appointed Sri R Dhanasekaran, Practicing Company Secretary, to act as the Scrutinizer for conducting the voting process in a fair and transparent manner.
20. Instructions for e-voting and joining the Annual General Meeting are as follows:

Remote e-Voting Instructions for shareholders:

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 e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter User ID and Password. Click on "Login"
- c) After successful authentication, you will be able to see e-Voting services under Value added services. 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.

OR

Shareholders who have not registered for NSDL 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) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.
- d) After successful login, 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 2 - Individual Shareholders directly visiting the e-voting website of NSDL

Visit URL: <https://www.evoting.nsdl.com>

- a) Click on the "Login" tab available under 'Shareholder/Member' section.
- b) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

- a) 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.
- b) 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 CDSL

METHOD 1 - Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi Tab
- c) Login with existing my easi username and password
- d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- e) Click on "Link InTime/ 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.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided username and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "Link InTime / 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 2 - Individual Shareholders directly visiting the e-voting website of CDSL

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter 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) After successful authentication, click on "Link InTime / 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) After successful authentication, click on "Link InTime / 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 for InstaVote as under:

- a) Visit URL: <https://instavote.linkintime.co.in>

Shareholders who have not registered for INSTAVOTE facility:

- b) Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

A. User ID:

NSDL demat account - User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account - User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form - User ID is Event No + Folio Number registered with the Company.

B. 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.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in NSDL form, shall provide 'D' above

**Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

- ❖ 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).

- ❖ Enter Image Verification (CAPTCHA) Code

- ❖ Click "Submit" (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

- c) Click on "**Login**" under 'SHARE HOLDER' tab.

A. User ID: Enter your User ID

B. Password: Enter your Password

C. Enter Image Verification (CAPTCHA) Code

D. Click "Submit"

- d) Cast your vote electronically:
 - A. After successful login, you will be able to see the "Notification for e-voting".
 - B. Select 'View' icon.
 - C. E-voting page will appear.
 - D. 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).
 - E. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

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.

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:
 - A. 'Investor ID' -
 - i. NSDL demat account - User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. CDSL demat account - User ID is 16 Digit Beneficiary ID.
 - B. 'Investor's Name' - Enter Investor's Name as updated with DP.
 - C. 'Investor PAN' - Enter your 10-digit PAN.
 - D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

*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.
 - E. 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 - Voting through remote e-voting

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." for which you want to cast vote.
- 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).
- f) After selecting the desired option i.e. Favour / Against, click on 'Submit'.
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.

OR

METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will be able to see the "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 holding securities 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.mufig.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.co.in 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 22 55 33.

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 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 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, Bank Account Number (last four digits) 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.

User ID:

NSDL demat account - User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account - User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form - User ID is Event No + Folio Number registered with the Company.

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.

- ❖ 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".

INSTAMEET VC INSTRUCTIONS FOR SHAREHOLDERS

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2026 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Shareholders who would like to speak during the meeting must register by sending their request mentioning the name, demat account number/folio number and PAN at shares@bannarimills.com from 4.8.2026 at 10.00 A.M. to 6.8.2026 at 5.00 P.M. with the company on the specific email ID created for the General Meeting.

Login method for shareholders to attend the General Meeting through InstaMeet:

Visit URL: <https://instameet.in.mpms.mufig.com> & click on "Login".

e) Select the "Company" and 'Event Date' and register with your following details:

E. Demat Account No. or Folio No:

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

Shareholders holding shares in physical form - shall provide Folio Number.

F. 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.

G. Mobile No: Enter your Mobile No.

H. Email ID: Enter your email Id as recorded with your DP/ Company.

f) 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.mufig.com or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

By order of the Board

Coimbatore
29th May, 2026

S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458

36th **Annual** **Report**



BANNARI AMMAN
SPINNING MILLS LIMITED

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(CIN : L17111TZ1989PLC002476)

BOARD OF DIRECTORS

Sri S V Arumugam	- Chairman & Managing Director
Sri Tharanipathy Rajkumar	- Director
Sri S K Sundararaman	- Director
Sri K P Ramakrishnan	- Director
Smt Priya Bhansali	- Director
Smt Sadhana Vidhya Shankar	- Director
Sri K Sadhasivam	- Director
Sri C Sivasamy	- Director
Sri R Shanmugavelayutham	- Director (w.e.f. 14.11.2025)

COMPANY SECRETARY

Sri N Krishnaraj

CHIEF FINANCIAL OFFICER

Sri S Seshadri

STATUTORY AUDITORS

M/s. P.N. Raghavendra Rao & Co
Chartered Accountants
Coimbatore - 641 009

INTERNAL AUDITORS

M/s B M & Associates
Chartered Accountants
Coimbatore - 641 044

SECRETARIAL AUDITOR

R Dhanasekarn
Company Secretary in Practice
Coimbatore - 641 018

COST AUDITOR

Sri M Nagarajan
Cost Auditor
Coimbatore - 641 018

REGISTERED OFFICE

252, Mettupalayam Road, Coimbatore - 641 043 Tamilnadu
Ph No : 0422 - 2435555 www.bannarimills.com
CIN : L17111TZ1989PLC002476

**REGISTRAR AND SHARE
TRANSFER AGENT**

MUFG Intime India Private Limited
35, Surya Mayflower Avenue
Behind Senthil Nagar
Sowripalayam Road
Coimbatore - 641 028
Ph : 0422 - 2314792
E-mail : coimbatore@in.mpms.mufg.com

BANKERS

The Karur Vysya Bank Limited
Union Bank of India
ICICI Bank Limited
Punjab National Bank
Indian Overseas Bank
Bank of Maharashtra
Indian Bank
DCB Bank Ltd.



DIRECTORS' REPORT

Dear Members,

Your Directors herewith present the 36th Annual Report together with Audited accounts of the Company for the year ended 31st March, 2026.

FINANCIAL RESULTS:

(Rs. in Lakhs)

	2025 - 26	2024 - 25
Profit before Depreciation	5000.72	2251.92
Less: Depreciation	2633.95	2522.47
Profit before Tax from Continuing Operations	2366.77	(270.55)
Less :Taxes	677.03	(152.77)
Net Profit/(Loss) after Tax from continuing operations	1689.74	(117.78)
Profit (loss) from Discontinued Operations (Refer Note no 53)	(191.44)	4390.87
Less :Taxes of Discontinued Operations	(66.90)	587.04
Net Profit/(Loss) after Tax from Discontinued Operations	(124.54)	3803.83
Profit for the period	1565.20	3686.05
Add: Other Comprehensive Income	112.07	13.38
Total Comprehensive Income	1677.27	3699.43

DIVIDEND

Your Directors have recommended payment of dividend @ Re.0.25 per Share of Rs.5/- each subject to approval by Shareholders.

REVIEW OF OPERATIONS

There has been a steady improvement in the performance of the Company as can be seen from Net Profit/(loss) after Tax from continuing operations which stands @ Rs.1689.74 lakhs as compared to (Rs.117.78 lakhs) in the previous year. This has been achieved inspite of uncertainties on account of Tariff related issues and geo political tensions caused by Wars.

The Company has considered the Land surrendered to SIPCOT (R-44 site at SIPCOT, Perundurai) as discontinued operations and classified as assets held for sale/discontinued operations. There is no change in the nature of business during the financial year and until the date of this report.

The unit wise performance of the company is furnished below:

Spinning Units

During the year under review, the Spinning mills produced 20100.20 tonnes (21343.10 tonnes) and sold 18385.63 tonnes (17027.83 tonnes) of Yarn.

The sales includes 314.16 tonnes (135.99 tonnes) of Yarn by way of export. The total yarn sales amounted to Rs.49604.07 lakhs (Rs.49138.78 lakhs) of which export sales amounted to Rs.837.93 lakhs (Rs.402.25 lakhs).



The Spinning division produced 6852.04 tonnes (7736.36 tonnes) of saleable waste cotton and sold 6916.61 tonnes (8344.36 tonnes) and the total waste cotton sales of this division amounted to Rs.5863.89 lakhs (Rs.6799.44 lakhs).

Weaving Unit

The Weaving Unit specializes in manufacturing wider-width cotton grey woven fabric. During the year under review, 136.15 lakh metres (130.18 lakh metres) of fabric were produced and 110.68 lakh metres (107.91 lakh metres) of fabric were sold.

The sales includes 21.52 lakh metres (19.55 lakh metres) of Fabric by way of export. The total fabric sales amounted to Rs.8 641.70 lakhs (Rs.10425.73 lakhs) of which export sales amounted to Rs.1678.62 lakhs (Rs.1506.11 lakhs).

Home Textiles Unit

During the year under review, the Home Textile Unit produced 35.94 lakh pieces (40.60 lakh Pieces) of made ups and sold 35.35 lakh pieces (34.91 lakh pieces) and made fabric sales of 17.19 lakh metres (9.02 lakh metres)

The total sales of this unit amounted to Rs.7759.47 lakhs (Rs.5383.93 lakhs) which includes fabric sales amounting to Rs.3321.02 lakhs (Rs.1601.90 lakhs). Sales includes export sales of Rs.4438.45 lakhs (Rs.4375.03 lakhs) from this unit.

Knitting Unit

During the year under review, 1950.14 tonnes (2239.38 tonnes) of Knitted fabric were produced and 1774.03 tonnes (2085.65 tonnes) were sold. The total sales of this unit amounted to Rs.5059.29 lakhs (Rs.6110.89 lakhs) of which export sales amounted to Rs.55.70 lakhs (Rs.496.13 lakhs).

Processing Unit

During the year under review, 1548.14 tonnes (2225.45 tonnes) of fabric were processed on job work basis and 1312.50 tonnes (1184.56 tonnes) of fabric were produced and 1222.19 tonnes (1085.47 tonnes) of fabric were sold. The total fabric sales of this division amounted to Rs.6379.86 lakhs (Rs.5582.09 lakhs).

Renewables

The Company has 4 windmills of 1250 KW each totaling 5 MW in Radhapuram Taluk, Tirunelveli District, Tamilnadu, 23 windmills, each of 800 KW capacity totaling 18.40 MW capacity in Dharapuram Taluk, Tirupur District and Palani Taluk, Dindigul District, Tamilnadu. The total installed capacity of Windmills is 23.40 MW and the whole of the wind power generated is captively consumed by the Spinning Units and Weaving Unit.

The windmills produced 408.60 Lakh units of power as against 322.14 Lakh units produced in the last year.



During the year, the Company commissioned a Solar Power plant of 9.74 MW capacity (DC) in Spinning Unit II premises in order to reduce power cost. The power generated by the plant is directly consumed by the Spinning unit II. The Solar plant generated 72.62 lakh units of power during the year.

SALE OF GARMENTS UNIT etc.

During the year under review, the sale of its Garment unit at Palladam and Land & Building at R-44 site in SIPCOT, Perundurai to M/s S P Apparels Limited has been completed. Further the company has surrendered part of the Land allotted to the Company at SIPCOT, Perundurai which remained unutilised by the company.

PROSPECTS FOR THE FINANCIAL YEAR 2026 - 27

The Financial year 2025-26 has been an eventful one with both positive and negative implications for the Textile industry. Positives include FTAs signed with a number of Countries. Negatives include tariff related measures by USA and out break of Wars causing Geo political tensions. In spite of the adverse events, the demand for Textile and Clothing products looks good both in domestic and export markets as of now. Overall, the prospects for the current year looks promising notwithstanding the fact that Cotton prices have increased sharply from April'26 onwards. Moreover, the Company is focusing on improvement in margins particularly in Spinning units by adopting value added product mix to achieve better performance.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There are no material changes and commitments affecting the Financial position of the Company, subsequent to the end of the Financial Year.

There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one-time settlement with any Bank or Financial Institution.

PUBLIC DEPOSITS

The Company has no public deposits outstanding at the beginning of the year and, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

SHARE CAPITAL

Rights Issue:

During the year, the Company issued 1,50,79,504 fully paid-up equity shares of face value Rs.5/- each for cash at Rs.27/- per equity share, including a premium of Rs.22/- per share, aggregating to Rs.40,71,46,608/-. The shares were issued on a rights basis to eligible equity shareholders in the ratio of 10 equity shares for every 43 fully paid-up equity shares held as on the record date, i.e., 30.4.2025.

The Company finalised the Basis of Allotment of Shares in consultation with the Lead Manager, the Registrar to the Issue and BSE Limited, the designated stock exchange for the Rights Issue. At its meeting



held on 29.5.2025, the Board of Directors approved the allotment of 1,50,79,504 paid-up rights equity shares of face value Rs.5/- each at Rs.27/- per share, including a premium of Rs.22/- per share, to the eligible applicants.

The Paid Up Capital Structure of the company before and after the Rights issue as follows:

Particulars	Pre Rights Issue	In Rights Issue	Post Rights Issue
Share Capital (Rs. Lakhs)	3242.09	753.98	3996.07
Share Premium (Rs.Lakhs)	16081.29	3317.49	19398.78*

*Before adjusting Rights Issue expense of Rs.69.10 Lakhs.

Forfeiture of Share Warrants:

On 4.11.2024, the Company allotted 42,25,806 convertible share warrants of Rs.5/- each at Rs.62/- per warrant, including a premium of Rs.57/-, convertible into equity shares within 18 months from the date of allotment. As the warrant holders failed to pay the balance 75% of the subscription amount on or before 3.5.2026, the Board of Directors approved the forfeiture of the warrants, together with the amount already received, in accordance with the terms of issue. Consequently, the amount received on the forfeited warrants has been transferred to the Capital Reserve Account, in the current year.

PREFERENTIAL ISSUE

The Company, during the year has issued and allotted 41,66,660 Share Warrants aggregating to Rs.14.99 crores to Promoters on 22.8.2025 who have paid 25% of the issue size amounting to Rs.3.74 crores and the balance has to be subscribed within 18 months from the date of allotment.

CORPORATE GOVERNANCE

In line with requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company is committed to the principles of good Corporate Governance and continues to adhere good corporate governance practices consistently.

A separate section is given as part of this Annual Report, on Corporate Governance, Management Discussion and Analysis along with a certificate from a Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNUAL RETURN

Pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013, Annual Return for Financial Year ended on 31st March, 2026, is posted on the website of the Company viz., www.bannarimills.com

DIRECTORS

Sri K Sadhasivam, Director, (DIN 00610037), who is longest in the Office, shall retire by rotation at the ensuing Annual General Meeting, he is eligible for re-appointment and seeks re-appointment.



Sri R Shanmugavelayutham, (DIN 01205640) was appointed as Additional Director w.e.f 14.11.2025 and special Resolution was passed to confirm their appointment as Independent Directors by the Shareholders through postal ballot on 18.12.2025 to comply with the requirement under regulation 16 (1) (b) and Regulation 17 (1A) of SEBI (LODR) Regulations, 2015. To hold office for a term of five consecutive years from 14.11.2025 to 13.11.2030.

All independent Directors have given declarations that they have met the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure requirements) Regulations 2015.

The Company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying 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.

KEY MANAGERIAL PERSONNEL

The Company has appointed the following persons as Key Managerial Personnel:

Name of the persons	Designation
Sri S V Arumugam	Managing Director
Sri S Seshadri	Chief Financial Officer
Sri N Krishnaraj	Company Secretary

AUDIT COMMITTEE

The Audit Committee comprises of

1. Sri K P Ramakrishnan - Chairman (Non- Executive Independent Director)
2. Smt Priya Bhansali - Member (Non-Executive Independent Director)
3. Sri K Sadhasivam - Member (Non- Executive Non -Independent Director) and
4. Smt Sadhana Vidhya Shankar - Member (Non- Executive Independent Director)

The Board has implemented the suggestions made by the Audit Committee from time to time.

EVALUATION OF BOARD OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the evaluation of Independent Directors are done by the entire Board of Directors including performance and fulfilment of independence criteria specified in the regulation and their independence from the Management. Independent Directors at their meeting without participation, of non-Independent Directors and management considered and evaluated the Boards' performance, performance of the Chairman and Managing Director.



The Board has carried out an annual evaluation of performance of Board and of individual Directors as well as the Committees of Directors. The evaluation has been conducted internally in the manner prescribed by Nomination and Remuneration Committee.

BOARD MEETINGS

During the year under review, 8 (Eight) Board Meetings were conducted. The details of the same have been given in the Corporate Governance Report under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forming part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not furnished/extended any Corporate Guarantee during the year under review. Investments of the Company in the shares of other companies is provided under notes to Balance Sheet appearing in this Annual Report.

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The policy has been posted in the website of the Company: <https://www.bannarimills.com/investors/>

POLICY ON NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors have framed a policy setting out the framework for payment of Remuneration to Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The policy is explained as part of the Corporate Governance Report. The Committee ensures that

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year in the ordinary course of business and the prices were at arm's length basis. Hence, the provisions of Section 188 (1) of the Companies Act, 2013 are not attracted. Further no materially significant related party transactions were entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Approval of Audit Committee was obtained for transactions of repetitive nature on annual basis. All related party



transactions are placed before the Audit Committee for approval and Board of Directors for their review. The policy on Related Party Transactions is available in the website www.bannarimills.com.

Disclosure of these Transactions in form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 as set out below:

Form AOC - 2

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : Nil
2. Details of material contracts or arrangement or transactions at arm's length basis : Nil

The company has borrowed Rs.2.40 Crores (previous year Rs.12.00 Crores) as Inter Corporate Deposits from Murugan Enterprise Private Limited, one of the Promoter of the company. There were no other transactions made with any person or entity belonging to promoter/promoter group which holds 10% or more shareholding in the Company.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status and the Company's operation in future.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134 (5) of the Companies Act, 2013 your Directors confirm that:

- a) Your Directors have followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation relating to material departures;
- b) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) Your Directors have prepared the annual accounts on a going concern basis;
- e) Your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Your Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



AUDITORS

The present Auditors of the Company M/s P N Raghavendra Rao & Co., Chartered Accountants, (Firm Registration No: 003328S) Coimbatore, were appointed for a term of 5 years, pursuant to the resolution passed by the members at the Annual General Meeting held on 26th September, 2022 and hold Office upto the conclusion of the Annual General meeting to be held in the year 2027. The Company has received a communication from them confirming their eligibility to continue as Auditors of the Company.

The Auditor's Report does not contain any qualifications, reservations or adverse remarks requiring any comment by the Board of Directors.

DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under provisions of Section 143 (12) of the Companies Act, 2013 and rules made thereunder.

SECRETARIAL AUDIT

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr R Dhanasekaran, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The report is annexed herewith as **Annexure - I**.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

COST AUDITOR

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of Audit Committee, has appointed Sri M Nagarajan, Cost Accountant, Coimbatore as Cost Auditor to conduct Cost Audit of the Company for the financial year 2026-2027. The Company has maintained such accounts and cost records as required under Section 148 (1) of the Companies Act, 2013.

JOINT VENTURE, ASSOCIATE AND SUBSIDIARIES

The Company has one Subsidiary namely M/s Bannari Infotech Private Limited (formerly Bannari Amman Infinite Trendz Private Limited) as on 31.03.2026.

In accordance with the Section 129 (3) of the Companies Act, 2013, the consolidated Financial Statements of the Company has been prepared which forms part of the Annual Report. A separate statement containing the salient features of the Financial Statements of Subsidiaries in Form AOC-1 (Part A) is **ANNEXURE - II**.



INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and to the Chairman and Managing Director of the Company.

The Company has Independent Internal Auditor and an Internal Audit Department, which monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, corrective actions are taken in the respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

STATEMENT ON RISK MANAGEMENT POLICY

Pursuant to section 134(3)(n) of the Companies Act, 2013, the Committee has developed a Risk Management Policy and implemented the same. At present the Company has not identified any element of risk which may be of threat to the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The company has fully spent the amount stipulated under the requirements of the Act. The Company has constituted Corporate Social Responsibility Committee consisting of the following Directors:

- | | |
|-------------------------|---|
| 1. Sri S V Arumugam | - Chairman - Managing Director |
| 2. Sri K P Ramakrishnan | - Member - Independent Director |
| 3. Sri K Sadhasivam | - Member - Non - Executive, Non- Independent Director |

The CSR activities and its related particulars is enclosed as **Annexure III**

STATUTORY DISCLOSURES

- I. Conservation of Energy and others- The particulars required to be included in terms of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2026, relating to Conservation of Energy, etc., is enclosed as **Annexure IV**.
- II. Remuneration of Directors and other details- The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2026 is provided in **Annexure V**.



HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year under review the human relations continued to be very cordial. The Company wishes to acknowledge the contribution of the employees at all levels of the Organisation.

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee (ICC) has constituted to redress complaints of sexual harassment as provided therein. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

- | | |
|--|-------|
| a. No. of complaints received | - Nil |
| b. No. of complaints disposed off | - Nil |
| c. No. of complaints pending as on end of financial year 2025-26 | - Nil |
| d. No. of complaints pending for more than 90 days during the financial year ended 2025-26 | - Nil |

The Company is in compliance of the applicable provisions the Maternity Benefit Act, 1961 and has policies, systems and process in place to ensure on going compliance.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the timely assistance and help extended by the Bankers for having provided the required bank facilities. Your Directors wish to place on record their appreciation of the contributions made by the employees at all levels of your company.

Coimbatore
29th May, 2026

By Order of the Board
S V ARUMUGAM
Chairman & Managing Director
DIN 00002458



ANNEXURE - I
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
(FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026)

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

To

The Members
Bannari Amman Spinning Mills Limited
(CIN: L17111TZ1989PLC002476)
252, Mettupalayam Road,
Coimbatore - 641043.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bannari Amman Spinning Mills Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Bannari Amman Spinning Mills Limited ("the Company") for the financial year ended on 31st March 2026) ('Audit Period') according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder and applicable provisions of the Companies Act 1956;
- 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the Audit Period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit Period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- vi. The following other laws specifically applicable to the company:
- a. Textile Committee Act, 1963
 - b. Textiles (Development and Regulation) order, 2001
 - c. Textiles (Consumer Protection) Regulation, 1985

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, and Listing Agreements mentioned above, except for a delay in complying with Regulation 17(1A) of the SEBI (LODR) Regulations, 2015. Particularly, the Board of Directors appointed a non-executive independent director, who is over 75 years of age, at its meeting held on 14.11.2025, with the appointment effective from 14.11.2025. Subsequently, members' approval by Special Resolution was obtained only on 18.12.2025. This time lag between the Board's appointment and the members' approval constituted a technical non-compliance with Regulation 17(1A) of the SEBI (LODR) Regulations, 2015. The Company has already paid the necessary fines imposed by the NSE and BSE in this regard.



I further report that, based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of periodical compliance reports by respective department heads / company secretary / CFO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable financial / general laws like, direct and indirect tax laws, labour laws, and environmental laws.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. During the year under review, the company has appointed an Independent directors and non-Independent Director, and the change in the composition of the Board of Directors that took place during the period under review was 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 and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further report that, during the audit period:

The company has taken the following events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Company has issued and allotted 41,66,660 Equity Warrants, face value of Rs.5/- each, at a price of Rs.36/= each (including a premium of Rs.31 per warrant as partly paid warrants (25%) for Rs.3,74,99,940/= received out of the total consideration of Rs.14,99,99,760/= on preferential basis to M/s Murugan Enterprise Private Limited, one of the promoters of the company.

Place : Coimbatore
Date : 29.05.2026

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No.: 6739/2025
ICSI UDIN : F007070H000548655



ANNEXURE - II Form AOC-1

(Pursuant to first provision 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 or associate companies or Joint Ventures

Part A Subsidiaries

(Rs. in Lakhs)

Name of the subsidiary	Bannari Infotech Private Limited (formerly Bannari Amman Infinite Trendz Private Limited)
1 The date since when subsidiary was acquired	21.2.2019
2 Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4 Share capital	1.00
5 Reserves and surplus	(965.82)
6 Total assets	168.67
7 Total Liabilities	1,133.49
8 Investments	-
9 Turnover	-
10 Profit before taxation	(190.34)
11 Provision for taxation	-
12 Profit after taxation	(190.34)
13 Proposed Dividend	-
14 Extent of shareholding (in percentage)	100%

Notes: 1. Subsidiaries which are yet to commence operations : Nil

Part B Associates and Joint Ventures :

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures are not provided, since the Company does not have an Associate or Joint Ventures.

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADHASIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(As per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

A Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Promoting Education and Rural development projects (vide Items 2 & 10 of Schedule VII)

- ❖ Actively participating in integrated rural community developments
- ❖ Focus on adopting villages and holistic development of the same
- ❖ Education along with Health & Sanitation will be the prime concern areas
- ❖ Promote quality of services delivered be it basic education, basic health, early childhood care and education by supplementing the efforts of Government and suitably identifying the critical gaps and addressing it squarely.
- ❖ Continuously engaging with the community in terms of social development.
- ❖ Contributing to Prime Minister's National Relief Fund or any other Fund set up by the Central Government for development and relief approved by the CSR Committee and covered in the CSR Rules as amended from time to time.

2. Composition of CSR Committee:

S.No	Name of the Director	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.	Sri S V Arumugam	Chairman & Managing Director	Nil	Nil
2.	Sri K P Ramakrishnan	Independent Director	Nil	Nil
3.	Sri K Sadhasivam	Non-Executive, Non-Independent Director	Nil	Nil

3. Provide the weblink(s) where Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company:

CSR Policy :

<https://www.bannarimills.com/wp-content/uploads/2024/10/9.Policy-on-Corporate-Social-Responsibility.pdf>

CSR Committee :

<https://www.bannarimills.com/wp-content/uploads/2024/10/Committees-of-Board-of-Directors-1.pdf>

CSR Projects :

<https://www.bannarimills.com/csr/>



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

5.	a) Average net profit of the company as per section 135(5)	Rs.	-
	b) Two percent of average net profit of the company as per section 135(5)	Rs.	-
	c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years		-
	d) Amount required to be set off for the financial year, if any	Rs.	-
	e) Total CSR obligation for the financial year (b + c - d).	Rs.	0

6.	a) Amount spent on CSR Projects:	
	i) On going Project	Nil
	ii) Other than On going Project	Rs. 6,20,000
	b) Amount spent in Administrative Overheads.	Nil
	c) Amount spent on Impact Assessment, if applicable.	Nil
	d) Total amount spent for the Financial Year ((a)+(b)+ (c)).	Rs. 6,20,000

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
-	Nil	-	-	Nil	-

**(f) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in Rs.)
i)	Two percent of average net profit of the company as per section 135(5)	-
ii)	Total amount spent for the Financial Year	6,20,000/-
iii)	Excess amount spent for the financial year ((ii)-(i))	6,20,000/-
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set off in succeeding three financial years ((iii)-(iv))	6,20,000 (2025-26) 1,20,000 (2024-25) 78,574 (2023-24)

7. **Details of Unspent CSR amount for the preceding three financial years:** Nil
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 Section 135(5).** - Not Applicable.

Coimbatore
29th May, 2026

S V ARUMUGAM
Chairman & Managing Director
and Chairman of the CSR Committee



ANNEXURE IV

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

The information under section 134(3)(m) of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2026 is given here below, and forms part of the Director's Report.

A. CONSERVATION OF ENERGY

i) The steps taken or impact on conversation of energy;

Measures for conservation of energy in various divisions of the Company is a continuous process. During the year steps like installation of LED lights, energy efficient pump in Humidification plant, Inverter for 37 KW ID Fan etc were taken thereby saving about 1000 units of power per day. Further steps will be taken to conserve energy.

ii) The steps taken by the company for utilising alternate source of energy;

- During the year under review the company utilized wind power of 408.60 Lakh units and solar power of 72.62 lakh units, from its own Solar Power production facility, by way of captive consumption.
- The Company has also invested in Solar Power Generating Companies for supply Power to the Company's manufacturing units and during the year 164.92 lakh units of solar power generated from the facility has been consumed by the Company thereby contributing to green energy empowerment.
- Apart from this, the Company is purchasing solar and wind power from private players and during the year 124.62 lakh units of such power has been purchased and consumed and hence reducing dependence on fossil fuel.
- Accordingly, about 75.60% of the Company's total power requirement is met by Renewable energy sources enabling pollution free environment .

iii) The capital investment on energy conversation equipments; - Nil

B. TECHNOLOGY ABORPTION

1. The efforts made towards technology absorption; - Nil
2. The benefits derived like product improvement, cost reduction, product development or import substitution; - Nil
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year); - Nil
4. The expenditure incurred on Research and Development;-Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings were Rs.6842.18 Lakhs (Rs.6586.86 Lakhs). Foreign exchange outgo was Rs.2188.14 Lakhs (Rs.4302.98 Lakhs).

By Order of the Board

S V ARUMUGAM

Chairman & Managing Director

DIN 00002458

Coimbatore
29th May, 2026



ANNEXURE V

Disclosure in the Board's Report

Particulars of Remuneration of Directors and Employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- i) The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial year 2025 - 26.

Director's Name	Ratio
Sri S V Arumugam, Managing Director	46.32:1

- ii) The Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager if any in the Financial year 2025 - 26 compared to 2024 - 25.

Director's Name/CS/CFO	% increase in remuneration
Sri S V Arumugam, Managing Director	159.89
Sri N Krishnaraj, Company Secretary	1.63
Sri S Seshadri, Chief Financial Officer	1.14

In respect of other Directors, the Company is paying only sitting fees. Hence, not considered for the above purposes.

- iii) Percentage increase in the median remuneration of employees in the Financial year 2025-26 15.35
- iv) Number of permanent employees on the rolls of the Company 3249
- v) Average percentile increase already made in the salaries of Employees other than Managerial Personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstance for increase in the managerial remuneration.

The average percentile increase granted to employees other than managerial personnel is (1.61%). The percentile increase granted to managerial personnel is 89.39%.

Since the managerial persons are being paid commission linked to company's profitability in terms of the resolutions passed by the shareholders of the Company under the provision of the Companies Act, 2013 it can't be compared with the percentile increase in Salaries of Employees.

The Board of Directors of the Company affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.



(vi) Particulars of Employees as per Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Table 1: Particulars of Top Ten Employees in terms of remuneration drawn under Rule 5(2):

Name (Age in years)	Designation	Gross Remuneration paid (in Rs.)*	Qualification	Date of Commencement of employment (experience in years)	Previous Employment
Sri S V Arumugam (77)	Managing Director	1,55,93,163	B.Sc., ACA	16.5.1993 (41)	Shiva Texp yarn Limited
Sri J Annaraj (68)	VP - Weaving	54,34,526	DTT	30.3.2005 (39)	Loyal Textile Mills Limited
Sri S Seshadri (65)	Chief Financial Officer	24,58,206	B.Sc, ACA	1.4.2018 (35)	Shiva Texp yarn Limited
Sri S Shankarkumar (60)	VP Marketing	24,38,602	B.Tech., MBA	1.11.2013 (37)	Shiva Texp yarn Limited
Sri N Krishnaraj (61)	Company Secretary	24,14,342	B.Com., ACS	3.8.2007 (38)	Bannari Amman Sugars Limited
Sri Shekhar Chandra Yadav (49)	VP - Marketing	23,69,914	B.Com; PG Dip. (NIFT)	1.02.2015 (22)	Asmara Apparels, Tirpur
Sri M Sivabala Subramaniyan (64)*	President	23,39,964	B.,Tech., MBA	16.11.2023(43)	GHCL
Sri A Ganapathy (62)	VP Knitting	22,66,488	B.Tech M.B.A	15.2.2017 (36)	Rohini Textile Industry Pvt Limited
Sri S Sengottaiyan (73)	DGM Accounts	18,08,787	BA	01.8.2022 (41)	Shiva Texp yarn Limited
Sri Venkatesh G Kulkarni (55)*	GM Marketing	17,19,000	D.T.T.	4.11.2024 (25)	Taram Textiles

*Left services during the year



Table 2 : The statement of employee(s) specified under Rule 5(2) (i), (ii), and (iii):

Name	: S V Arumugam
Age	: 77
Designation	: Managing Director
Nature of Duties	: Managing the day to day affairs of the Company
Remuneration (Rs. in lakhs)	: Rs. 155.93 lakhs
Qualification & Experience (years)	: B.Sc., ACA and nearly four decades of experience in Textile Industry
Date of commencement of employment	: 27.5.2005
Last employment	: Shiva Texyarn Limited

None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

Coimbatore
29th May, 2026

By Order of the Board
S V ARUMUGAM
Chairman and Managing Director
DIN 00002458



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on corporate governance envisages the attainment of high levels of transparency, accountability, fairness and equity in all facets of its operations, procedures, reporting system and in all the interactions with its stakeholders.

Bannari Amman Spinning Mills Limited has adopted a Code of Conduct which lays down standards of values, ethics and business principles of management.

BOARD OF DIRECTORS

The Board comprises of 9 Directors viz., 1 Executive Director 2 Non-Executive and Non-Independent Directors and 6 Non-Executive Independent Directors including 3 Woman Directors.

S. No.	Name of the Director	Category	Number of Directorships held in other Listed Companies	Number of Board Committee Membership held in other Public Companies**	
				Chairman	Member
1.	Sri S V Arumugam	Executive - Promoter	-	-	-
2.	Sri Tharanipathy Rajkumar	Non-Executive - Independent	-	-	-
3.	Sri S K Sundararaman	Non-Executive, Non - Independent	4	3	7
4.	Sri K P Ramakrishnan	Non-Executive - Independent	-	1	2
5.	Smt Priya Bhansali	Non-Executive - Independent	3	2	3
6.	Smt Sadhana Vidhya Shankar	Non-Executive - Independent	1	-	-
7.	Sri K Sadhasivam	Non-Executive, Non - Independent	-	-	-
8.	Sri C Sivasamy	Non-Executive - Independent	1	-	2
9.	Sri R Shanmuga velayutham***	Non-Executive - Independent	-	-	-
10.	Smt S Sihamani****	Non-Executive - Independent	-	-	-



BANNARI AMMAN SPINNING MILLS LIMITED

- ** Only Committees formed under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are considered.
- *** Sri R Shanmugavelayutham was appointed as an additional Directors in the capacity of Independent Directors w.e.f 14.11.2025 and subsequently approved by the shareholders in the Postal Ballot Resolution on 18.12.2025.
- **** Smt S Sihamani ceased to be Director w.e.f 27.9.2025

The name of the listed entities where the person is a Director and the category of Directorship as per Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S.No	Name of the Directors	Name of the Listed Entities holding Directorships	Category of Directorships	No. of shares held
1.	Sri S V Arumugam	Bannari Amman Spinning Mills Limited	Chairman & Managing Director	849071
2.	Sri Tharanipathy Rajkumar	Bannari Amman Spinning Mills Limited	Independent Director	-
3.	Sri S K Sundararaman	Bannari Amman Spinning Mills Limited	Non-Executive, Non-Independent Director	-
		Shanthi Gears Limited	Independent Director	-
		Shiva Mills Limited	Non-Executive, Non-Independent Director	-
		Pricol Limited	Independent Director	-
		Shiva Texyarn Limited	Managing Director	50,760
4.	Sri K P Ramakrishnan	Bannari Amman Spinning Mills Limited	Independent Director	-
5.	Smt Priya Bhansali	Bannari Amman Spinning Mills Limited	Independent Director	-
		Salzer Electronics Limited	Independent Director	-
		Kaycee Industries Limited	Independent Director	-
		The Lakshmi Mills Company Limited	Independent Director	-



S.No	Name of the Directors	Name of the Listed Entities holding Directorships	Category of Directorships	No. of shares held
6.	Smt Sadhana Vidhya Shankar	Bannari Amman Spinning Mills Limited	Independent Director	-
		L G Balakrishnan & Bros Limited	Independent Director	-
7.	Sri R Shanmuga velayutham*	Bannari Amman Spinning Mills Limited	Independent Director	-
8.	Sri K Sadhasivam	Bannari Amman Spinning Mills Limited	Non - Executive, Non - Independent	-
9.	Sri C Sivasamy	Bannari Amman Spinning Mills Limited	Independent Director	-
		Shiva Mills Limited	Independent Director	-
10.	Smt S Sihamani**	Bannari Amman Spinning Mills Limited	Independent Director	-

* Sri R Shanmugavelayutham was appointed as additional Director in the capacity of Independent Directors w.e.f 14.11.2025.

** Smt S Sihamani ceased to be Director w.e.f. 27.9.2025.

The non-Executive Independent Directors fulfill the conditions laid down for appointment/ re-appointment as Independent Directors as specified in Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 25 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A formal letter of appointment/re-appointment has been issued and a copy of the same is posted on the website of the Company viz. www.bannarimills.com.

BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the financial year, 8 Board Meetings were convened by giving due notices to the Directors. The meetings were held on 24.4.2025, 21.5.2025, 11.6.2025, 30.6.2025, 11.8.2025, 22.8.2025, 14.11.2025, 14.2.2026. The interval between the two meetings were well within the maximum period prescribed under the Companies Act, 2013 and Regulation 17 (2) of the SEBI (LODR) Regulations, 2015.

The Board is given all the material information which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.



Details of attendance of each Director at the Board Meetings and at the last Annual General Meeting (held on 21.7.2025) are furnished here below:

NAME OF THE DIRECTOR	NUMBER OF BOARD MEETINGS ATTENDED	LAST AGM ATTENDED YES / NO
1. Sri S V Arumugam (DIN 00002458)	8	Yes
2. Sri Tharanipathy Rajkumar (DIN 00048665)	3	Yes
3. Sri S K Sundararaman (DIN 00002691)	5	Yes
4. Sri K P Ramakrishnan (DIN 07029959)	8	Yes
5. Smt Priya Bhansali (DIN 00195848)	8	Yes
6. Smt Sadhana Vidhya Shankar (DIN 10753375)	8	Yes
7. Sri R Shanmugavelayutham* (DIN 01205640)	2	No
8. Sri K Sadhasivam (DIN 00610037)	8	Yes
9. Sri C Sivasamy (DIN 00002921)	8	Yes
10. Smt S Sihamani **(DIN 06945399)	6	Yes

* Sri R Shanmugavelayutham was appointed as additional Director in the capacity of Independent Director w.e.f 14.11.2025.

** Smt S Sihamani ceased to be Director w.e.f 27.9.2025

FAMILIARISATION PROGRAMME

At the time of appointment of Director, a formal letter of appointment is issued, which sets out roles, functions, duties and responsibilities expected from them. The Directors have also been explained the relevant regulations. The appointments are also provided with necessary information to understand the Company's operations, products and events relating to the Company. Web Link: <https://www.bannarimills.com/wp-content/uploads/2024/10/11.Policy-on-Familiarisation-Programme.pdf>



CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS

Board of Directors*	Age	Date of appointment	Qualification	Skills
Sri S V Arumugam	77	27.6.2005	B.Sc., ACA	He is the Promoter of the company, holds a bachelor's degree in science from University of Madras and also an associate member of the Institute of Chartered Accountants of India. He has overall 5 decades of industry experience and nearly 4 (four) decades of experience in the textile industry, focusing on planning, procurement, execution, and management. He served as the Vice Chairman of the Indian Wind Power Association, Chennai, and has previously held the position of Chairman of the Confederation of Indian Textile Industry (CITI) and the Southern India Mills Association (SIMA). He is also a past committee member of the Indian Cotton Mills Federation (ICMF) and he was an independent director in State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT).
Sri Tharanipathy Rajkumar	59	3.9.2024	MBA.,	He is an Independent Director, holds a master's degree in business administration and has been associated with the textile industry for over 2 (two) decades as an entrepreneur. He has also been involved with various textile industry bodies like SIMA and CITI. He previously served as the Chairman of CITI, SIMA and SIMA CDRA.

**CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS (Contd...)**

Board of Directors	Age	Date of appointment	Qualification	Skills
Sri S K Sundararaman	52	3.9.2024	MBBS, MBA	He is a Non-Executive, Non-Independent Director, possesses an MBBS Degree and a Master's in Business Management from Cambridge University, U.K. With more than 2 decades of years of experience in textiles and business management, he specializes in technical textiles. He was the former Chairman of the Indian Technical Textile Association (ITTA) until September 2021 and part Chairman of SIMA.
Sri K P Ramakrishnan	71	29.5.2024	B.Tech	He is an Independent Director, holds a B. Tech degree in Metallurgy and has nearly 4 (four) decades of experience in the banking sector, serving in various capacities including Chief Risk Officer at IDBI.
Smt Priya Bhansali	60	29.5.2024	B.Com, Chartered Accountant	She is an Independent Director, holds a bachelor's degree in commerce and she is a fellow member of the Institute of Chartered Accountants of India with over 3 (three) decades of experience. She is a Managing partner at M/s. Kumbhat & Co. LLP, specializing in direct taxes, management assurance audit, joint ventures, FDI, and international taxation.



CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS (Contd...)

Board of Directors	Age	Date of appointment	Qualification	Skills
Smt Sadhana Vidhya Shankar	53	3.9.2024	B.A.B.L.,	She is an Independent Director, is a corporate civil lawyer having over 3 (three) decades of experience at the Bar, specializing in trial work, arbitration, commercial litigation, property due diligence, and documentation.
Sri K Sadhasivam	79	22.8.2006	B.Sc.,	He is a Non-Executive, Non-Independent Director, holds a bachelor's degree in science from the University of Madras and brings with him an extensive experience of over 5 (five) decades in the transport business.
Sri C Sivasamy	69	28.6.2023	B.Sc.,	He is an Independent Director, boasts over 4 (four) decades of experience in automobiles and general administration.
Sri R Shanmuga velayutham*	77	14.11.2025	He is graduate in National Defence Academy and Indian Military Academy	He is a Independent Director Commissioned in the Indian Army after training at the National Defence Academy and the Indian Military Academy.

*Sri R Shanmugavelayutham was appointed as additional Director in the capacity of Independent Director w.e.f 14.11.2025.

** Smt S Sihamani ceased to be Director w.e.f 27.9.2025.



CODE OF CONDUCT

The Company has adopted the code of conduct for all Board Members and Senior Management as required under Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code is posted on the company's website at www.bannarimills.com. All Board Members and Senior Management personnel have affirmed compliance with the code on an annual basis and a declaration to this effect signed by the Managing Director is attached to this report.

AUDIT COMMITTEE

The Audit Committee comprises of :

Sl. No.	Name	Position	No. of Meeting Attended
1.	Sri K P Ramakrishnan	Chairman - Independent	5
2.	Smt Priya Bhansali	Member - Independent	5
3.	Sri K Sadhasivam	Member - Non Executive, Non Independent	5
4.	Smt Sadhana Vidhya Shankar	Chairman - Independent	4

During the financial year, the Audit Committee met 5 times on 21.5.2025, 11.6.2025, 11.8.2025, 14.11.2025 and 14.2.2026. The Audit Committee Chairman was present at the last AGM.

The terms of reference of the Audit Committee are as set out in Regulation 18 (3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter-alia includes the following:

- Review of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgement by management;
 - Significant adjustments made in the financial statements arising out of audit findings;



- V. Compliance with listing and other legal requirements relating to financial statements;
 - VI. Disclosure of any related party transactions; and
 - VII. Modified opinions in the draft audit report.
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - g) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
 - h) Approval or any subsequent modification of transactions of the company with related parties;
 - i) Scrutiny of inter-corporate loans and investments;
 - j) Valuation of undertakings or assets of the company, wherever it is necessary;
 - k) Evaluation of internal financial controls and risk management systems;
 - l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - n) Discussion with Internal Auditors of any significant findings and follow up thereon;
 - o) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - p) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - r) To review the functioning of the Whistle Blower mechanism;
 - s) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;



- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) To Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
- v) The Audit Committee shall mandatorily review the following information:
 - 1) Management discussion and analysis of financial condition and results of operations;
 - 2) Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - 3) Internal audit reports relating to internal control weaknesses; and
 - 4) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - 5) Statement of deviations:
 - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

NOMINATION AND REMUNERATION COMMITTEE

The Committee consists of 3 Directors, all of whom are independent:

Sl. No.	Name	Position	No. of Meeting Attended
1.	Smt Priya Bhansali	Chairman - Independent	3
2.	Sri K Sadhasivam	Member - Non-Executive, Non - Independent	3
3.	Sri K P Ramakrishnan	Member - Independent	3

The NRC Chairman was present at the last Annual General Meeting.

The terms of reference specified by Board of Directors to the Nomination and Remuneration Committee are as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) For appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the



capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates
- c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- d) Devising a policy on diversity of board of directors;
- e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Remuneration Policy

The Nomination and Remuneration Committee has adopted a charter which, inter alia, deals with the manner of selection of Board of Directors/Key Managerial Personnel/Senior Managerial Personnel. The policy is accordingly derived from the said Charter. The policy on remuneration is available in the following weblink: <https://www.bannarimills.com/wp-content/uploads/2024/10/6.Policy-on-Nomination-and-Remuneration-1.pdf>

Evaluation criteria

The Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and each Director. The evaluation of the performance of the Board and its committees are evaluated through a questionnaire circulated to all directors and based upon the response to the questionnaire, the directors do a self-evaluation of their performance. Accordingly, Board reviewed the performance of each of the directors and expressed their satisfaction.

The performance evaluation of the Chairman and the Managing Director was carried out separately by the Independent Directors. The Independent Directors expressed their satisfaction on the performance of the Chairman and the Managing Director.

Remuneration to Managing Director is as follows:

Name	Designation	Remuneration for the year (Rs. Lakhs)
Sri S V Arumugam	Managing Director	155.93



Remuneration paid to Director:

Remuneration in the form of sitting fees paid to all non-executive Directors of Rs.25,000/-, for the meeting attended by them, as recommended by Nomination and Remuneration Committee and approved at the Board Meeting held on 14.8.2024 for each Board Meeting and Audit Committee Meeting attended by them.

Meeting of Independent Directors

During the year under review the Independent Directors met on 14.11.2025 and 14.2.2026 for the following purposes:

- ❖ Evaluation of performance of non- Independent Directors and the Board as a whole
- ❖ Evaluation of performance of the Chairman and Managing Director of the Company
- ❖ Evaluation of quality and flow of information to the Board

All the Independent Directors were present at the meeting.

The evaluation is done based on the criteria laid down in the Nomination and Remuneration Policy of the company, with specific reference to:

- leadership abilities
- contribution to clearly defined corporate objectives and plans
- review of achievement of strategic and operational plans, objectives, budgets
- regular monitoring of corporate results against projections
- identify, monitor and mitigate significant corporate risks
- assess policies, structures and procedures
- direct, monitor and evaluate KMPs, SMPs
- review management's succession plan
- clearly defining roles and monitoring activities of committees
- Review of corporate's ethical conduct

In the opinion of the board, all the independent directors are independent of the management and they fulfill the conditions specified in Schedule V under Reg.34 of the SEBI LODR.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, of the Companies Act, 2013 recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The company has fully spent the amount stipulated under the requirements of the Act. Corporate Social Responsibility Committee consisting of the following Directors with effect from 21.5.2014.



1. Sri S V Arumugam - Managing Director
2. Sri K P Ramakrishnan - Independent Director
3. Sri K Sadhasivam - Non-Executive, Non-Independent Director

MATERIAL SUBSIDIARIES

The company has no Material subsidiaries to be reported.

RELATED PARTY TRANSACTIONS

The company has adopted policy on dealing with Related parties. The same is disclosed in the website of the company and is available in the following weblink: <https://www.bannarimills.com/wp-content/uploads/2024/10/1.Policy-on-Related-Party-Transaction.pdf>

Loans and advances in the nature of loans to firms/companies in which Directors are interested :

(Rs. in Lakhs)

Name of the Company	Nature of Loan	Amount
Bannari Infotech Private Limited (Formerly Bannari Amman Infinite Trendz Private Limited)	Inter Corporate Deposit	550.00

RISK MANAGEMENT COMMITTEE

Requirement for constitution of Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is not applicable to the Company.

The Company has adopted Policy on Foreign Exchange Risk Management on 30.5.2023.

Disclosures regarding commodity price risk and hedging activities pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Exposure to commodity risks faced by the company throughout the year

Total exposure of the Company to commodities in INR : NIL

Exposure of the company to various commodities : NIL

Commodity name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange	OTC	Exchange	
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—

**PARTICULARS OF SENIOR MANAGEMENT**

The Board of Directors, has identified the Senior Management Personnel (SMP) pursuant to the provisions of Regulation 16(1)(d) of the Listing Regulations. The details of SMP's as at 31st March, 2026 are as follows:

Name of SMP	Designation	Changes, if any
1 S Seshadri	Chief Financial Officer	No
2 N Krishnaraj	Company Secretary	No
3 S Shankar Kumar	Senior Vice President	No
4 J Annaraj	Vice President - Operations & Home Textiles	No
5 R Ramesh Kumar	Vice President - Spinning Unit-I	No
6 Shekhar Chandra Yadav	Vice President - Processing	No

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has established a whistle blower policy/vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy. This mechanism provides adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The whistle blower policy is posted on the company's website at the link: <https://www.bannarimills.com/wp-content/uploads/2024/10/15.Policy-on-Whistle-Blower-Vigil-Mechanism.pdf>

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2026

Name of the Director	No. of shares held
Sri Tharanipathy Rajkumar	Nil
Sri S K Sundararaman	Nil
Sri K P Ramakrishnan	Nil
Smt Priya Bhansali	Nil
Smt Sadhana Vidhya Shankar	Nil
Sri R Shanmugavelayutham	Nil
Sri K Sadhasivam	Nil
Sri C Sivasamy	Nil



STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was formed to specifically look into shareholders/investors complaints if any, on transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc., and also the action taken by the Company on those matters.

The Stakeholders Relationship Committee consists of:

1.	Sri K P Ramakrishnan	Chairman
2.	Sri S V Arumugam	Member
3.	Sri K Sadhasivam	Member

The committee was reconstituted w.e.f 14.8.2024.

Sri N Krishnaraj, Company Secretary is the Compliance Officer.

The company has received one complaint from the Investor and disposed of the same and no complaint was pending at the beginning or at end of the year.

CEO & CFO CERTIFICATION

The Managing Director and Chief Financial Officer have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Board took the same on record.

INSIDER TRADING

In compliance with SEBI Regulations in prohibition of insider trading the company has framed a comprehensive Code of Conduct. The Code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the company.

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at the Registered office of the Company at 252, Mettupalayam Road, Coimbatore - 641043, thro Video Conference and special resolutions passed there at are as follows:

AGM	Date & Time	Special Resolutions Passed	Voting Pattern
33 rd	25.9.2023 10.15 A.M	I) Re-appointment of Sri SV Arumugam (DIN 00002458) Managing Director for a further period of 3 years and payment of remuneration	Total Votes polled: 3,59,39,312 Votes polled for : 3,52,10,540 Votes against : 39,903 Votes abstain : 688809 Votes Invalid : Nil
		II) Appointment of Sri C Sivasamy (DIN: 00002921) as a director and as an Independent Director.	Total Votes polled: 3,59,39,312 Votes polled for : 3,59,38,187 Votes against : 1075 Votes abstain : 50 Votes Invalid : Nil



AGM	Date & Time	Special Resolutions Passed	Voting Pattern
34 th	22.8.2024 10.20 A.M	I) Appointment of Sri K P Ramakrishnan (DIN 07029959) as an Independent Director	Total Votes polled: 3,59,05,638 Votes polled for : 3,59,03,960 Votes against : 1,678 Votes abstain : Nil Votes Invalid : Nil
		II) Appointment of Smt Priya Bhansali (DIN 00195848) as an Independent Director	Total Votes polled: 3,59,05,638 Votes polled for : 3,59,03,960 Votes against : 1,678 Votes abstain : Nil Votes Invalid : Nil
		III) Appointment of Sri K Sadhasivam (DIN:00610037) as a Non - Executive, Non - Independent Director	Total Votes polled: 3,59,05,638 Votes polled for : 3,59,03,960 Votes against : 1,678 Votes abstain : Nil Votes Invalid : Nil
35 th	21.7.2025 11.30 A.M	I) Appointment of Sri R Dhanasekaran, Practicing Company Secretary	Total Votes polled: 3,96,32,776 Votes polled for : 3,96,29,390 Votes against : 3,386 Votes abstain : Nil Votes Invalid : Nil
Postal Ballot	Notice Date	Special Resolutions Passed	Voting Pattern
	10.3.2024	I) Alteration in Object Class of the Memorandum of Association	Total Votes polled: 3,59,76,615 Votes polled for : 3,59,67,821 Votes against : 8794 Votes abstain : 400 Votes Invalid : Nil
		II) Approval for Disinvestment in the Equity Shares of Material Subsidiary viz., Young Brand Apparel Private Limited	Total Votes polled: 3,59,77,015 Votes polled for : 3,59,41,826 Votes against : 35,189 Votes abstain : Nil Votes Invalid : Nil



Postal Ballot	Notice Date	Special Resolutions Passed	Voting Pattern
	4.10.2024	I) Issuance of Equity Shares to the persons belonging to the "Promoter and Promoter Group" and "Non-Promoter Group" category on Preferential basis	Total Votes polled: 3,61,02,481 Votes polled for : 3,60,75,065 Votes against : 27234 Votes abstain : 182 Votes Invalid : Nil
		II) Appointment of Sri Tharanipathy Rajkumar (DIN 00048665) as an Independent Director	Total Votes polled: 3,61,02,481 Votes polled for : 3,60,76,241 Votes against : 26,058 Votes abstain : 182 Votes Invalid : Nil
		III) Appointment of Smt Sadhana Vidhya Shankar (DIN 10753375) as an Independent Director	Total Votes polled: 3,61,02,481 Votes polled for : 3,60,76,289 Votes against : 26,010 Votes abstain : 182 Votes Invalid : Nil
	31.7.2025	I) Issuance of Warrants conversion into Equity Shares to the persons belonging to the "Promoter and Promoter Group" category on Preferential basis	Total Votes polled: 39685386 Votes polled for : 39671523 Votes against : 13863 Votes abstain : Nil Votes Invalid : Nil
	18.12.2025	I) Appointment of Sri R Shanmugavelayutham, (DIN 01205640) as an Independent Director	Total Votes polled: 39756499 Votes polled for : 39722696 Votes against : 33803 Votes abstain : Nil Votes Invalid : Nil

Sri R Dhanasekaran, Practicing Secretary, Coimbatore was appointed as Scrutinizer to conduct the voting process.

There is no Special Resolution is being proposed for the approval of shareholders through postal ballot in the forthcoming Annual General Meeting.

DISCLOSURES

- ✓ The Company has not entered into any transaction of a material nature with the related parties having potential conflict with the interest of the Company.
- ✓ There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.
- ✓ The company has a Whistle Blower Policy in place and No personnel has been denied access to the Audit Committee.



- ✓ The Company has complied with all the mandatory requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of Non-mandatory requirements, the company has complied the conditions, except, the suggestion relating to appointment of separate persons to the post of Chairman and Managing Director/CEO and circulation of half Yearly financial results to each household of the shareholder.
- ✓ The Company has not raised funds through preferential allotment or qualified institutions placements, hence no reporting of utilisation of the same is made as specified under Regulation 32 (7A).
- ✓ There were no instances of Board for non-acceptance of any recommendation of any Committee of the Board which is mandatorily required during the Financial Year.
- ✓ The company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying 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. The said certificate is annexed to this report as Annexure.

MEANS OF COMMUNICATION

- i) The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in Business Standard (English) and Makkal Kural (Tamil) newspapers. The results and news items relating to the company are displayed in company's website www.bannarimills.com
- ii) The Management Discussion and Analysis forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

Annual General Meeting

Day and Date	: Monday, 10th August, 2026
Time	: 11.00 A.M.
Venue	: " Video Conferencing (VC)" "Other Audio Visual Means (OAVM)"

Financial Year 2025 - 26

Results Announced	: 29.5.2026
Dividend payment Date	: On or before 8.9.2026
Announcement of quarterly Results	: i) During first / second week of August and November 2026, February and May 2027 or as stipulated by SEBI from time to time.

- ii) The financial results are displayed on the website of the Company www.bannarimills.com.

Date of Book Closure for the purpose of Dividend and Annual General Meeting **4.8.2026 to 10.8.2026**
(Both days inclusive)



SHARE DETAILS

The Company's Equity Shares are listed on the following Stock Exchanges :

BSE Limited	Stock Code:	National Stock Exchange of India Limited	Stock Code:
Phiroze Jeejeebhoy Towers Dala Street, Mumbai - 400 001	532674	"Exchange Plaza" Bandra-Kurla Complex Bandra (E) Mumbai 400 051	BASML

The company has paid Annual Listing Fees for the year 2026-2027.

Outstanding GDRs/ADRs/Warrants or any convertible instruments

The company has not issued GDRs/ADRs/Warrants or any convertible instruments.

DEMATERIALISATION OF SHARES

The shares of the company are in compulsory demat segment. The company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Members have option to hold their shares in demat for (i.e electronic mode) either through the NSDL or CDSL. ISIN allotted to our company is INE186H01022.

During the year, the company has issued convertible warrants on 31.7.2025 for which the ISIN INE186H13027 has been allotted and activated by NSDL on 22.8.2025.

SHARE TRANSFER AGENT

MUFG Intime India Private Limited, Phone : (0422) 2314792, 2315792
Surya, 35, Mayflower Avenue, Behind Senthil Nagar Fax : (0422) 2314792
Sowripalayam Road, Coimbatore - 641 028 E-mail : coimbatore@in.mpms.mufig.com

Share Transfer documents, Non-Receipt of share certificates sent for transfer, nomination forms and change of address may directly be sent to the above address.

SHARE TRANSFER SYSTEM

The Share Transfers in physical form were discontinued w.e.f 1.4.2019 as per SEBI guidelines. Transmission/Transposition requests, if any, which are in physical form are returned within 30 days from the date of receipt if they are in order. The same are approved by the Share Transfer Committee who usually meets, if needed.



DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

In In terms of Regulation 34(3) read with Part F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchange, the Company has opened Demat Suspense Account in the name of "Bannari Amman Spinning Mills Limited -Unclaimed Shares Demat Suspense Account". As on date there is no unclaimed share is held in the account.

Shareholders outreach initiatives

In July 2025, the Investor Education and Protection Fund (IEPF) Authority launched a 100-day campaign titled 'Saksham Niveshak' to promote investor awareness and help resolve pending matters relating to unclaimed dividends, shares transferred to the IEPF, KYC updates and rightful entitlements. In support of this initiative, the Company published newspaper advertisements and made the required website disclosures to encourage shareholders to claim their unpaid dividends.

DISTRIBUTION OF SHAREHOLDING AS ON 31.3.2026

CATEGORY	No. of Shares Held	Percentage of Shareholding
Promoter's Holding	39602346	49.55
Banks/FIs/Mutual Funds	0	0.00
Private Corporate Bodies	1664086	2.08
Indian Public	37570126	47.02
NRI/OCBs	1084817	1.35
Total	79921375	100.00

PLANT LOCATIONS:

Spinning Units	
Nadukandanur Pirivu, Morepatty Post Vadamadurai, Dindigul 624 802, Tamilnadu.	Velvarkottai, Dindigul Trichy National Highway 45, Veda sandur Taluk, Dindigul 624 803, Tamilnadu.
Weaving & Home Textiles Units	Knitting Unit
Karanampet - Paruvai Road Paruvai Post, Coimbatore - 641 658	Velvarkottai, Dindigul Trichy National Highway 45, Veda sandur Taluk, Dindigul 624 803, Tamilnadu.



PLANT LOCATIONS (Contd...):

Processing Unit	
Factory H-11, E-12 SIPCOT Industrial Growth Estate Perundurai, Erode - 638 052	
Windmill Units	
Irukandurai & Dhanakarkulam Villages Radhapuram Taluk, Tirunelveli District, Tamilnadu	Chinnapudur Village Dharapuram Taluk Erode District, Tamilnadu
Melkaraipatti & Kottathurai Villages Palani Taluk Dindigul District Tamilnadu	
Solar Plant	
Velvarkottai, Dindigul Trichy National Highway 45, Vedasandur Taluk, Dindigul 624 803, Tamilnadu.	
Address For Correspondence	
All investor related queries and complaints may be sent to the following address: The Company Secretary, Bannari Amman Spinning Mills Limited, Regd. Office: 252, Mettupalayam Road, Coimbatore - 641 043 E-mail: shares@bannarimills.com	

**CREDIT RATINGS**

Credit ratings obtained by the Company and revisions thereto during the financial year 2025-26 for credit facilities availed by the Company from Banks are as follows:

Rating Agency	Communication No	Nature of facility	Rating	Rating action
CARE Ratings Limited	CARE/CMBO/RL/2025-26/1340 dt: 1.4.2026	Long term Bank facilities	CARE BBB-; Negative	Reaffirmed
		Long term / Short Term / Bank facilities	CARE BBB-; Negative/ CARE A3	Reaffirmed
		Short term Bank facilities	CARE A3	Reaffirmed

AUDITORS FEES ON CONSOLIDATED BASIS

The total fees for all services paid by the Company and its subsidiaries on consolidated basis to the Statutory Auditors during the year 2025-26 is as follows and no fee has been paid to their network firm/entity of which the Statutory Auditor is a part:

(Rs. in lakhs)

S. No	Payment of fees towards	Bannari Amman Spinning Mills Limited	Bannari Info Tech (P) Limited	Total
1.	Statutory Audit & Limited Review	31.50	1.00	32.50
2.	Other Services	9.35	-	9.35
3.	Reimbursement of Expenses	-	-	-

Coimbatore
29th May, 2026

By Order of the Board
S V ARUMUGAM
Chairman & Managing Director
DIN 00002458



MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY'S BUSINESS

The Company's principal line of business is manufacturing and marketing of Cotton Yarn, Woven and Knitted fabrics, Home Textiles products and Processing of fabrics. The Company has two spinning units near Dindigul, Tamilnadu with an installed capacity of 164016 spindles, Weaving and Home Textiles units at Karanampettai near Palladam with an installed capacity of 156 looms, Processing unit at SIPCOT, Perundurai with an installed capacity to process 4200 tonnes of fabric per annum, Knitting unit near Dindigul with installed capacity to produce 4700 tonnes of knitted fabric per annum, 27 Windmills with an installed capacity of 23.40 MW green power and 9.74 MW (DC) Solar Power plant installed within the Spinning unit II premises both of which are entirely used for captive consumption.

INDUSTRY STRUCTURE AND DEVELOPMENTS

India's textile and apparel industry functions as a vital economic engine, employing millions across the value chain from cotton farmers to garment workers while generating substantial foreign exchange through exports to global markets. The sector uniquely balances traditional handloom heritage with modern manufacturing technologies, serving diverse market segments from basic commodity fabrics to premium fashion textiles. Regional manufacturing clusters have developed specialized expertise, with Maharashtra focusing on integrated mill production, Gujarat excelling in synthetic textiles, Tamil Nadu dominating cotton spinning, and Uttar Pradesh maintaining strong handloom traditions that preserve cultural textile arts while meeting contemporary market demands.

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030 with exports expected to reach US\$ 100 billion. India is the World's 2nd largest producer of Textile & Apparel and 6th largest exporter. India is the World's largest cotton producer and ranks highly in silk, wool and jute production. India possesses a complete, strong supply chain from raw material to finished goods.

The textiles and apparel industry now contributes approximately 2% of India's GDP and about 11% of manufacturing GVA (Gross Value Added). The textile industry in India is predicted to double its contribution to the GDP to approximately 5% by the end of this decade.

OPPORTUNITIES

The fundamental strength of Indian textile industry is its strong production base with wide range of fibers/yarns. These are natural fibers such as cotton, jute, silk and wool and synthetic/man-made fibers like polyester, viscose, nylon and acrylic. India is well poised to capture the increasing Global demand for Textiles & Clothing. The availability of key Rawmaterials, labour, booming domestic E-commerce coupled with various Government initiatives and support are key factors in the evolving of the Indian Textile Industry.

The India-UK FTA, offers duty-free access to 99% of goods, boosting India's competitiveness. It is expected to benefit labor-intensive sectors like home textiles, which currently face a 12% UK tariff. India could double its home textiles market share in the UK within three years.



The India-UK Comprehensive Economic Trade Agreement (CETA) is expected to boost India's technical textile exports to the UK to US\$ 1 billion by 2030, from the current US\$ 240 million. The agreement grants 100% duty-free access for Indian exports, giving India a competitive advantage over China.

India and the European Union officially concluded negotiations on a historic Free Trade Agreement (FTA) on January 27, 2026, marking a major milestone after nearly two decades of talks. The landmark pact slashes duties on over 90% of tariff lines for both regions, significantly boosting market access for bilateral trade. India has concluded agreements with few other Countries and also engaging with certain others in response to global trade challenges such as recent tariffs imposed by the US.

OUTLOOK

India's textile and apparel sector is positioned for sustained expansion driven by domestic consumption growth, manufacturing capacity additions, export competitiveness improvements, and product portfolio diversification toward higher-value segments. The demographic dividend of a young population entering peak consumption years, accelerating urbanization patterns shifting households toward organized retail purchasing behaviors, and digital commerce platforms expanding market access beyond traditional distribution networks collectively strengthen demand fundamentals across product categories.

Sustainability and innovation are emerging as defining themes for the industry. Companies are increasingly adopting eco-friendly processes and recyclable fibres to align with global trends, while government schemes like the Production Linked Incentive (PLI) Scheme for Textiles, MITRA Parks and support for integrated textile hubs are encouraging value addition and modernisation. Hence the future of the Indian textiles industry looks quite promising.

RISKS AND CONCERNS

Availability of Cotton, the main raw material for manufacture of Cotton Yarn, is subject to the vagaries of nature and the prices also fluctuate wildly based on supply/demand in the World market and Government policies. The prices of man made fibres depends on the prices of crude and hence subject to volatility. Evolving tariff structures are prompting manufacturers and brands to revisit supplier mix, consider nearshoring options, and adopt automated compliance processes. Fluctuations in duty regimes directly influence landed costs, requiring procurement leaders to conduct risk assessments and consider tactics like bonded warehousing and revised bill-of-materials strategies

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control procedures and systems commensurate with its size and nature of its business for purchase of raw materials, plant and machinery, components and other items and sale of goods. The checks and controls are reviewed by the Audit Committee for improvement in each of these areas on a periodical basis. The internal control systems are improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements.



FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company has been discussed at length in Director's Report to the Members.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS FOR THE FINANCIAL YEAR 2025-26 AND 2024-25.

S.No.	Ratios	31.3.2026	31.3.2025
1	Debtors Turnover	5.33	5.46
2	Inventory Turnover	5.42	2.95
3	Interest coverage	1.51	1.87
4	Current Ratio	0.84	1.13
5	Debt Equity Ratio	0.73	1.11
6	Operating Profit margin	7.44%	9.93%
7	Net Profit margin	1.58%	4.14%

DETAILS OF ANY CHANGE IN RETURN ON NETWORTH AS COMPARED TO IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Return on Networth 31.3.2026 - 3.24%

Return on Networth 31.3.2025 - 8.47%

The RONW has reduced during FY 26 as the same for the previous year FY 25 included gains from discontinued operations though the operating performance of the Company has improved as compared to previous year.

MEDIUM TERM AND LONG TERM STRATEGIES

The Company currently manufactures Cotton yarn, Polyester & Cotton blended yarn, Knitted fabric, Grey and bleached woven fabric, made ups and Processed knit fabric. The medium and long term strategies that will be initiated by the Company are discussed below.

Cotton Yarn :

The Spinning units continue to produce medium as well as fine counts of Yarn for different applications. New product mix varieties are introduced to broad base product profile viz. Tencel, modal etc. Production of Polyester and cotton blended yarn commenced during the previous year and in this segment also different varieties are produced to meet market requirements.



Knitted fabric :

Knitted fabric production is against orders and emphasis will be on producing value added fabric (Lycra). Opportunity for export of knitted fabric to well known manufacturers is being evaluated.

Woven fabric :

Production of fabric is generally against orders. A portion of fabric produced is transferred to Home Textile division for manufacture of value added products.

Home Textiles :

The main products are bleached fabric and madeups like bed linen products meant mainly for exports. Home textiles is one of the focus areas for the Company and efforts are underway to increase the share of Home Textiles products. The Company is setting up offices in major Home Textiles centres to improve the volume of business in the segment.

Processed Knitted fabric :

The processing division produces dyed fabric for Hosiery segment applications and the production is against orders. Surplus capacity is utilized for job work order.

(Disclosure with limits set by competitive position, medium term and long term strategies as approved by Board of Directors)

Coimbatore
29th May, 2026

By Order of the Board
S V ARUMUGAM
CHAIRMAN & MANAGING DIRECTOR
DIN 00002458



DECLARATION ON CODE OF CONDUCT

To
The Members of
Bannari Amman Spinning Mills Limited

In compliance with the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2026.

By Order of the Board

Place : Coimbatore
Date : 29.5.2026

S V ARUMUGAM
Managing Director
DIN 00002458

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Bannari Amman Spinning Mills Limited
(CIN: L17111TZ1989PLC002476)

I have examined the compliance of conditions of Corporate Governance by M/s. Bannari Amman Spinning Mills Limited ('the company'), for the year ended on 31st March, 2026 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 during the year ended 31st March, 2026 except that there was a time lag between the Board's appointment and the members' approval constituted a technical non-compliance with Regulation 17(1A) of SEBI (LODR) Regulations, 2015 in respect of appointment of a non-executive independent director, who is over 75 years of age.

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

Place : Coimbatore
Date : 29.05.2026

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No 811/2020
ICSI UDIN: F007070H000548688



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
BANNARI AMMAN SPINNING MILLS LIMITED
CIN: L17111TZ1989PLC002476
Registered office: 252, Mettupalayam Road,
Coimbatore-641043.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bannari Amman Spinning Mills Limited having CIN:L17111TZ1989PLC002476 and having registered office at 252, Mettupalayam Road, Coimbatore - 641043 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continue as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

Place : Coimbatore
Date : 29.05.2026

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No 811/2020
ICSI UDIN: F007070H000548721



INDEPENDENT AUDITOR'S REPORT

To The Members of Bannari Amman Spinning Mills Limited Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Bannari Amman Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended on that date and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information.
2. 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 ("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, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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.



Description of Key Audit Matter

Inventory of Raw Material, Work-in-Progress and Finished Goods as at the year ended March 31, 2026

We draw attention to Note no 50 on Valuation of Inventories in Standalone Financial Statements of the Company read with the Accounting Policy No.2.3.

The inventory of Raw Material, Work-in-progress and Finished Goods are valued at the lower of cost and net realizable value. With respect to Work-in-progress and Finished Goods, cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Work-in-progress and Finished Goods to their present location and condition. The Company is an integrated textile manufacturer and the inventory primarily comprises of diversified range and quality of yarn, fabric and garments and its valuation depends on the quality of the item as per the specification received from the customers and its stage of manufacturing, quality and date of purchase of the raw material and other inputs and efficiency of the manufacturing facility. The Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation. The Company maintains its inventory levels based on forecast demand and expected future selling prices. Considering that the Company is having substantial inventory, the carrying value of which is material in the context of total assets of the Company and the valuation thereof involves significant level of subjectivity, judgment and estimation, as detailed above, the same has been considered as Key Audit Matter by us during our audit.

Description of Auditors' Response

Audit Procedure included, but not limited to the following:

- Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards.
- Obtaining an understanding of the Company's process of valuation of the stock, which is done through the computer software.
- Evaluating the design and implementation of the Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples.
- Performing substantive procedures to test the reasonableness of the cost allocation methods and basis for allocation of various conversion costs including the direct and indirect cost.
- Evaluating the process of ascertaining the realizable value of the inventory by comparing the actual sales of the same type of the material and its realization etc.
- Comparing the inventory valuation process of the Company with the industry practices and norms.

Based on the above procedures performed, the determination of Inventory valuation of Raw Material, Work-in-progress and Finished Goods as at the reporting date is considered to be reasonable.

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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and



Shareholder's Information, but does not include the Standalone financial statements, Consolidated financial statements and our auditor's report thereon.

6. Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Based on the work we have performed on other information, if we conclude that there is a material misstatement, if any, of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

8. 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 specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and

application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the Standalone Financial Statements, the Board of Directors is 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.
10. Those 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

11. 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.



12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- a) 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.
 - b) Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
 - e) 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.
13. 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.
14. 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.
15. 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

16. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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 on its financial position in its Standalone financial statements - Refer note no: 38 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 has been no delay in transferring amounts 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 whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material mis-statement
- vi) The company has not declared or paid any dividend during the year.
- vi) a) 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. The audit trail function has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit we did not come across any instance of audit trail feature being tampered with.
- b) Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **P N RAGHAVENDRA RAO & CO.,**
Chartered Accountants
Firm Registration Number: 003328S

P R Vittel
(Partner)

Membership Number: 018111
UDIN: 26018111SDECLD1190

Place : Coimbatore
Date : 29th May 2026

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of **Bannari Amman Spinning Mills Limited** on the Standalone financial statements for the year ended March 31, 2026

- i. a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
B) The Company has maintained proper records showing full particulars of intangible assets under development.
- b) The Company has physically verified property, plant and equipment in regular intervals during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment.
- c) In our opinion and according to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the company. In respect of immovable properties taken on lease and disclosed as right-of-use assets in the Standalone financial statements, the lease agreements are in the name of the Company.
- d) The Company has not revalued any of its property, plant and equipment (including right of use assets) during the year.
- e) According to the information and explanations given to us, no proceedings have been 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 at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been sanctioned, during the year, working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Quarterly Returns or Statements filed by the company with the banks are in agreement with the books of accounts of the company.
- iii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments during the year.



Reporting under sub-clause a of clause (iii) are as follows;

(Amount Rs. in lakhs)

a)

Particulars	Guarantees	Loans
A) Aggregate amount granted / provided during the year		
- Subsidiaries	Nil	Nil
- Others	Nil	Nil
B) Balance outstanding as at balance sheet date in respect of loans/guarantees provided		
- Subsidiaries	Nil	550.00
- Others	Nil	Nil

- b) In our opinion and according to the information and explanations given to us, the investments made, loans granted and their terms and conditions are not prejudicial to the interests of the Company.
- c) In respect of the loans provided by the Company, the schedule of repayment of principal has been stipulated and the repayments or receipts are yet to commence as per stipulations.
- d) As per explanations provided to us and based on audit procedures conducted, there is no amount overdue as at the Balance sheet date.
- e) As per explanations provided to us and based on the examination of records, the Company has not granted any loans/advances to its subsidiary during the year.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to promoters, related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013.
- iv. In our opinion and according to the information and the explanations given to us, the Company has not granted any loans or provided any guarantees or securities to the parties covered under the section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans provided.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, reporting under paragraph 3(v) is not applicable to the Company.
- vi. As per the information and explanations given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, Goods and Service Tax, duty of customs, cess and any other material statutory dues, as applicable.



There are no undisputed Statutory dues in respect of Provident Fund, Employee's State Insurance, Income tax, Goods and Service Tax, duty of customs, cess and any other statutory dues outstanding as at 31.03.2026 for a period of more than 6 months from the date they became payable.

- b) According to the information and explanations given to us, the details of statutory dues referred in sub-clause (a) which have not been deposited as on March 31, 2026 on account of disputed dues are given below:

Name of the Statute	Nature of Dues	Amount	Period to which demand relates	Forum where dispute is pending
Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003	TANGEDCO Dues	905.95	August 2011 to March 2025	Supreme Court of India
		80.61	September 2012 to May 2015	Madras High Court
		783.41	September 2013 to March 2025	
Income Tax Act, 1961	Income Tax	137.17	Financial Year 2023-24	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us and on the basis of our examination of the books of account, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) According to the information and explanations given to us, the Company has not made any default in repayment of dues to banks, financial institutions and other lenders during the year.
- b) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institutions or any other lender.
- c) According to the information and explanations given to us, the Company has availed term loan during the year and was applied for the purpose for which the loan was obtained.
- d) According to the information and explanations given to us and based on our overall examination of Standalone Financial Statements of the Company, the funds raised on short term basis by the Company during the year have not been utilized for long term purposes.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence, reporting under clause(ix)(e) of the Order is not applicable.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and hence, reporting under clause(ix)(f) of the Order is not applicable.
- x. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised money by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year. The Company has made a



Rights Issue of Shares during the year and the funds so raised have been applied by the Company for the purposes for which they were raised.

- b) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has made preferential allotment of convertible equity share warrants during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013, have been complied with. The Company has utilized funds raised by way of preferential allotment of said equity share warrants for the purpose for which the funds were raised.
- xi. a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, reporting under clause 3(xi)(a) of the Order is not applicable to the Company.
b) According to the information and explanations given to us, no report under Section 143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government during the year and up to the date of this report. Accordingly, reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year. Accordingly, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Note no 42 to the Standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
b) The Reports of the Internal Auditors of the Company issued till the date of the audit report for the period under audit were considered by us.
- xv. According to the information and explanations given to us, in our opinion during the year, the Company has not entered into any non-cash transactions with the directors or persons connected with the directors and hence provisions of Section 192 of the Act are not applicable to the Company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) (a) of the Order is not applicable.



- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) (b) of the Order is not applicable.
 - c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the paragraph 3(xvi) (c) of the Order is not applicable.
 - d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the paragraph 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year and accordingly this clause 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, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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 facts 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.
- xx. a) According to the information and explanations given to us and based on our examination of the records, the Company is not required to spend any amount in accordance with section 135 of the Act. Hence reporting under paragraph 3(xx)(a) is not applicable.
- b) The Company does not have any ongoing projects and there are no unspent amounts pursuant to ongoing projects that are required to be transferred to a special account in compliance of provision of section 135(6) of the Act.

For **P N RAGHAVENDRA RAO & CO.,**
Chartered Accountants
Firm Registration Number: 003328S

P R Vittel
(Partner)

Place : Coimbatore
Date : 29th May 2026

Membership Number: 018111
UDIN: 26018111SDECLD1190



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Bannari Amman Spinning Mills Limited on the Standalone financial statements for the year ended March 31, 2026

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of

Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Bannari Amman Spinning Mills 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

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:
- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - b) 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 authorization of management and directors of the Company; and
 - c) 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **P N RAGHAVENDRA RAO & CO.,**
Chartered Accountants
Firm Registration Number: 003328S

P R Vittel
(Partner)

Membership Number: 018111
UDIN: 26018111SDECLD1190

Place : Coimbatore
Date : 29th May 2026


STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1 Non-current assets			
a) Property, plant and equipment (incl. Right-of-use assets)	3A	51,591.23	47,646.47
b) Capital work-in-progress	3B	1,055.02	1,509.07
c) Intangible Assets under Development	3C	658.59	-
d) Financial Assets			
i) Investments	4	650.23	390.19
ii) Loans	5	820.55	771.05
iii) Other financial assets	6	1,383.35	1,552.59
e) Other non-current assets	7	148.42	138.20
Total non-current assets (A)		56,307.39	52,007.57
2 Current assets			
a) Inventories	8	19,481.03	21,728.27
b) Financial Assets			
i) Trade receivables	9	16,804.49	15,737.10
ii) Cash and cash equivalents	10A	280.97	320.71
iii) Bank balances other than II) above	10B	290.22	240.06
iv) Loans	11	34.63	41.23
v) Other financial assets	12	2,315.03	1,907.66
c) Other current assets	13	3,713.89	3,996.00
Total Current assets (B)		42,920.26	43,971.03
3 Assets classified as held for sale (C)	53	211.74	4,780.11
Total Assets (A) + (B) + (C)		99,439.39	100,758.71
EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	14	3,996.07	3,242.09
b) Other equity	15	44,332.07	39,031.41
Total Equity (D)		48,328.14	42,273.50
Liabilities			
2 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	16	8,644.36	14,286.11
ii) Lease liabilities	17, 46	59.90	27.45
b) Deferred tax liabilities (net)	44	1,844.69	1,059.43
Total Non-current liabilities (E)		10,548.95	15,372.99
3 Current liabilities			
a) Financial liabilities			
i) Borrowings	18	30,942.93	32,379.17
ii) Lease liabilities	19, 46	46.77	32.95
iii) Trade payables			
- Total outstanding dues of Micro and Small Enterprises	20	2,381.08	940.76
- Total outstanding dues other than Micro and Small Enterprises		3,768.89	4,210.02
iv) Other financial liabilities	21	104.72	168.22
b) Other current liabilities	22	3,124.59	2,397.12
c) Provisions	23	153.51	131.30
d) Current tax liabilities (Net)	24	39.81	102.68
d) Liabilities directly associated with Assets classified as held for sale/ Discontinued operations		-	2,750.00
Total Current liabilities (F)		40,562.30	43,112.22
Total Equity and Liabilities (D) + (E) + (F)		99,439.39	1,00,758.71
Material Accounting Policies	2		
The accompanying notes form an integral part of the Standalone Financial Statements			

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



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

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
INCOME			
I Revenue from Operations	25	87,032.40	88,735.86
II Other Income	26	709.66	294.26
III Total Income (I+II)		87,742.06	89,030.12
IV EXPENSES			
Cost of materials consumed	27	56,887.41	65,457.55
Purchase of Stock-in trade	28	-	971.12
Changes in inventories of finished goods and work-in-progress	29	3,053.98	(3,649.20)
Employee benefit expense	30	8,053.45	8,085.43
Finance costs	31	4,302.89	4,502.16
Depreciation and amortization expense	32	2,633.95	2,522.47
Other expenses	33	10,443.61	11,411.14
Total Expenses (IV)		85,375.29	89,300.67
V Profit before exceptional item and tax (III-IV)		2,366.77	(270.55)
VI Exceptional items		-	-
VII Profit / (Loss) before tax (V-VI)		2,366.77	(270.55)
VIII Tax expense:			
1) Current tax - current year		368.74	-
2) Current tax - Prior years		(483.66)	-
3) Deferred tax Expenses / (Savings)		791.95	(152.77)
		677.03	(152.77)
IX Profit / (Loss) for the period from continuing operations (VII-VIII)		1,689.74	(117.78)
X Profit / (Loss) from discontinued operations		(191.44)	4,390.87
XI Tax Expense / (Savings) of discontinued operations		(66.90)	587.04
Current Tax		-	721.82
Deferred Tax		(66.90)	(134.78)
XII Profit / (Loss) from discontinued operations after tax (X-XI)		(124.54)	3,803.83
XIII Profit / (Loss) for the period (IX+XII)		1,565.20	3,686.05
XIV Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss			
a) Remeasurement of Defined benefit plans		172.28	15.41
b) Gain/loss on equity instruments designed at FVTOCI		(0.01)	3.35
ii) Income tax relating to items that will not be reclassified to profit or loss		(60.20)	(5.38)
Other Comprehensive Income/(Loss) for the period		112.07	13.38
Total Comprehensive Income/(Loss) for the period (XIII+XIV)		1,677.27	3,699.43
XV Earnings per equity share of Rs. 5/- each (for continuing operations)			
Basic and Diluted (in Rs.)		2.17	(0.19)
XVI Earnings per equity share of Rs. 5/- each (for discontinued operation)			
Basic and Diluted (in Rs.)		(0.25)	6.05
XVII Earnings per equity share of Rs. 5/- each (for discontinued & continuing operations)			
Basic and Diluted (in Rs.)		1.92	5.86
Material Accounting Policies	2		
The accompanying notes form an integral part of the Standalone Financial Statements			

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer


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

(Rs. in Lakhs)

Particulars	No. of shares	Amount
a) Equity share capital		
Balance as at the April 1, 2024	64,841,871	3,242.09
Add : Changes during the year	-	-
Balance as at March 31, 2025	64,841,871	3,242.09
Balance as at April 1, 2025	64,841,871	3,242.09
Add: Shares issued on rights issue basis	15,079,504	753.98
Balance as at March 31, 2026	79,921,375	3,996.07

b) Other equity

(Rs. in Lakhs)

Particulars	Reserves and surplus			Items of other comprehensive income		Money received against share warrants	Total other equity
	Securities premium account	General reserve	Retained earnings	Remeasurements of the defined benefit liabilities /(asset)	Equity instruments through other comprehensive income		
Balance as at April 1, 2024	16,129.03	16,295.22	2,170.34	125.68	4.45		34,724.72
Profit / (loss) for the year	-	-	3,686.05	-	-	-	3,686.05
Dividend paid	-	-	-	-	-	-	-
Rights issue expenses	(47.74)	-	-	-	-	-	(47.74)
Part amount received during the year	-	-	-	-	-	655.00	655.00
Other comprehensive income (net of taxes)	-	-	-	10.03	3.35	-	13.38
Balance as at March 31, 2025	16,081.29	16,295.22	5,856.39	135.71	7.80	655.00	39,031.41
Balance as at April 1, 2025	16,081.29	16,295.22	5,856.39	135.71	7.80	655.00	39,031.41
Profit / (loss) for the year	-	-	1,565.20	-	-	-	1,565.20
Dividend paid	-	-	-	-	-	-	-
Security Premium on Rights issue	3,317.49	-	-	-	-	-	3,317.49
Rights issue expenses	(69.10)	-	-	-	-	-	(69.10)
Part amount received during the year	-	-	-	-	-	375.00	375.00
Other comprehensive income (net of taxes)	-	-	-	112.08	(0.01)	-	112.07
Balance as at March 31, 2026	19,329.68	16,295.22	7,421.59	247.79	7.79	1,030.00	44,332.07

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

P R Vittel
Partner
Membership No: 018111

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer

Coimbatore
29.05.2026



STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (loss) before tax from Continuing and Discontinued operations		2,175.33		4,120.32
Adjustments for:				
Depreciation expense	2,633.95		2,522.47	
(Profit) / loss on sale of property, plant and equipment	(516.90)		21.23	
(Profit) / loss on disposal of asset held for sale	(151.85)			
(Profit) / loss on sale of investments	-		(5,348.00)	
Finance costs	4,469.27		4,727.40	
Interest income	(119.91)		(170.00)	
Doubtful trade receivables and bad debts written off	(228.78)		46.82	
Gain on termination of lease	(0.31)		(0.06)	
Sundry creditors written back	(0.01)		-	
Net unrealised exchange (gain)/loss	(52.13)		(116.66)	
		6,033.33		1,683.20
Operating profit before working capital changes		8,208.66		5,803.52
Changes in working capital :				
Adjustments for increase / (decrease) in operating assets:				
Financial assets				
Trade receivables	(786.48)		1,248.81	
Loans	(42.90)		(71.24)	
Other financial assets	(174.34)		(534.39)	
Non-financial assets				
Inventories	2,247.24		(579.87)	
Other non-financial assets	444.17		1,267.21	
Adjustments for increase / (decrease) in operating liabilities:				
Financial liabilities				
Trade payables	999.19		(4,784.25)	
Other financial liabilities	(13.84)		61.69	
Non-financial liabilities				
Provisions	22.21		(5.20)	
Other non-financial liabilities	727.48		130.86	
		3,422.73		(3,266.38)
Net income tax paid		11,631.39		2,537.14
		52.05		(328.11)
Net cash flow from/(used in) operating activities (A)		11,683.44		2,209.03
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(7,116.38)		(2,605.76)	
Margin money deposits	(50.16)		(228.83)	
Sale of Investments	-		7,949.04	
Purchase of investments	(260.03)		231.22	
Proceeds from sale of property, plant and equipment	938.07		-	
Proceeds from Asset held for Sale	1,970.22		-	
Interest received	56.12		140.83	
Net cash flow from/(used in) investing activities (B)		(4,462.16)		5,486.50


STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayment) of non-current borrowings	(5,027.77)		(4,518.50)	
Increase/(Decrease) in working capital borrowings	(2,050.22)		547.95	
Proceeds from issuing share warrants	375.00		655.00	
Repayment of lease liabilities	(41.46)		(42.10)	
Interest paid on lease liability	(11.32)		-	
Right issue expenses	(69.11)		(47.74)	
Proceeds from issue of shares	4,071.47		-	
Finance costs paid	(4,507.61)		(4,756.79)	
Net cash flow from/(used in) financing activities (C)		(7,261.02)		(8,162.18)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(39.74)		(466.65)
Add: Cash and cash equivalents at the beginning of the year		320.71		787.36
Cash and cash equivalents at the beginning of the year*		280.97		320.71
Cash and cash equivalents as per Cash Flow Statement				
* Comprises:				
a) Cash on hand	3.71		1.75	
b) Cheques/drafts on hand	2.00		15.61	
c) Balances with banks:				
i) In current accounts	275.26		303.35	
Total		280.97		320.71

As per our report of even date

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

For and on behalf of the board

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADHASIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
1.	Corporate information "Bannari Amman Spinning Mills Limited (the "Company") is an integrated textile company engaged in the manufacture of cotton yarn, knitted & woven fabrics, processing of fabrics, finished garments, home textiles and wind power generation. The Company was incorporated on 10th July 1989 and issued shares to the public in the year 2006. The Standalone Financial Statements were approved for issue by the Board of Directors on May 29, 2026."
2.	Material accounting policies This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.
2.1	Basis of accounting and preparation of financial statements i) Compliance with Ind AS "The Standalone Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) (Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act as amended from time to time. The Company has consistently applied accounting policies to all periods." ii) Historical cost convention The financial statements have been prepared on a historical cost basis, except for the following: a) Certain property, plant and equipment, financial assets and liabilities that are measured at fair value b) Defined benefit plans – plan assets measured at fair value c) Assets held for sale – measured at the lower of their carrying amount and the fair value less cost to sell. iii) Functional and presentation currency The standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	iv) Current/Non-Current Classification: The Company has classified all the assets and liabilities as current and non-current based on the normal operating cycle of the Company and other criteria as set out in the Schedule III of Companies Act, 2013. 'Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. v) Rounding of amounts All the financial informations included in the standalone financial statements have been rounded off to the nearest rupees in lakhs and two decimals thereof, as per the requirement of Schedule III to Companies Act, 2013 unless stated otherwise 2.2 Use of estimates and judgement In the preparation of these Standalone Financial Statements, management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. a) Impairment of investments in subsidiaries The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for." b) Useful lives of property, plant and equipment The Company reviews the useful life of property, plant and equipment at the end of



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	each reporting period. This assessment may result in change in the depreciation expense in future periods. Useful life in years : Factory building - 30, Building (non factory) - 60, Plant and machinery (main) - 30, Plant and machinery (others) - 15, Office equipments - 5, Furniture & fittings - 10, Vehicles - 8, Solar - 25." c) Deferred tax assets The carrying amount of deferred tax asset is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered." d) Employee benefits The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.
2.3	Inventories Inventories are valued at lower of cost and net realisable value including necessary provision for obsolescence. The cost of inventories shall comprise all costs of purchase , conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. Value of finished goods and work-in-progress are determined on weighted average basis and include appropriate share of overheads." Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.
2.4	Cash and cash equivalents Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits. Cash and cash equivalent in the Standalone Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn. 2.5 Cash flow statement Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of tax expenses, transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. 2.6 Taxes on income a) Current tax The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit / (loss) before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantially enacted and are applicable as at the end of the reporting period. In the absence of adequate taxable profits, the Company is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. b) Deferred tax Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. c) Current and deferred tax for the year Current and deferred tax are recognised in the Standalone Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.
2.7	a) Property, plant and equipment The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss. Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under other non-current assets. b) Capital work-in-progress Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses. c) Other Intangibles Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are Probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor and overhead costs that are directly attributable to prepare the asset for its intended use. d) Depreciation and Amortisation Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 on a systematic basis except in respect of the following assets which are considered based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., Depreciation is provided pro-rata from the date of Capitalisation. Plant and Machinery - 25 to 30 years Windmill - 30 years Factory Building - 30 to 60 years Solar - 25 years" The Company reviews the residual values, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.
2.8	Leases The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at the 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 time in exchange for a consideration. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received." The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments relating to those leases as an expense on a straight-line basis over the lease term." 2.9 Revenue recognition i) Sale of goods Revenue from sale of goods is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component. Revenue from the sale of goods is measured at the transaction price of the consideration received or receivable which includes fixed, variable or both amounts , (excluding amounts collected on behalf of third parties) net of returns and allowances, trade discounts and volume rebates." ii) Time and material Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	iii) Dividend and interest income Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. iv) Other operating revenue Income incidental to exports such as duty drawback, Merchandise Exports from India Scheme (MEIS), income from import entitlement and premium on sale of such entitlement are recognised on accrual basis in the year of exports based on eligibility when there is a reasonable probability of collection. v) Insurance claims Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
2.10	Employee benefits Employee benefits include Provident Fund, Employee State Insurance, Gratuity Fund and Compensated Absences. a. Retirement benefit costs and termination benefits Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), are reflected in the Standalone balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. b. Defined benefit costs are categorised as follows -service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); -net interest expense or income; and -remeasurement For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India. The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs. c. Short-term and other long term employee benefits A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.
2.11	Foreign currency transactions and translations Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities measured in terms of historical cost in foreign currencies are not retranslated. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.
2.12	Borrowing cost Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.
2.13	Earnings per share Basic earnings per share is computed by dividing the net profit after tax and before other comprehensive income attributable to ordinary equity shareholders, by the weighted



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	average number of equity shares outstanding during the period, adjusted for rights issue of equity shares during the period. 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 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.
2.14	Provisions and contingencies A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
2.15	Financial instruments A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the transaction value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, financial liabilities like loans and borrowings and payables are recognised net of directly attributable transaction costs. a) Non-derivative financial assets i) Financial assets at amortised cost A financial asset shall be measured at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition. Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item. ii) Equity instruments at FVTOCI All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to statement of profit and loss. iii) Financial assets at FVTPL FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. iv) Derecognition of financial assets The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. b) Non-derivative financial liabilities i) Financial liabilities at amortised cost Financial liabilities at amortised cost represented by borrowings, trade and other payables. Borrowings are initially recognized at net of transaction costs incurred subsequently carried at amortized cost using the effective interest rate method and all other financial liabilities are recognised at the transaction value. ii) Financial liabilities at FVTPL Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance costs' line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss. For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit or loss. iii) Derecognition of non-derivative financial liabilities The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.
2.16	Fair Value Measurement 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: i) In the principal market for the asset or liability, or ii) In the absence of a principal market, in the most advantageous market for the asset or liability. 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 best economic interest. A fair value measurement of a non-



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	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 financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities. ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable." For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) 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 the fair value hierarchy as explained above. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. At initial recognition, the Company measures a financial asset, except trade receivable at its fair value plus, 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. Trade receivables are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of Profit and Loss. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
2.17	cost, equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition. Impairment a) Financial Assets In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider : i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument. ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. As practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below: Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount. b) Non-financial assets The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").
2.18	Segment reporting The Managing Director of the Company has been identified as the Chief Operating Decision maker. The Company's operations relate to only one business segment, viz., Textiles and thus it has only one reportable business segment. The geographical segment information as required by Ind AS 108 - Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision maker for the purpose of making decisions about allocating resources and assessing its performance.



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
2.19	Non-Current Assets held for sale and Discontinued Operations a. Non-Current Assets held for sale The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuous use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortized while they are classified as held for sale. b. Discontinued Operations Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. The Company re-presents the aforesaid disclosures in respect of discontinued operations for all the periods presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.
2.20	Government grants Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and(ii) the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions,



Notes to the standalone financial statements for the year ended March 31, 2026

Note No.	Particulars
	with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. Government Grant is recognised in the Standalone Statement of Profit and Loss Account either as Other Operating Revenue or Other Income or adjusted against the expenses depending upon the nature of the grant.
2.21	Events after Reporting date Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.
2.22	Recent Pronouncements 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. In May 2025, amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements. In August 2025, amendments to Ind AS 1 - Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non - current and non-current liabilities with covenants. There is no impact of these amendments in its classification criteria of current and non-current liabilities. In August 2025, amendments in Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. 1st April 2025 - regarding supplier finance arrangements and it does not have any significant impact in its financial statements. Also in August 2025, MCA notified the amendments in Ind As 12, Taxes on Income introducing Pillar Two model rules for accounting Tax expense. The amendments are not applicable to the Company.



Notes to the standalone financial statements for the year ended March 31, 2026

3A Property, Plant and Equipment incl. Right-of-use Assets

(Rs. in Lakhs)

Description of Assets	Right of Use - Land & Building	Own land	Building - own	Building on leasehold land	Plant and machinery	Office equipment	Furniture and fittings	Vehicles	Tools and implements	Total
I. Gross										
Balance as at April 1, 2024	488.60	4,933.99	13,409.71	506.40	45,659.19	427.32	446.55	168.01	1.88	66,041.65
Additions	27.53	-	47.33	-	2,219.49	26.41	12.97	-	-	2,333.73
Disposals	(0.75)	-	-	-	(417.98)	-	-	(2.44)	-	(421.17)
Transferred to assets held for sale *	-	56.72	-	-	-	-	-	-	-	56.72
Balance as at March 31, 2025	515.38	4,990.71	13,457.04	506.40	47,460.70	453.73	459.52	165.57	1.88	68,010.93
Additions	91.86	-	3.04	-	6,815.80	26.24	66.76	-	-	7,003.70
Disposals	(3.82)	(10.21)	(407.59)	-	(136.03)	(2.54)	-	(27.67)	-	(587.86)
Reclassified from assets held for sale *	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2026	603.42	4,980.50	13,052.49	506.40	54,140.47	477.43	526.28	137.90	1.88	74,426.77
II. Accumulated depreciation										
Balance as at April 1, 2024	374.95	-	3,472.44	62.57	13,324.72	403.91	282.88	88.41	0.09	18,009.97
Depreciation expenses for the year	36.74	-	472.97	14.91	1,931.72	19.05	36.32	10.76	-	2,522.47
Disposals	-	-	-	-	(165.72)	-	(2.26)	-	-	(167.98)
Transferred to assets held for sale *	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	411.69	-	3,945.41	77.48	15,090.72	422.96	316.94	99.17	0.09	20,364.46
Depreciation expenses for the year	44.03	-	465.24	14.91	2,052.58	21.78	27.04	8.37	-	2,633.95
Disposals	-	-	(83.95)	-	(52.88)	(2.28)	-	(23.75)	-	(162.86)
Transferred to assets held for sale *	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2026	455.72	-	4,326.70	92.39	17,090.42	442.45	343.98	83.79	0.09	22,835.54
Net (I-II)										
Balance as at March 31, 2025	103.69	4,990.71	9,511.63	428.92	32,369.98	30.78	142.58	66.40	1.79	47,646.47
Balance as at March 31, 2026	147.70	4,980.50	8,725.79	414.01	37,050.05	34.98	182.30	54.11	1.79	51,591.23

Refer Note 16 & 18 for the details of Property, Plant and Equipments pledged against the borrowings of the Company and Note No. 53 for asset held for sale.

(Rs. in Lakhs)

3B

Capital work in progress	As at March 31, 2026	As at March 31, 2025
Opening balance	1,509.07	1,009.26
Add: Additions during the year	2,303.54	1,509.07
Less: Capitalised during the year	(2,757.59)	(1,009.26)
Closing balance	1,055.02	1,509.07



Notes to the standalone financial statements for the year ended March 31, 2026

(Rs. in Lakhs)

Capital work in progress	Amount of Capital work in progress for a period of				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress					
As at March 31, 2026	1,055.02	-	-	-	1,055.02
As at March 31, 2025	1,509.07	-	-	-	1,509.07

Note: There are no projects suspended as at March 31, 2026 and March 31, 2025. There are no items of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan in current and previous year.

3C Intangible Asset under development

(Rs. in Lakhs)

Intangible Asset under development	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Add: Additions during the year	658.59	-
Less: Capitalised during the year	-	-
Closing balance	658.59	-

(Rs. in Lakhs)

Intangible Asset under development	Amount of Intangible Asset under development for a period of				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress					
As at March 31, 2026					
Projects In Progress	658.59	-	-	-	658.59
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025					
Projects In Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-


Notes to the standalone financial statements for the year ended March 31, 2026
4 Investments

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
I. Quoted Investments (fully paid) carried at fair value through other comprehensive income		
Investments in equity instruments - others		
i) 250 (PY: 250) Equity shares of Rs.10/- each in Bannari Amman Sugars Limited	9.06	9.09
ii) 34 (PY: 34) Equity shares of Rs.10/- each in Moil Limited	0.12	0.11
Total Quoted Investments (A)	9.18	9.20
II. Unquoted investments (fully paid)		
i) Investments in Equity instruments - subsidiary (carried at cost)		
10,000 (PY: 10,000) Equity shares of Rs.10/- each in Bannari Infotech Private Limited (Formerly Bannari Amman Infinite Trendz Private Limited (wholly owned subsidiary))	1.00	1.00
ii) Investments in Equity instruments - others (carried at cost)		
15,000 (PY: 15,000) Equity shares of Rs.10/- each in OPG Metal Power Limited	1.50	1.50
1,44,000 (PY: 1,44,000) Equity shares of Rs.11/- each in OPG Power Generation Private Limited	16.56	16.56
1900 (PY: 300) Equity shares of Rs.100/- each in Hypkrt Power Private Limited	1.90	1.90
36,00,000 (PY: 36,00,000) Equity shares of Rs.10/- each in Nellai renewables Private Limited	360.00	360.00
4818 (PY Nil) Equity shares of Rs.10/- each in UVMAR Green Energies 6 Private Limited	152.97	-
5270 (PY Nil) Equity shares of Rs.10/- each in Adithyas Renewables Private Limited	107.09	-
iii) Investments in Government securities (carried at cost)		
Kisan Vikas Patra	0.03	0.03
Total Unquoted Investments (B)	641.05	380.99
Total (A) + (B)	650.23	390.19
Aggregate cost of quoted investments	0.37	0.37
Aggregate market value of quoted investments	9.18	9.20
Aggregate amount of unquoted investments	641.05	380.99
Aggregate amount of impairment in value of investments	-	-



Notes to the standalone financial statements for the year ended March 31, 2026

5 Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans to related parties (Unsecured, considered good)		
Inter corporate deposit	550.00	550.00
Interest on inter corporate deposit	270.55	221.05
Total - Loans	820.55	771.05

6 Other financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	1,383.35	1,552.59
Total - Other financial assets	1,383.35	1,552.59

7 Other non-current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	33.32	23.12
Advance to related parties	115.10	115.08
Total - Other non-current assets	148.42	138.20

8 Inventories

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	8,281.50	6,922.98
Goods in transit (Raw materials)	836.84	1,388.99
Work-in-progress	2,503.40	2,263.66
Finished goods	7,089.36	10,383.08
Stores and spares	769.93	769.56
Total - Inventories	19,481.03	21,728.27


Notes to the standalone financial statements for the year ended March 31, 2026
9 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Trade receivable considered good - Unsecured	16,804.49	15,737.10
b) Trade receivable - which have significant increase in Credit Risk	464.98	597.20
c) Trade receivable - Credit impaired	575.49	672.05
	17,844.96	17,006.35
Less: Allowance for expected credit loss	(1,040.47)	(1,269.25)
Total - Trade receivables	16,804.49	15,737.10

Trade receivables ageing schedule

(Rs. in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2026						
a) Undisputed Trade Receivables - considered good	15,140.43	159.98	807.66	288.38	154.65	16,262.72
b) Undisputed Trade Receivables - which have significant increase in credit risk	-	14.08	1.88	-	22.05	38.01
c) Undisputed Trade Receivables - credit impaired	-	20.24	1.43	13.85	244.95	280.45
d) Disputed Trade Receivables - considered good	-	144.53	53.78	-	343.46	541.77
e) Disputed Trade Receivables - which have significant increase in credit risk	-	24.46	59.06	-	343.46	426.97
f) Disputed Trade Receivables - credit impaired	-	-	0.11	3.67	291.26	295.04

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2025						
a) Undisputed Trade Receivables - considered good	14,823.13	376.85	64.51	10.92	77.97	15,353.38
b) Undisputed Trade Receivables - which have significant increase in credit risk	0.33	23.86	29.33	6.14	110.34	169.99
c) Undisputed Trade Receivables - credit impaired	-	3.21	23.30	87.21	338.68	452.40
d) Disputed Trade Receivables - considered good	-	24.77	15.49	-	343.46	383.72
e) Disputed Trade Receivables - which have significant increase in credit risk	-	78.59	5.16	-	343.46	427.21
f) Disputed Trade Receivables - credit impaired	-	0.11	31.98	52.45	135.11	219.65



Notes to the standalone financial statements for the year ended March 31, 2026

10A Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks in current and cash credit account	275.26	303.35
Cheques, drafts on hand	2.00	15.61
Cash on hand	3.71	1.75
Total	280.97	320.71

10B Bank balances other than above

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked balances with banks		
a) Unclaimed dividend accounts	0.67	1.34
b) Fixed assets deposits	160.28	150.00
c) Deposits with Banks held as margin money	129.27	88.72
Total	290.22	240.06

11 Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee advances (Unsecured, considered good)	34.63	41.23
Total	34.63	41.23

12. Other Financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on deposits	118.55	54.76
TUF subsidy receivable	749.48	825.90
Other Receivables	1,447.00	1,027.00
Total	2,315.03	1,907.66


Notes to the standalone financial statements for the year ended March 31, 2026
13 Other current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	796.69	994.10
Advances to Suppliers	477.97	757.03
Balances with government authorities :		
- Duty drawback and other exports benefits receivable	145.61	299.08
- GST receivable	1,946.52	1,766.47
- ESI Deposit	7.58	7.58
Gratuity	339.52	171.74
Total	3,713.89	3,996.00

14 Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
15,00,00,000 Equity shares of Rs. 5 each (PY: 15,00,00,000 Equity shares of Rs. 5 each)	7,500.00	7,500.00
	7,500.00	7,500.00
Issued, Subscribed and fully paid up share capital		
7,99,21,375 Equity shares of Rs. 5 each (PY: 6,48,41,871 Equity shares of Rs. 5 each)	3,996.07	3,242.09
	3,996.07	3,242.09

i) Authorised Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (in lakhs)	Number of shares	Amount (in lakhs)
Equity shares				
At the beginning of the period	15,00,00,000	7,500.00	15,00,00,000	7,500.00
Add: Increase of shares during the year	-	-	-	-
At the end of the period	15,00,00,000	7,500.00	15,00,00,000	7,500.00



Notes to the standalone financial statements for the year ended March 31, 2026

ii) Paid up Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (in lakhs)	Number of shares	Amount (in lakhs)
Equity shares				
At the beginning of the period	64,841,871	3,242.09	64,841,871	3,242.09
Add: Issue of shares on rights basis	15,079,504	753.98	-	-
At the end of the period	79,921,375	3,996.07	64,841,871	3,242.09

iii) Terms/rights and restrictions in respect of equity shares

The Company has issued only one class of equity share having a face value of Rs.5/- per share. The holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. The dividend proposed, if any, by Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

iv) Details of shares held by the holding company

Name of the shareholders	No. of shares	
	As at March 31, 2026	As at March 31, 2025
Equity shares		
Murugan Enterprise Private Limited #	3,87,53,273	3,51,91,255

Pursuant to the allotment of Equity Shares under the Rights Issue, the shareholding of the Holding Company, Murugan Enterprise Private Limited, has reduced from 54.29% to 48.49% and accordingly, the Company has ceased to be a subsidiary and has become an associate of Murugan Enterprise Private Limited as at 31.3.2026.

v) Shareholders holding more than 5% shares in the company :

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
Murugan Enterprise Private Limited	3,87,53,275	48.49	3,51,91,255	54.27

vi) Shareholding of Promoters

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
Murugan Enterprise Private Limited	3,87,53,275	48.49	3,51,91,255	54.27
S V Arumugam	8,49,071	1.06	6,88,869	1.06


Notes to the standalone financial statements for the year ended March 31, 2026
15 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Securities premium		
Opening balance	16,081.29	16,129.03
Add: Securities premium on rights issue of equity shares	3,317.49	-
Less : Rights issue expenses	(69.10)	(47.74)
Closing balance	19,329.68	16,081.29
b. General reserve		
Opening balance	16,295.22	16,295.22
Add : Transfer from Retained Earnings	-	-
Closing balance	16,295.22	16,295.22
c. Retained Earnings		
Opening balance	5,856.39	2,170.34
Add : Profit / (loss) for the current year	1,565.20	3,686.05
Closing balance	7,421.59	5,856.39
d. Other Comprehensive Income		
Opening balance	143.51	130.13
Add : Movement during the year	112.07	13.38
Closing balance	255.58	143.51
e. Money received against share warrants		
Opening balance	655.00	-
Add : Movement during the year	375.00	655.00
Closing balance	1030.00	655.00
Total Other Equity (a+b+c+d+e)	44,332.07	39,031.41

- Notes : A. Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.
- B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, Bonus issue, etc.
- C. Retained earnings do not contain any amount of revaluation reserve which was transferred to Retained earnings on the transition date, which may not be available for distribution.
- D. Other comprehensive income represents the cumulative gain/loss arising on remeasurement of defined benefit obligation and fair value changes of financial assets measured at FVTOCI. This would not be reclassified to Statement of Profit and Loss.
- E. The Company has allotted 42,25,806 partly paid Equity Share Warrants of face value Rs. 5 each to promoters and non-promoters for a value of Rs. 62 each and 41,66,660 partly paid Equity Share warrants of face value Rs. 5 each to promoters for a value of Rs. 36 each, which are convertible into equity shares within a period of 18 months from the date of allotment. During the year, a part amount representing 25% of the value aggregating to Rs. 375 Lakhs has been received in addition to Rs. 655 lakhs received during previous year.



Notes to the standalone financial statements for the year ended March 31, 2026

16 Borrowings - Non Current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured Borrowings		
- Term loan from banks (Refer note 1 to 6 of Note - I)	15,760.01	19,743.51
- Term loan from others (Refer note 7 of Note - I)	-	264.27
Less : Current maturities of long term debt	(7,535.65)	(6,921.67)
Unsecured Borrowings		
- Loans from Related Parties (Refer note 8 of Note - I)	420.00	1,200.00
Total - Borrowings	8,644.36	14,286.11

Note : I

Details of terms of repayment and security provided in respect of secured term loans :

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1 ICICI Bank Limited		
ICICI Bank Limited- GECLS	1,799.68	2,496.33
Less: Current maturities of long term debt	(696.65)	(696.65)
Total	1,103.03	1,799.68

Security for Term Loan - GECLS:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and second pari passu charge on the entire property, plant and equipment of the Company.

Repayment:

Term Loan (GECLS) : 48 monthly instalments starting from November 2024.

Rate of Interest : 9.25%.

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
2 Indian Bank		
i) Term Loan 2 (TUF & Non-TUF)	837.00	4,063.43
ii) Term Loan 3 (TUF & Non-TUF)	3,432.58	3,686.00
iii) Term Loan 4 (GECLS)	1,942.94	3,053.19
Less: Current maturities of long term debt	(3,702.25)	(4,523.25)
Total	2,510.27	6,279.37



Notes to the standalone financial statements for the year ended March 31, 2026

Security for Term Loans i) & ii) :

Pari passu First charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Security for GECLS Loan:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari, passu charge on the entire property, plant and equipment of the company.

Repayment & Rate of Interest:

Term Loan 2	: 15 Quarterly instalments starting from November 2022.	Rate of Interest : 12.80%
Term Loan 3	: 24 Quarterly instalments starting from May 2022.	Rate of Interest : 12.80%
GECLS Loan 4	: 48 Monthly instalments starting from January 2024.	Rate of Interest : 9.25%

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
3 Indian overseas Bank		
Term loan 1	2,186.33	2,313.33
Term loan 2 (GECLS)	1,209.00	1,821.00
Less: Current maturities of long term debt	(1,708.00)	(739.00)
Total	1,687.33	3,395.33

Security for Term Loan 1 : First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Security for GECLS Loan:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari passu charge on the entire property, plant and equipment of the company.

Repayment and Rate of Interest :

Term Loan 1 : 19 Quarterly instalments starting from August 2023 with rate of interest: 11.80%
Term Loan 2 : 48 Monthly instalments starting from April 2024 with rate of interest : 9.25%

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
4 Union Bank of India		
Term Loan (GECLS)	661.38	966.63
Less: Current maturities of long term debt	(305.25)	(305.25)
Total	356.13	661.38

Security : Second pari passu charge on the entire property, plant and equipment of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

Repayment: 48 Monthly instalments starting from June 2024.

Rate of Interest: 9.25%



Notes to the standalone financial statements for the year ended March 31, 2026

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
5 Punjab National Bank		
Term Loan (GECLS)	950.35	1,343.60
Less: Current maturities of long term debt	(393.25)	(393.25)
Total	557.10	950.35

Security : Second pari passu charge on the entire property, plant and equipments of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

Repayment : 48 monthly instalments starting from September 2024.

Rate of Interest : 9.25%

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
6 Karur Vysya Bank		
Term Loan	2,740.75	-
Less: Current maturities of long term debt	(730.25)	-
Total	2,010.50	-

Security : Exclusive charge of Land on which the Solar Plant is installed admeasuring about 25 acres alongwith hypothecation of Solar machinery and related accessories purchased.

Collateral : Nil

Repayment : 20 Quarterly instalments from December 2025.

Rate of Interest : 9.50%

Term loan from others :

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
7 SIPCOT Soft Loan	-	264.27
Less: Government grant (Refer note (ii) below)	-	(264.27)
Total	-	-

- l) First charge by way of equitable mortgage over factory land and building and hypothecation of other movable assets financed by SIPCOT for the expansion project ranking paripassu with other banks and property, plant and equipment of the expansion scheme of spinning units located at Velvarkottai Village, Dindigul, Weaving unit and Knitting unit at Karanampet, Coimbatore.


Notes to the standalone financial statements for the year ended March 31, 2026

- ii) The Government of Tamil Nadu in its order : G.O. Ms. No. 126, dated October 20, 2009, has granted an amount equivalent to net output VAT + CST paid through expansion project to Government as Investment Promotion Soft Loan for a period of 10 years, subject to terms and conditions mentioned in the Eligibility Certificate ID/SPA/BSML/2010 dated 30 April 2013. The soft loan will carry a nominal rate of 0.1% per annum. The soft loan availed during the FY 2014-15, 2015-16 & 2016-17 is repayable on the 10th year from the date of availment. This is considered as Government grant and accordingly the loan amount is carried at amortised cost considering an effective interest rate of 12.16%. The Government grant income is recognised proportionately in relation to the interest expense. The Company has repaid the outstanding in full during the year.

Borrowings from others

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
8 Unsecured Loans from Related Party		
Murugan Enterprise Private Limited	240.00	1,200.00
Sakthi Murugan Transport Private Limited	180.00	-
Total	420.00	1,200.00

Repayment on or before June 2027.

Rate of Interest: 10.00%.

17 Lease liabilities - Non-current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability on account of land and building lease	59.90	27.45
Total	59.90	27.45

18 Borrowings - Current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured borrowings		
Loans repayable on demand from banks (Refer Note II)	17,604.84	19,084.99
Liability for bills discounted - from banks (Refer Note III)	5,802.44	6,372.51
Current maturities of long term borrowings	7,535.65	6,921.67
Total	30,942.93	32,379.17



Notes to the standalone financial statements for the year ended March 31, 2026

Note - II

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1. Bank of Maharashtra Working capital limit: Rs. 500 lakhs Interest rate: 12.35% Security: First pari- passu charge by way of hypothecation of stock and book debts and all other current assets and second pari- passu charge on the entire property, plant and equipment of the Company.	500.80	441.26
2. ICICI Bank Limited Working capital limit: Rs. 3,000 lakhs Non - fund based limit: Rs. 1,000 lakhs Interest rate: 12.00 % Security: First pari- passu charge on Company's entire stock, consumable stores and spares and such other movables including book-debts, bills, outstanding monies, receivables both present and future and Second pari-passu charge on the entire property, plant and equipment of the Company.	1,514.20	1,500.00
3. Indian Bank Working capital limit: Rs. 5,200 lakhs Interest rate: 12.55 % Security: First pari- passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.	1,910.25	2,370.38
4. Indian Overseas Bank Working capital limit: Fund based: Rs. 10,000 lakhs Non - fund based limit: Rs. 2,500 lakhs Interest rate: 12.35 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	6,188.95	7,346.81
5. Karur Vysya Bank Limited Working capital limit: Rs. 1,250 lakhs Interest rate: 10.25 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	330.37	318.98
6. Punjab National Bank Working capital limit: Rs. 5,800 lakhs Non - fund based limit: Rs. 2,500 lakhs Interest rate: 12.45 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	1,930.36	2,464.25


Notes to the standalone financial statements for the year ended March 31, 2026
Note - II (Contd...)

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
7. Union bank of India Working capital limit: Rs. 6,250 lakhs (PY: Rs. 6,750 lakhs) Non - fund based limit: Rs. 1,235 lakhs (PY: Rs. 1,235 lakhs) Interest rate: 10.85 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	3,538.33	3,447.12
8. DCB Bank Limited Working capital limit: Rs.2,500 lakhs Interest rate: 10.36% Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	1,691.58	1,196.19

Note - III

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Liability for bills discounted from banks		
1. Indian Overseas Bank Letter of credit - from banks	1,430.79	1,891.43
2. ICICI Bank Limited Working capital limit - Fund based : Rs. 3,000 lakhs Non - fund based limit: Rs. 1,000 lakhs Security: First pari- passu charge on Company's entire stock, consumable stores and spares and such other movables including book-debts,bills, outstanding monies, receivables both present and future and Second pari- passu charge on the entire property, plant and equipment of the Company.	2,209.99	2,419.46
3. Indian Overseas Bank Working capital limit: Fund based: Rs. 10,000 lakhs Non - fund based limit: Rs. 2,500 lakhs Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	2,161.66	2,061.62
Total	5,802.44	6,372.51



Notes to the standalone financial statements for the year ended March 31, 2026

19 Lease Liabilities - Current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability on account of land and building lease	46.77	32.95
Total	46.77	32.95

20 Trade Payable

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Total outstanding dues of micro enterprises and small enterprises (Refer note no 39)	2,381.08	940.76
b) Total outstanding dues other than micro and small enterprises	3,768.89	4,210.02
Total	6,149.97	5,150.78

Trade payables ageing schedule

(Rs. in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2026						
a) MSME	-	2,381.08	-	-	-	2,381.08
b) Others	-	3,730.35	17.40	0.17	20.97	3,768.89
c) Disputed dues - MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-

(Rs. in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2025						
a) MSME	-	940.76	-	-	-	940.76
b) Others	-	4,152.73	41.59	2.70	13.00	4,210.02
c) Disputed dues - MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-


Notes to the standalone financial statements for the year ended March 31, 2026
21 Other Financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on borrowings	90.80	140.46
Unpaid Dividend	0.67	1.34
Security deposits received	5.54	13.44
Contractually reimbursable expenses	2.50	10.98
Payable on purchase of property, plant and equipment	5.21	2.00
Total - Other financial liabilities	104.72	168.22

22 Other Current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	1,138.10	396.14
Advance received towards sale of property, plant and equipment	94.30	94.30
Government grant - Sipcot soft loan	-	59.99
Statutory Remittances	102.95	102.71
Liability for Expenses	1,789.25	1,743.98
Total - Other Current Liabilities	3,124.60	2,397.12

23 Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
- Compensated absences	92.72	70.66
- Bonus	60.79	60.64
Total - Provisions	153.51	131.30

24 Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance tax and TDS receivable)	39.81	102.68
Total - Provisions	39.81	102.68



Notes to the standalone financial statements for the year ended March 31, 2026

25. Revenue from operations

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Sale of Products		
i. Manufactured goods		
Yarn	49,634.87	49,204.58
Fabrics	23,401.87	23,352.47
Waste cotton	5,863.89	6,811.80
Made ups	4,438.45	4,375.19
ii. Traded goods		
Yarn	1.58	215.05
Cotton	-	146.38
	83,340.66	84,105.47
Less : Sales Discount	39.31	81.70
	83,301.35	84,023.77
b) Sale of Services		
Sizing charges, CMT charges, knitting and processing charges	2,478.54	3,163.33
	2,478.54	3,163.33
c) Other operating revenues		
Sale of scrap	245.33	290.00
Yarn second sales	8.75	1.56
Duty drawback and other export incentives	578.43	673.08
Others - Windmill carbon credit	-	10.60
Claims and Other receipts	420.00	573.52
	1,252.51	1,548.76
Total - Revenue from operations	87,032.40	88,735.86

26. Other Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Interest income (Refer Note (I) below)	131.52	170.00
b) Dividend Income from Long term Investments	-	-
c) Net gain on foreign currency transactions and translation	52.13	116.66
d) Other non-operating income (Refer Note (ii) below)	526.01	7.60
Total - Other Income	709.66	294.26



Notes to the standalone financial statements for the year ended March 31, 2026

Note

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Interest income comprises:		
Interest on loans and advances	49.50	49.50
Interest on security deposits	70.41	120.50
Interest on income tax refund	11.61	-
Total - Interest income	131.52	170.00
ii) Other non-operating income comprises :		
Profit on sale of property plant and equipment (Net)	516.89	-
Agricultural Income	8.80	4.83
Gain on termination of leases	0.31	0.06
Others - Sundry creditors written back	0.01	2.71
Total - Other non-operating income	526.01	7.60

27. Cost of materials consumed

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	6,747.05	10,813.32
Add: Purchases	58,421.86	61,391.28
	65,168.91	72,204.60
Less: Closing stock	8,281.50	6,747.05
Total - Cost of materials consumed	56,887.41	65,457.55

28. Purchase of Stock-in Trade

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of Stock-in Trade - Yarn	-	971.12
Total Purchase of Stock-in Trade - Yarn	-	971.12



Notes to the standalone financial statements for the year ended March 31, 2026

29. Changes in inventories of finished goods and work-in-progress

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year :		
Finished goods	7,089.36	10,383.08
Work-in-progress	2,503.40	2,263.66
Total	9,592.76	12,646.74
Inventories at the beginning of the year :		
Finished goods	10,383.08	6,985.23
Work-in-progress	2,263.66	2,012.31
Total	12,646.74	8,997.54
Net (increase) / decrease	3,053.98	(3,649.20)

30. Employee benefits expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	6,259.68	6,058.76
Director Remuneration	155.93	60.00
Contributions to provident and other funds	597.27	605.43
Staff welfare expenses	1,040.57	1,361.24
Total - Employee Benefits Expense	8,053.45	8,085.43

31. Finance Costs

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on financial liabilities at amortised cost:		
- Borrowings	4,000.03	4,222.26
- Operating lease liabilities	11.32	6.35
Other borrowing costs	291.54	273.55
Total - Finance costs	4,302.89	4,502.16


Notes to the standalone financial statements for the year ended March 31, 2026
32. Depreciation and amortization expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Depreciation on Tangible assets	2,589.92	2,485.73
b) Depreciation on Right of Use assets	44.03	36.74
Total - Depreciation and amortization expense	2,633.95	2,522.47

33. Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent including lease rentals	33.48	27.10
Communication expenses	39.77	38.31
Travelling and conveyance	116.00	110.20
Printing and stationery	32.70	42.26
Quality claim	74.53	99.41
Hank yarn obligation	5.76	13.71
Business promotion expenses	6.73	11.82
Donation	0.48	0.37
Water	106.85	115.47
Consumption of stores and spare parts	13.28	2.18
Manufacturing expenses	-	115.53
Consumption of packing materials	765.72	754.04
Power, fuel and water charges	6,058.06	6,335.98
Repairs and maintenance - Building	70.73	71.49
Repairs and maintenance - Machinery	1,003.18	1,248.67
Repairs and maintenance - Others	442.83	469.50
Insurance	284.63	259.20
Rates and taxes	116.76	15.12
Freight and forwarding charges	618.46	695.35
Sales commission	401.87	606.44
Legal and professional charges	275.25	199.10
Security Service Charges	9.78	10.83
Payments to Auditors (Refer note (i) below)	40.85	34.85
Directors Sitting Fees	22.25	15.00
Corporate Social Responsibility expenditure (Refer note 35)	6.20	1.20
Agricultural Expenses	0.44	0.33
Provision for bad and doubtful trade receivables	(228.78)	-
Bad trade and other receivables, loans and advances written off	16.27	46.51
Loss on sale of property plant and equipment (Net)	-	21.23
Miscellaneous expenses	109.53	49.94
Total - Other expenses	10,443.61	11,411.14



Notes to the standalone financial statements for the year ended March 31, 2026

Note (i) - Payments to auditors:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payments to Auditors		
- Statutory audit fees and Limited review fees	31.50	24.00
- Other Services	9.35	10.10
- Reimbursement of expenses	-	0.75
Total	40.85	34.85

*Payment of audit fees excludes rights issue expenses

34. Details of Undisclosed Income, if any

The Company does not have any transaction 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.

35. Corporate Social responsibility

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount of expenditure incurred	6.20	1.20
Previous Years shortfall	-	-

36. Nature of CSR Activities:

The CSR initiatives of the Company aim towards inclusive development of the communities by promoting education and providing basic needs for the economically weaker section of the society.

Note :

- 1) The Company has not made any contribution to Related parties in relation to CSR Expenditure during the year and previous year.

37. Details of Crypto currency or Virtual currency, if any

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.


Notes to the standalone financial statements for the year ended March 31, 2026
38 Contingent liabilities and commitments (to the extent not provided for)

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
I) Contingent liabilities:		
A) Claims against the Company not acknowledged as debts:-		
a) TANGEDCO demands, pending in appeal	1,769.97	1,814.80
b) Income tax demands - AY 2024-25	137.17	-
B) Contingent Liabilities On Account Of Guarantees :-		
a) Guarantee issued in favour of supplier	112.46	112.46
II. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for :		
a. Tangible Assets	-	1,823.32

39 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2026	As at March 31, 2025
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of the period		
- Principal amount due to micro and small enterprise	2,381.08	940.76
- Interest due to micro and small enterprise	--	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
iv) Interest accrued and remaining unpaid at the end of the period	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Notes to the standalone financial statements for the year ended March 31, 2026

40 Employee benefit plans

A. Defined contribution plans - provident fund and employee state insurance

The Company makes Provident Fund and Employee state insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Provident fund	397.15	545.39
Employee state insurance	93.29	93.36

B. Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds' in Note 31 Employee benefits expense. Under this plan, the settlement obligation remains with the Company.

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- Interest Rate Risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2026 by Mr. N.Srinivasan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



Notes to the standalone financial statements for the year ended March 31, 2026

The following table sets out the funded status of the gratuity scheme:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Components of employer expense		
Current service cost	75.08	86.69
Interest cost	45.55	44.72
Expected return on plan assets	(59.26)	(59.62)
Recognised in statement of profit and loss	61.37	71.79
Re-measurement - actuarial (gain)/loss recognised in OCI	(172.28)	(15.41)
Total expense recognised in the Statement of total comprehensive income	(110.91)	56.38
Other Comprehensive Income (OCI)		
Actuarial (gain)/loss due to DBO experience	(139.51)	(44.43)
Actuarial (gain)/loss due to DBO assumption changes	(30.49)	20.21
Actuarial (gain)/loss arising during period	(170.00)	(24.22)
Actual return on plan assets (greater)/less interest on plan assets	(2.28)	8.81
Actuarial (gains)/losses recognized in OCI	(172.28)	(15.41)
Defined benefit cost		
Service cost	75.08	86.69
Net interest on net defined benefit liability / (asset)	(13.71)	(14.90)
Actuarial (gains)/losses recognized in OCI	(172.28)	(15.41)
Defined benefit cost	(110.91)	56.38
Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	691.47	652.76
Current service cost	75.08	86.69
Interest cost	45.55	44.72
Actuarial (gains)/losses	(170.00)	(24.22)
Benefits paid	(52.98)	(68.48)
Present value of DBO at the end of the year	589.12	691.47
Actual contribution and benefit payments for year		
Actual benefit payments	52.98	68.48
Actual contributions	56.86	44.09
Change in fair value of assets during the year		
Plan assets at beginning of the year	863.21	836.79
Expected return on plan assets	59.27	59.62
Actual company contributions	56.86	44.09
Actuarial gain / (loss)	2.28	(8.81)
Benefits paid	(52.98)	(68.48)
Plan assets at the end of the year	928.64	863.21
Actual return on plan assets	61.55	50.81
Current and Non-Current Asset / Liability portion		
Current Asset / (Liability)	339.52	171.74
Net asset / (liability) recognised in the Balance Sheet :		
Present value of defined benefit obligation	(589.12)	(691.47)



Notes to the standalone financial statements for the year ended March 31, 2026

The following table sets out the funded status of the gratuity scheme (Contd...)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan assets	928.64	863.21
Funded status (Surplus / (Deficit))	339.52	171.74
Net asset / (liability) recognised in the Balance Sheet	339.52	171.74
Composition of the plan assets is as follows:		
Government securities	-	-
Debentures and bonds	-	-
Fixed deposits	-	-
Insurer managed funds*	100%	100%
Total	928.64	863.21

* Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial assumptions		
Discount rate	7.68%	6.85%
Expected return on plan assets	6.85%	7.23%
Retirement age	58	58
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	5.00%	5.00%
Salary escalation	5.00%	5.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Rs. in Lakhs)

Gratuity Plan	As at March 31, 2026	As at March 31, 2025
Estimate value of obligation if discount rate is taken 1% higher	552.58	645.53
Estimate value of obligation if discount rate is taken 1% lower	631.10	744.69
Estimate value of obligation if salary growth rate is taken 1% higher	630.49	743.49
Estimate value of obligation if salary growth rate is taken 1% lower	552.57	645.85
Estimate value of obligation if attrition rate is taken 1% higher	593.66	694.76
Estimate value of obligation if attrition rate is taken 1% lower	583.87	687.58



Notes to the standalone financial statements for the year ended March 31, 2026

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

(Rs. in Lakhs)

Maturity profile, if it ensues	As at March 31, 2026	As at March 31, 2025
1 Year	41.08	39.60
2 Year	41.94	36.66
3 Year	46.84	40.81
4 Year	37.30	48.35
5 Year	28.48	38.70
6-10 years	124.52	143.55
Above 10 Years	268.94	343.80

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

Experience Adjustments:

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1. Defined Benefit Obligation	589.12	691.47	652.76	684.55	606.62
2. Fair value of plan assets	928.64	863.21	836.79	783.79	616.80
3. Surplus/(Deficit)	339.52	171.74	184.02	99.24	10.18
4. Experience adjustment on plan liabilities ((Gain)/Loss)	(139.51)	(44.43)	(90.14)	(31.31)	81.85
5. Experience adjustment on plan assets (Gain)/(Loss))	2.28	(8.81)	(7.32)	69.55	(6.74)

41 Segment Reporting

a) Primary business segment information

The Company's operations relate to only one business segment, viz., Textiles. Accordingly, this is the only reportable business segment.



Notes to the standalone financial statements for the year ended March 31, 2026

b) Secondary geographic segment information

(Rs. in Lakhs)

Geographic Segment	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Continuing Operations		
Outside India	7,010.50	6,811.57
India	80,021.90	81,924.29
Revenue from Discontinued Operations		
Outside India	-	164.70
India	57.52	164.33
Total	87,089.91	89,064.89

All non-current assets of the Company are located in India.

c) There is no single external customer from whom Revenue from transactions exceed 10 % of the Company's total revenue.

42 Related party transactions

A. Details of related parties:

Description of relationship	Name of related parties
Associate company	Murugan Enterprise Private Limited
Subsidiaries	Bannari Infotech Private Limited (formerly known as Bannari Amman Infinite Trendz Private Limited)
Enterprises in which the Key management Personnel or relatives have significant influence	Anamallais Automobiles Private Limited Anamallais Agencies Private Limited Anamallais Motors Private Limited Shiva Automobiles Private Limited Vedanayagam Oil Company Sakthi Murugan Transports Private Limited Jahnvi Motor Private Limited Coimbatore Anamallais Agencies Private Limited Bannari Amman Flour Mill Private Limited Bannari Amman Retails Private Limited Shiva Mills Limited Shiva Texyarn Limited


Notes to the standalone financial statements for the year ended March 31, 2026
A. Details of related parties: (Contd...)

Description of relationship	Name of related parties
Key Management Personnel (KMP)	Sri S V Arumugam, Managing Director Sri N Krishnaraj, Company Secretary Sri S Seshadri, Chief Financial Officer Smt S Sihamani, Director (upto 27.9.2025) Sri K Sadhasivam, Director Sri C Sivasamy, Director Sri R Shanmuga Velayutham, Director (w.e.f 14.11.2025) Smt Priya Bhansali, Director Smt Sadhana Vidhya Shankar, Director Sri K P Ramakrishnan, Director Sri S K Sundararaman, Director Sri Tharanipathy Rajkumar, Director Dr K R Thillainathan and Sri S Palaniswami
Relative of KMP	Smt A Umadevi Sri A Senthil

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

Particulars	Related Party	As at March 31, 2026	As at March 31, 2025
Transactions during the year:			
Sale of yarn	Young Brand Apparel Private Limited	-	36.91
Sale of fabric	Young Brand Apparel Private Limited	-	73.74
	Shiva Texyarn Limited	218.68	72.16
Scrap sales	Shiva Texyarn Limited	6.03	4.07
Conversion/Job work income	Shiva Texyarn Limited	32.96	8.78
Purchase of yarn	Shiva Mills Limited	424.75	123.13
	Shiva Texyarn Limited	87.21	11.88
Fabric Processing charges	Shiva Texyarn Limited	-	0.27
Interest received	Bannari Infotech Private Limited	49.50	49.50


Notes to the standalone financial statements for the year ended March 31, 2026
B. Details of transactions during the year and balance outstanding as at the balance sheet date: (Contd...)

(Rs. in Lakhs)

Particulars	Related Party	As at March 31, 2026	As at March 31, 2025
Vehicle maintenance paid	Shiva Automobiles Private Limited	5.93	6.10
	Jahnvi Motor Private Limited	1.15	5.13
	Coimbatore Anamallais Agencies Private Limited	0.75	-
Staff quarters manintenance	Shiva Mills Limited	11.10	7.08
Purchase of fuel	Vedanayagam Oil Company	1.91	1.74
Rent paid	Anamallais Automobiles Private Limited	23.78	14.23
	Sakthi Murugan Transports Private Limited	6.86	4.64
	Smt A Umadevi	12.00	12.00
Advances given	Bannari Infotech Private Limited	10.54	7.99
	Bannari Amman Retails Private Limited	0.01	0.44
Inter corporate deposits received	Sakthi Murugan Transports Private Limited	180.00	-
Inter corporate deposits repaid	Murugan Enterprise Private Ltd	960.00	500.00
Interest paid	Murugan Enterprise Private Ltd	62.56	149.86
	Sakthi Murugan Transports Private Limited	1.38	-
Remuneration of KMP	Sri S V Arumugam, Managing Director	60.00	60.00
	Sri N Krishnaraj, Company Secretary	24.14	24.55
	Sri S Seshadri, Chief Financial Officer	24.59	23.39
Commission to KMP	Sri S V Arumugam, Managing Director	95.93	-
Sitting fees to KMP	Sri C Sivasamy, Director	2.50	1.85
	Dr K R Thillainathan, Director	-	0.70
	Sri S Palaniswami, Director	-	0.20
	Sri K Sadhasivam, Director	3.50	2.45
	Smt S Sihamani, Director	1.50	1.85
	Smt Priya Bhansali, Director	4.00	2.35
	Smt Sadhana Vidhya Shankar, Director	3.50	1.75
	Sri K P Ramakrishnan, Director	4.25	2.60
	Sri S K Sundararaman, Director	1.25	0.25
	Sri Shanmuga Velayutham, Director	0.75	-
	Sri Tharanipathy Rajkumar, Director	1.00	1.00



Notes to the standalone financial statements for the year ended March 31, 2026

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

Particulars	Related Party	As at March 31, 2026	As at March 31, 2025
Balances outstanding as at year end :			
Receivables			
	Young Brand Apparel Private Limited	-	56.10
	Bannari Amman Retails Private Limited	33.28	33.27
	Bannari Infotech Private Limited	1,126.65	1,076.50
	Anamallais Automobiles Private Limited	0.27	0.27
	Anamallais Agencies Private Limited	-	0.02
	Anamallais Motors Private Limited	-	0.21
	Bannari Amman Flour Mill Private Limited	-	0.02
	Shiva Texyarn Limited	59.64	47.27
(Payables)			
	Vedanayagam Oil Company	(0.09)	(0.06)
	Sakthi Murugan Transports Private Limited	(180.55)	(0.51)
	Anamallais Automobiles Private Limited	(2.07)	(0.60)
	Murugan Enterprise Private Limited	(240.00)	(1,200.00)
	Shiva Automobiles Private Limited	(0.40)	(1.14)
	Shiva Mills Limited	(113.91)	(32.09)
	Smt A Umadevi	(0.90)	(0.90)
	Shiva Texyarn Limited	(32.68)	(12.83)

- Note:** i) Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.
- ii) The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.

43 Earnings per equity share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Par value per equity share (Rs.)	5.00	5.00
Weighted Average number of Equity Shares outstanding during the year (Nos.)	77,911,055	6,48,41,871
Profit / (loss) from Continuing operations attributable to equity shareholders (Rs. In Lakhs)	1,689.74	(117.78)
Basic and Diluted EPS for Profit / (loss) from Continuing operations (Rs.)	2.17	(0.18)
Profit / (loss) from discontinued operations attributable to equity shareholders (Rs. In Lakhs)	(124.54)	3,803.83
Basic and Diluted EPS for Profit / (loss) from Discontinued operations (Rs.)	(0.16)	5.87
Profit/(Loss) for the period (Rs. in lakhs)	1,565.20	3,686.05
Basic and Diluted EPS (Rs.)	2.01	5.68



Notes to the standalone financial statements for the year ended March 31, 2026

44 Income tax recognised :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Statement of Profit and Loss	Other comprehensive income	Statement of Profit and Loss	Other comprehensive income
For continuing operations				
Current tax :				
In respect of current year	368.74		-	-
In respect of Prior years	(483.66)			
Deferred tax :				
In respect of current year	791.95	(60.20)	(152.77)	5.38
Income tax expense / (savings) for continuing operations	677.03	(60.20)	(152.77)	5.38
For discontinuing operations				
Current tax :				
In respect of current year	-	-	721.82	-
Deferred tax :				
In respect of current year	(66.90)	-	(134.78)	-
Income tax expense / (savings) for discontinuing operations	(66.90)	-	587.04	-
Total income tax expense / (savings)	610.13	(60.20)	434.27	5.38


Notes to the standalone financial statements for the year ended March 31, 2026
Movement in deferred tax balances

(Rs. in Lakhs)

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2026				
Tax effect of items constituting deferred tax (asset)				
Provision for doubtful trade receivables	(443.53)	79.95	-	(363.58)
Provision for compensated absences and gratuity and fair value of gain / (loss) on equity instruments	49.85	(6.18)	60.20	103.87
Brought forward & current year losses	(3,069.96)	507.44	-	(2,562.52)
Minimum alternate tax (net)	(5,465.10)	362.31	-	(5,102.79)
Others	34.42	(247.84)	-	(213.42)
Tax effect of items constituting deferred tax (asset)	(8,894.31)	695.68	60.20	(8,138.44)
Tax effect of items constituting deferred tax liability				
On difference between book balance and tax balance of fixed assets	9,953.76	29.37	-	9,983.13
Tax effect of items constituting deferred tax liability	9,953.76	29.37	-	9,983.13
Net Deferred tax (asset) / liability	1,059.43	725.05	60.20	1,844.69
For the year ended March 31, 2025				
Tax effect of items constituting deferred tax (asset)				
Provision for doubtful trade receivables	(443.53)	-		(443.53)
Provision for compensated absences and gratuity and fair value of gain / (loss) on equity instruments	81.43	(36.96)	5.38	49.85
Brought forward & current year losses	(3,398.96)	329.00	-	(3,069.96)
Minimum alternate tax (net)	(4,743.28)	(721.82)	-	(5,465.10)
Others	33.35	1.07	-	34.42
Tax effect of items constituting deferred tax (asset)	(8,470.99)	(428.72)	5.38	(8,894.31)
Tax effect of items constituting deferred tax liability				
On difference between book balance and tax balance of fixed assets	9,812.60	141.16		9,953.76
Tax effect of items constituting deferred tax liability	9,812.60	141.16	-	9,953.76
Net Deferred tax (asset) / liability	1,341.61	(287.56)	5.38	1,059.43



Notes to the standalone financial statements for the year ended March 31, 2026

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit / (loss) before tax	2,175.33	4,120.32
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	760.14	1,439.82
On account of permanent differences	(0.59)	(0.33)
On account of deferred tax income on origination of temporary differences	(288.08)	(14.23)
On account of previously unrecognised tax loss	124.57	(23.68)
On account of profit on sale of investment	-	(967.31)
Others	14.09	-
Income tax expense recognised in the statement of profit and loss	610.13	434.27

45 Borrowing cost capitalised under property, plant and equipment Nil Nil

46 Leases

The Company has entered into leasing arrangements in respect of lease hold land and residential/office premise. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months in case of premises and between 30 to 90 years in case of land. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.

Lease Liabilities

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Building	Building
Opening balance	60.40	69.43
Additions	91.86	27.53
Deletions	(4.13)	(0.81)
Interest	11.32	6.35
Lease payments	(52.78)	(42.10)
Closing balance	106.66	60.40
Current	46.77	32.95
Non-current	59.90	27.45



Notes to the standalone financial statements for the year ended March 31, 2026

Maturity analysis of OLL

The details of the maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1 year	48.16	37.42
1 to 5 years	85.93	29.32
More than 5 years	-	-

Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease rent relating to continuing operations	33.48	27.10
Lease rent relating to discontinued operations	-	3.58

The carrying value and fair value of financial instruments by categories as at March 31, 2026 and March 31, 2025 are as follows:

47 Financial Instruments

(Rs. in Lakhs)

Particulars	Carrying value		Fair value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial assets				
Amortised cost				
Loans	855.18	812.28	-	-
Trade receivable	16,804.49	15,737.10	-	-
Cash and cash equivalents	280.97	320.71	-	-
Other Bank balances	290.22	240.06	-	-
Other financial assets	3,698.38	3,460.25	-	-
Investment in equity instruments in subsidiaries	1.00	1.00	-	-
Investment in government securities	0.03	0.03	-	-
Investment in equity and preference instruments (unquoted)	640.02	379.96	-	-
FVTOCI				
Investment in equity instruments	9.18	9.20	9.18	9.20
Total assets	22,579.47	20,960.59	9.18	9.20



Notes to the standalone financial statements for the year ended March 31, 2026

Financial Instruments (Contd...)

(Rs. in Lakhs)

Particulars	Carrying value		Fair value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial liabilities				
Amortised cost				
Borrowings	39,587.29	46,665.28	-	-
Lease liabilities	106.67	60.40	-	-
Trade payables	6,149.97	5,150.78	-	-
Other financial liabilities	104.72	168.22	-	-
Total liabilities	45,948.65	52,044.68	-	-

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2026 was assessed to be insignificant.

48 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2026 and March 31, 2025:

(Rs. in Lakhs)

Particulars	Total	Fair value measurement using		
		Level - 1	Level - 2	Level - 3
Financial assets measured at fair value:				
FVTOCI financial assets designated at fair value: Date of valuation March 31, 2025				
Investment in equity instruments (quoted)				
As at March 31, 2026	9.18	9.18	-	-
As at March 31, 2025	9.20	9.20	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.



Notes to the standalone financial statements for the year ended March 31, 2026

49 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The Company uses foreign currency borrowings to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

2) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from top customer	4,441.53	4,857.29
Revenue from top 5 customers	11,761.44	11,058.23

3) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

4) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.



Notes to the standalone financial statements for the year ended March 31, 2026

The working capital position of the Company is given below :

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	280.97	320.71
Other Bank balances	290.22	240.06
Total	571.19	560.77

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2026 and March 31, 2025.

(Rs. in Lakhs)

Particulars	As at	Less than 1 year	1-2 years	2 years and above
Borrowings	March 31, 2026	30,942.93	6,400.75	2,243.61
	March 31, 2025	32,379.17	7,123.31	7,162.80
Trade payables	March 31, 2026	6,149.97	-	-
	March 31, 2025	5,150.78	-	-
Lease liabilities	March 31, 2026	46.77	33.62	26.28
	March 31, 2025	32.95	22.79	4.66
Other financial liabilities	March 31, 2026	104.72	-	-
	March 31, 2025	168.22	-	-

5) Foreign currency risk

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, British pound sterling and Euros) and foreign currency borrowings (primarily in U.S. dollars, British pound sterling and Euros). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the management of the Company believes that the borrowings in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent.



Notes to the standalone financial statements for the year ended March 31, 2026

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2026 and March 31, 2025 :

(Rs. in Lakhs)

Particulars	As at	US\$	Euro	Pound/Sterling	Total
Assets					
Trade receivables*	March 31, 2026	435.78	897.67	-	1,333.45
	March 31, 2025	644.82	1,521.09	38.02	2,203.93
Cash and cash equivalents	March 31, 2026	-	-	-	-
	March 31, 2025	-	-	-	-
Liabilities					
Trade payable	March 31, 2026	-	-	-	-
	March 31, 2025	-	-	-	-
Borrowings	March 31, 2026	-	-	-	-
	March 31, 2025	-	-	-	-
Net assets / (liabilities)	March 31, 2026	435.78	897.67	-	1,333.45
	March 31, 2025	644.82	1,521.09	38.02	2,203.93

* Trade receivables excluding allowance for doubtful trade receivables.

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in INR against all foreign currencies dealt by the Company. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact on profit or (loss) for the year on account of rupee appreciation by 5%	66.67	72.76

For a 5% weakening of the INR against the relevant currency, there would be equivalent amount of impact on the profit / (loss) as mentioned in the above table.

6) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.



Notes to the standalone financial statements for the year ended March 31, 2026

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit / (loss) for the year ended would have impacted in the following manner:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Increase / (decrease) in the profit / (loss) for the year	(376.89)	(435.74)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

7) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Total equity attributable to the equity share holders of the company	48,072.56	42,129.99
As percentage of total capital	55%	47%
Current borrowings	30,942.93	32,379.17
Non-current borrowings	8,644.36	14,286.11
Total borrowings	39,587.29	46,665.28
As a percentage of total capital	45%	53%
Total capital (borrowings and equity)	87,659.85	88,795.27

50 Valuation of Inventories :

Inventories of raw materials are valued at lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. The inventory of Finished Goods and Work-in-progress are valued at the lower of cost and net realizable value, and cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Finished Goods and Work-in-progress, to their present location and condition. This inventory comprises of diversified range and quality of yarn and cloth / fabrics, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation.



Notes to the standalone financial statements for the year ended March 31, 2026

51 Additional Regulatory Information :

i) Title Deeds of Immovable Properties not held in the name of the company.

The title deeds of all the immovable properties are held in the name of the company.

ii) Revaluation of Property, Plant and Equipment

The Company has not revalued its Property, Plant and Equipment during the year.

iii) Loans and advances granted to Promoters, Directors, KMPs and related parties

The following disclosures are made in respect of loans and advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

a) Repayable on demand

Type of Borrower	31.03.2026		31.03.2025	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	550.00	100%	550.00	100%

iv) Details of Benami Property

The Company does not hold any benami property. Hence, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

v) Reconciliation of Statement of Current Assets filed by the Company with banks for Working Capital facilities availed by the Company:

During the period under consideration, the Company has borrowings from banks on the basis of security of Current Assets and the Quarterly Statements of Current Assets filed by the Company with the banks are in agreement with the books of accounts for all the quarters of the year.

vi) Wilful Defaulter

The Company is not declared as a wilful defaulter by any bank or financial Institution or other lender.

vii) Undisclosed income

The Company has no 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).

viii) Relationship with Struck off Companies

The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2026.



Notes to the standalone financial statements for the year ended March 31, 2026

ix) Registration of Charges or Satisfaction with Registrar Of Companies

The Company does not have any charges or satisfactions yet to be registered with Registrar of Companies beyond the statutory period.

x) Layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

xi) Approved scheme(s) of arrangements

During the year, there is no approved scheme of arrangements.

xii) Utilisation of Borrowed Funds and Share Premium

- A) The Company has not advanced or loaned to or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- B) The company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52. Reconciliation of change in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at April 01, 2025	Proceeds	Repayment	Others	As at March 31, 2026
Non-current borrowings (including current maturities)	21,207.78	2,885.00	(7,912.77)		16,180.01
Current borrowings	25,457.50	-	(2,050.22)		23,407.28
Lease liabilities	60.40	-	(52.78)	99.05	106.67
Total	46,725.68	2,885.00	(10,015.77)	99.05	39,693.96

Particulars	As at April 01, 2024	Proceeds	Repayment	Others	As at March 31, 2025
Non-current borrowings (including current maturities)	25,726.28	-	(4,518.50)	-	21,207.78
Current borrowings	24,909.55	547.95			25,457.50
Lease liabilities	69.43		(42.10)	33.07	60.40
Total	50,705.26	547.95	(4,560.60)	33.07	46,725.68


Notes to the standalone financial statements for the year ended March 31, 2026
53 Assets Classified as Held for Sale

- a. The Company entered into an agreement to sell dated March 30, 2011 with Shiva Tex Yarn Limited for the sale of part of land situated at Velvarkottai, Dindigul and Kodangipalayam, Karanampet, Coimbatore, valued at Rs. 56.72 lakhs. Accordingly the said amount is disclosed as assets held for sale. As the Company yet to receive the clearance from the lenders with respect to such lands, the same has been reclassified from asset held for sale to Property, Plant and Equipment during the year ended March 31, 2026
- b. The Garment unit situated at palladam, which had been earlier classified as assets held for sale, was sold and the resulting gain/loss has been recognized under discontinued operations in the Statement of Profit and Loss for the year ended 31st March, 2026. The land at SIPCOT, Perundurai is continued to be classified as assets held for sale / discontinued operations as per Ind AS 105 'Non-Current Assets held for sale and discontinued operations as at 31st March, 2026.

c. Results of the discontinued operations are presented below:

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
INCOME		
I Revenue from Operations	57.52	329.03
II Other Income	152.11	5,366.08
III Total Income (I+II)	209.63	5,695.11
IV EXPENSES		
Cost of materials consumed	175.93	87.36
Purchases of Stock-in trade	-	-
Changes in inventories of finished goods and work-in-progress	-	351.96
Employee benefits expense	-	83.56
Finance costs	166.38	225.24
Depreciation and amortization expense	-	-
Other expenses	58.77	556.12
Total Expenses (IV)	401.08	1,304.24
VII Profit/(Loss) before tax from discontinued operations (III-IV)	(191.44)	4,390.87
VIII Tax Expense of discontinued operations Deferred tax Expenses /(Savings)	(66.90)	587.04
IX Profit/(Loss) from discontinued operations after tax (VII-VIII)	(124.54)	3,803.83



Notes to the standalone financial statements for the year ended March 31, 2026

d. Major classes of Assets and Liabilities of Discontinued Operations are as follows :

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
Assets held for sale:		
Property, Plant and Equipment	211.74	4,836.83
Less : Reclassified to Property, Plant and Equipment from Held for sale	-	(56.72)
Total Assets	211.74	4,780.11
Liability:		
Liabilities directly associated with Assets classified as held for sale / Discontinued operations	-	2,750.00
Total Liabilities	-	2,750.00

e. Cash flow statement of discontinued operations:

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
Net Cash Flow from /(used in) in Operating activities	(191.44)	(1,457.13)
Net Cash Flow from /(used in) in Investing activities	1,818.37	7,954.00
Net Cash Flow from /(used in) in Financing activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	1,626.93	6,496.87

55. To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

As per our report of even date

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

For and on behalf of the board

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



Notes to the standalone financial statements for the year ended March 31, 2026

55 Financial ratios

Sl. No.	Particulars	Numerator	Denominator	31.03.2026	31.03.2025	Variance	Reason for variance
1	Current ratio (in times)	Current assets	Current liabilities	1.06	1.13	(6%)	
2	Debt-Equity Ratio (in times)	Total Debt (Long Term Borrowings + Short Term Borrowings + Interest Payable thereon)	Shareholder's Equity	0.83	1.11	(26%)	The variance is due to Repayment of Total Debt and increase in equity on rights issue during the year
3	Debt Service Coverage Ratio (in times)	Earnings available for Debt Services (Net profit after tax + Depreciation + Interest + other non cash adjustments)	Debt Service (Interest & Lease payments + principal repayments)	0.73	1.26	(42%)	The variance is due to profit from sale of investment in the previous year which contributes less ratio for current year.
4	Return on Equity Ratio (in %)	Net profit after tax	Average shareholder's equity	3.47%	9.20%	(62%)	The variance is due to decrease in net profit during the year
5	Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventories	2.90	2.95	(2%)	
6	Trade Receivables turnover ratio (in times)	Revenue from operations	Average Trade Receivables	5.33	5.46	(2%)	
7	Trade payables turnover ratio (in times)	Total Purchases	Average Trade Payables	10.34	8.27	25%	
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital	33.76	15.95	112%	The variance is due to however net working capital.
9	Net profit ratio (in %)	Net Profit After Taxes	Revenue from operations	1.80%	4.14%	(56%)	The variance is due to profit from sale of investment in the previous year which contributes less ratio for current year.
10	Return on Capital employed (in %)	Earnings Before Interest and Taxes (EBIT)	Capital Employed	7.42%	9.83%	(25%)	
11	Return on investment (in %)	Earnings Before Interest, Depreciation and Taxes (EBIDT)	Investment (Total Assets)	9.33%	11.22%	(17%)	



INDEPENDENT AUDITOR'S REPORT

To The Members of Bannari Amman Spinning Mills Limited Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Bannari Amman Spinning Mills Limited ("the Holding Company") and its subsidiary, Bannari Infotech Private Limited (Formerly known as Bannari Amman Infinite Trendz Private Limited) the (Holding Company and its subsidiary 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), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended on that date 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").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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 Holding Company and its subsidiary as at 31st March 2026, the consolidated profit including other comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. 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 (ICAI) 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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 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.



Description of Key Audit Matter

Inventory of Raw Material, Work-in-Progress and Finished Goods

We draw attention to Note no 49 on Valuation of Inventories in Consolidated Financial Statements of the Company read with the Accounting Policy No. 2.3.

The inventory of Raw Material, Work-in-progress and Finished Goods are valued at the lower of cost and net realizable value. With respect to Work-in-progress and Finished Goods, cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Work-in-progress and Finished Goods to their present location and condition. The Holding Company is an integrated textile manufacturer and the inventory primarily comprises of diversified range and quality of yarn, fabric and garments, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Holding Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation. The Holding Company maintains its inventory levels based on forecast demand and expected future selling prices. Considering that the Holding Company is having substantial inventory, the carrying value of which is material in the context of total assets of the Holding Company and the valuation thereof involves significant level of subjectivity, judgment and estimation, as detailed above, the same has been considered as Key Audit Matter by us during our audit.

Description of Auditors' Response

Audit Procedure included, but not limited to the following:

- Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards.
- Obtaining an understanding of the Holding Company's process of valuation of the stock, which is done through the computer software.
- Evaluating the design and implementation of the Holding Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples.
- Performing substantive procedures to test the reasonableness of the cost allocation methods and basis for allocation of various conversion costs including the direct and indirect cost.
- Evaluating the process of ascertaining the realizable value of the inventory by comparing the actual sales of the same type of the material and its realization etc.
- Comparing the inventory valuation process of the Holding Company with the industry practices and norms.
- Based on the above procedures performed, the determination of Inventory valuation of Raw Material, Work-in-progress and Finished Goods as at the reporting date is considered to be reasonable.



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

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our Auditor's Report thereon.
6. The other information is 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.
7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information of subsidiary 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.
8. Based on the work we have performed on other information, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and those Charged with Governance for the Consolidated Financial Statements

9. The Holding 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 Consolidated Financial Position, Consolidated Financial Performance (including other comprehensive income), Consolidated Changes in Equity and Consolidated 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 the assets of the Group 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 Directors of the Holding Company, as aforesaid.



10. 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 the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

12. 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.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - a) 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.
 - b) Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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.

- e) 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.
 - f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities 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 financial statements of such entities included in the Consolidated Financial statements of which we are the independent auditors. For the other entities included in 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.
14. We communicate with those charged with governance of the Holding 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.
15. 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.
16. 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.

Report on Other Legal and Regulatory Requirements

17. 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.

18. 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 of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to the 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 auditor.
- 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 relevant 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
- e) On the basis of the written representations received from the directors of the entities included in the Consolidated financial statements, as on March 31, 2026, including those of the subsidiary company, none of the directors of the Group are 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 over financial reporting of the Group with reference to these Consolidated Financial Statements of the Company and its subsidiary and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
- g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act and the provisions of Section 197 of the Act is not applicable to the other subsidiary.



- 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note No. 39 to the Consolidated Financial Statements;
 - ii) The Holding Company and its subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary.
- 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 Holding Company or its subsidiary 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 whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary shall whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material mis-statement.



- v) The Holding Company and the Subsidiary Company have not declared or paid any dividend during the year under review.
- vi) a) Based on our examination which included test checks, the Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail function has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit we did not come across any instance of audit trail feature being tampered with.

Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention. statutory requirements for record retention.

For **P N RAGHAVENDRA RAO & CO.,**
Chartered Accountants
Firm Registration Number: 003328S

P R Vittel
(Partner)

Membership Number: 018111
UDIN: 26018111VKSISJ6522

Place : Coimbatore
Date : 29th May 2026

**ANNEXURE - A OF THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of **Bannari Amman Spinning Mills Limited** on the Consolidated financial statements for the year ended 31st March, 2026, we report that

- xix. According to the information and explanations given to us, and based on the Companies (Auditor's Report) Order ("CARO") reports issued by us as auditors of the Subsidiary Company included in the Consolidated Financial Statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports of the Subsidiary Company included in the Consolidated Financial Statements.

For **P N RAGHAVENDRA RAO & CO.,**
Chartered Accountants
Firm Registration Number: 003328S

P R Vittel
(Partner)

Membership Number: 018111
UDIN: 26018111VKSISJ6522

Place : Coimbatore
Date : 29th May 2026



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 18(f) of the Independent Auditor's Report of even date to the members of Bannari Amman Spinning Mills 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")

1. We have audited the internal financial controls over financial reporting of Bannari Amman Spinning Mills Limited ("the Holding Company") and its subsidiary of March 31, 2026 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Internal Financial Controls over Financial Reporting 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 Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by us as auditor of Subsidiary Company in terms of our reports are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - b) 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 authorization of management and directors of the company; and
 - c) 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 with reference to Consolidated Financial Statements

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

Opinion

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

For **P N RAGHAVENDRA RAO & CO.,**
Chartered Accountants
Firm Registration Number: 003328S

P R Vittel
(Partner)

Place : Coimbatore
Date : 29th May 2026

Membership Number: 018111
UDIN: 26018111VKSISJ6522


CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1 Non-current assets			
a) Property, plant and equipment (incl. Right-of-use assets)	3A	51,591.23	47,646.47
b) Capital work-in-progress	3B	1,055.02	1,509.07
c) Intangible Assets	3C	-	137.67
d) Intangible Assets under Development	3D	658.59	-
e) Financial assets			
i) Investments	4	649.23	389.19
ii) Other financial assets	5	1,383.35	1,552.59
f) Other non-current assets	6	33.77	25.95
Total non-current assets (A)		55,371.19	51,260.94
2 Current assets			
a) Inventories	7	19,481.03	21,728.27
b) Financial assets			
i) Trade receivables	8	16,613.68	15,543.90
ii) Cash and cash equivalents	9A	281.28	321.05
iii) Other Bank balances	9B	290.22	240.06
iv) Loans	10	34.63	41.23
v) Other financial assets	11	2,315.03	1,907.66
c) Other current assets	12	3,817.32	4,100.93
Total Current assets (B)		42,833.19	43,883.10
3 Assets classified as held for sale ©	52	211.74	4,780.11
Total Assets (A) + (B) + (C)		98,416.12	99,924.15
EQUITY AND LIABILITIES			
1 Equity			
a) Equity share capital	13	3,996.07	3,242.09
b) Other equity	14	43,366.25	38,255.93
Total Equity (D)		47,362.32	41,498.02
Liabilities			
2 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	8,644.36	14,286.11
ii) Lease liabilities	16, 45	59.90	27.45
b) Deferred tax liabilities (net)	17, 43	1,779.82	994.56
Total Non-current liabilities (E)		10,484.08	15,308.12
3 Current liabilities			
a) Financial liabilities			
i) Borrowings	18	30,942.93	32,379.17
ii) Lease liabilities	19, 45	46.77	32.95
iii) Trade payables			
- Total outstanding dues of Micro and Small Enterprises	20	2,381.08	940.76
- Total outstanding dues other than Micro and Small Enterprises		3,769.53	4,210.02
iv) Other financial liabilities	21	104.72	168.22
b) Other current liabilities	22	3,131.44	2,402.96
c) Provisions	23	153.45	131.31
d) Current Tax Liabilities (Net)	24	39.81	102.62
e) Liabilities directly associated with Assets classified as held for sale/ Discontinued operations		-	2,750.00
Total Current liabilities (F)		40,569.72	43,118.01
Total Equity and Liabilities (D) + (E) + (F)		98,416.12	99,924.15
Material Accounting Policies	2		
The accompanying notes form an integral part of the Standalone Financial Statements			

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026 (Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
INCOME			
I Revenue from Operations	25	87,032.40	88,735.86
II Other Income	26	660.16	244.76
III Total Income (I+II)		87,692.56	88,980.62
IV EXPENSES			
Cost of materials consumed	27	56,887.41	65,457.55
Purchase of Stock-in trade	28	-	971.12
Changes in inventories of finished goods and work-in-progress	29	3,053.98	(3,648.14)
Employee benefit expense	30	8,053.45	8,085.46
Finance costs	31	4,302.89	4,502.16
Depreciation and amortization expense	32	2,771.62	2,588.75
Other expenses	33	10,446.76	11,413.29
Total Expenses (IV)		85,516.11	89,370.19
V Profit before exceptional item and tax (III-IV)		2,176.45	(389.57)
VI Exceptional items		-	-
VII Profit / (Loss) before tax (V-VI)		2,176.45	(389.57)
VIII Tax expense:			
1) Current tax - current year		368.74	-
2) Current tax - Prior years		(483.66)	-
3) Deferred tax Expenses / (Savings)		791.95	(183.38)
		677.03	(183.38)
IX Profit / (Loss) for the period from continuing operations (VII-VIII)		1,499.42	(206.19)
X Profit / (Loss) from discontinued operations		191.44	1,512.32
XI Tax Expense / (Savings) of discontinued operations		(66.90)	587.04
1) Current Tax - Current year		-	721.82
2) Current Tax for prior year		-	-
3) Deferred Tax Expenses / (Savings)		(66.90)	(134.78)
XII Profit / (Loss) from discontinued operations after tax (X-XI)		(124.54)	925.28
XIII Profit / (Loss) for the period (IX+XII)		1,374.88	719.09
XIV Other Comprehensive Income from continuing operations			
i) Items that will not be reclassified to profit or loss			
a) Remeasurement of Defined benefit plans		172.28	15.41
b) Gain/loss on equity instruments designed at FVTOCI		(0.01)	3.35
ii) Income tax relating to items that will not be reclassified to profit or loss		(60.20)	(5.38)
Other Comprehensive Income for the period from continuing operations		112.07	13.38
XV Total Comprehensive Income for the period (XIII - XIV)		1,486.94	732.47
Profits attributable to			
Non - controlling interest		-	-
Owners of the company		1,374.88	719.09
Other comprehensive income attributable to			
Non - controlling interest		-	-
Owners of the company		112.07	13.38
Total comprehensive income attributable to			
Non - controlling interest		-	-
Owners of the company		1,486.95	732.47
XVI Earnings per equity share of Rs. 5/- each (for continuing operations)			
Basic and Diluted (in Rs.)		1.92	(0.33)
XVII Earnings per equity share of Rs. 5/- each (for discontinued operation)			
Basic and Diluted (in Rs.)		(0.16)	1.47
XVIII Earnings per equity share of Rs. 5/- each (for discontinued & continuing operations)			
Basic and Diluted (in Rs.)		1.76	1.14
Material Accounting Policies	2		
The accompanying notes form an integral part of the Standalone Financial Statements			

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



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

(Rs. in Lakhs)

	No. of shares	Amount
a) Equity share capital		
Balance as at the April 1, 2024	6,48,41,871	3,242.09
Changes during the year	-	-
Balance as at March 31, 2025	6,48,41,871	3,242.09
Balance as at April 1, 2025	6,48,41,871	3,242.09
Add: Changes during the year	1,50,79,504	753.98
Balance as at March 31, 2026	7,99,21,375	3,996.07

b) Other equity

(Rs. in Lakhs)

Particulars	Reserves and surplus			Items of other comprehensive income		Money received against share warrants	Equity attributable to the owners of the Holding Company	Non - controlling interest
	Securities premium account	General reserve	Retained earnings	Remeasurements of the defined benefit liabilities (asset)	Equity instruments through other comprehensive income			
Balance as at April 1, 2024	16,129.03	16,295.22	3,623.23	140.07	4.44	-	36,691.71	5,199.93
Profit for the year	-	-	719.09	-	-	-	719.09	-
Rights issue expenses	(47.74)	-	-	-	-	-	(47.74)	-
Part amount received during the year	-	-	-	-	-	655.00	655.00	-
On disposal of subsidiary	-	-	738.59	(14.38)	-	-	224.49	(5,199.93)
Other comprehensive income (net of taxes)	-	-	-	10.03	3.35	-	13.38	-
Balance as at March 31, 2025	16,081.29	16,295.22	5,080.91	135.72	7.79	655.00	38,255.93	-
Balance as at April 1, 2025	16,081.29	16,295.22	5,080.91	135.72	7.79	655.00	38,255.93	-
Profit for the year	-	-	1,374.86	-	-	-	1,374.86	-
Securities premium on rights issue of equity shares	3,317.49	-	-	-	-	-	3,317.49	-
Rights issue expenses	(69.10)	-	-	-	-	-	(69.10)	-
Part amount received during the year	-	-	-	-	-	375.00	375.00	-
On disposal of subsidiary	-	-	-	-	-	-	-	-
Other comprehensive income (net of taxes)	-	-	-	112.08	(0.01)	-	112.07	-
Balance as at March 31, 2026	19,329.68	16,295.22	6,455.77	247.80	7.78	1,030.00	43,366.25	-

Notes forming part of the Consolidated Financial Statements

As per our report of even date

For P. N. Raghavendra Rao & Co
Chartered Accountants
FRN : 003328S

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

For and on behalf of the Board of Directors

K. SADHASIVAM
Director
DIN 00610037

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (loss) before tax from Continuing and Discontinued operations		1,984.99		1,122.75
Adjustments for:				
Depreciation expense	2,771.62		2,588.75	
(Profit) / loss on sale of property, plant and equipment	(516.90)		21.23	
(Profit) / loss on disposal of Asset held for sale	(151.85)			
(Profit) / loss on sale of investments	-		(2,469.46)	
Finance costs	4,469.27		4,727.40	
Interest income	(70.41)		(120.50)	
Doubtful trade receivables and bad debts written off	(228.78)		46.82	
Sundry creditors written back	(0.01)		-	
Gain on termination of lease	(0.31)		(0.06)	
Net unrealised exchange (gain)	(52.13)		(116.66)	
		6,220.50		4,677.52
Operating profit before working capital changes		8,205.49		5,800.27
Changes in working capital :				
Adjustments for increase / (decrease) in operating assets:				
Financial assets				
Trade receivables	(979.68)		1,251.20	
Loans	(42.90)		(21.74)	
Other financial assets	(174.34)		(534.74)	
Non-financial assets				
Inventories	2,247.24		(578.80)	
Other non-financial assets	333.41		1,267.87	
Adjustments for increase / (decrease) in operating liabilities:				
Financial liabilities				
Trade payables	1,305.29		(4,785.81)	
Other financial liabilities	(12.86)		61.37	
Non-financial liabilities				
Provisions	22.21		(5.20)	
Other non-financial liabilities	727.50		130.86	
		3,425.88		(3,214.97)
		11,631.37		2,585.30
Net income tax paid		52.05		(328.11)
Net cash flow from/(used in) operating activities (A)		11,683.42		2,257.19
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(7,116.38)		(2,605.76)	
Margin money deposits	(50.16)		(228.83)	
Sale of Investments	(260.03)		7,949.04	
Proceeds from sale of property, plant and equipment	938.07		231.22	
Proceeds from Asset held for Sale	1,970.22		-	
Dividend Income received	-		91.33	
Interest received	56.12		-	
Net cash flow from/(used in) investing activities (B)		(4,462.16)		5,436.99


CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2026

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayment) of non-current borrowings	(5,027.77)		(4,518.50)	
Increase/(Decrease) in working capital borrowings	(2,050.22)		547.95	
Proceeds from issuing share warrants	375.00		655.00	
Payment of dividend to minority shareholders	-		-	
Repayment of lease liabilities	(41.46)		(42.10)	
Interest paid on Lease Liabilities	(11.32)			
Right issue expenses	(69.11)		(47.74)	
Proceeds from issue of Shares(securities Premium)	4,071.47			
Finance costs paid	(4,507.61)		(4,756.79)	
Net cash flow from/ (used in) financing activities (C)		(7,261.02)		(8,162.18)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(39.77)		(468.00)
Add: Cash and cash equivalents at the beginning of the year		321.05		789.05
Cash and cash equivalents at the year*		281.28		321.05
Cash and cash equivalents as per Cash Flow Statement				
* Comprises:				
a) Cash on hand	3.73		1.77	
b) Cheques / drafts on hand	2.00		15.61	
c) Balances with banks:				
i) In current accounts	275.55		303.67	
Total		281.28		321.05

As per our report of even date

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

For and on behalf of the board

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

N. KRISHNARAJ
Company Secretary
ACS No. 20472

K. SADHASIVAM
Director
DIN 00610037

S. SESHADRI
Chief Financial Officer



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
1.	Corporate information "Bannari Amman Spinning Mills Limited (the "Company"/"Holding Company") is a integrated textile company engaged in the manufacture of cotton yarn, knitted & woven fabrics, processing of fabrics, finished garments, home textiles and wind power generation. The Company was incorporated in the year 1989 and issued shares to the public in the year 2006. In addition the company has investment in subsidiaries which have been collectively referred to as ""Group"". The consolidated financial statements were approved for issue by the Board of Directors on May 29, 2026."
2.	Material accounting policies This note provides a list of the material accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.
2.1	Basis of accounting and preparation of financial statements i) Compliance with Ind AS "The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) (Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act as amended from time to time. The Group has consistently applied accounting policies to all periods." ii) Historical cost convention The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following: a) Certain property, plant and equipment, financial assets and liabilities that are measured at fair value b) Defined benefit plans – plan assets measured at fair value c) Assets held for sale – measured at at the lower of their carrying amount and the fair value less cost to sell. iii) Functional and presentation currency The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	iv) Current/Non-Current Classification: The Group has classified all the assets and liabilities as current and non-current based on the normal operating cycle of the Group and other criteria as set out in the Schedule III of Companies Act, 2013. 'Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. v) Rounding of amounts All the financial informations included in the Consolidated Financial Statements have been rounded off to the nearest rupees in lakhs and two decimals thereof, as per the requirement of Schedule III to Companies Act, 2013 unless stated otherwise . b) Principles of consolidation and equity accounting i) Subsidiaries Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars						
	The consolidated Ind AS financial statements of the Group include subsidiary which are incorporated in India in the table below: <table><tr><th>Name of the entity</th><th>As at March 31, 2026</th><th>March 31, 2025</th></tr><tr><td>Bannari Infotech Private Limited (Formerly Bannari Amman Infinite Trendz Private Limited)</td><td>100.00%</td><td>100.00%</td></tr></table>	Name of the entity	As at March 31, 2026	March 31, 2025	Bannari Infotech Private Limited (Formerly Bannari Amman Infinite Trendz Private Limited)	100.00%	100.00%
Name of the entity	As at March 31, 2026	March 31, 2025					
Bannari Infotech Private Limited (Formerly Bannari Amman Infinite Trendz Private Limited)	100.00%	100.00%					
2.2	Use of estimates In the preparation of these Consolidated Financial Statements, management of the Holding Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. a) Useful lives of property, plant and equipment The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. Useful life in years for the Holding Company: Factory building - 30, Building (non factory) - 60, Plant and machinery (main) - 30, Plant and machinery (others) - 15, Office equipments - 5, Furniture & fittings - 10, Vehicles - 8, Solar - 25." b) Deferred tax assets The carrying amount of deferred tax asset is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered."						



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	c) Employee benefits The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.
2.3	Inventories "Inventories are valued at lower of cost and net realisable value including necessary provision for obsolescence. The cost of inventories shall comprise all costs of purchase , conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. Value of finished goods and work-in-progress are determined on weighted average basis and include appropriate share of overheads." Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.
2.4	Cash and cash equivalents Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits. Cash and cash equivalent in the Consolidated Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn.
2.5	Cash flow statement Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	for the effects of tax expenses, transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.
2.6	Taxes on income
	a) Current tax
	The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit / (loss) before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantially enacted and are applicable as at the end of the reporting period. In the absence of adequate taxable profits, the Group is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions.
	b) Deferred tax
	Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the Group. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	(and tax laws) that have been enacted or substantively enacted by the end of the reporting period. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. c) Current and deferred tax for the year Current and deferred tax are recognised in the Consolidated Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.
2.7	a) Property, plant and equipment The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Consolidated Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Consolidated Statement of Profit and Loss.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under other non-current assets. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives. b) Capital work-in-progress Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses. Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. c) Other Intangibles Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Research costs are expensed as incurred. Software product development costs



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are Probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor and overhead costs that are directly attributable to prepare the asset for its intended use. The Intangible Assets which are acquired from others are recognised at cost including interest capitalisation" d) Depreciation and Amortisation Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 on a systematic basis except in respect of the following assets which are considered based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., Depreciation is provided pro-rata from the date of Capitalisation. Plant and Machinery - 25 to 30 years Windmill - 30 years Factory Building - 30 to 60 years Solar - 25 years" The Group reviews the residual values, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. Intangible Assets will be amortised over benefit period from the date put to use.
2.8	Leases The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at the 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 time in exchange for a consideration.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	"The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received." "The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. "The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments relating to those leases as an expense on a straight-line basis over the lease term."
2.9	Revenue recognition
	i) Sale of goods Revenue from sale of goods is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Group has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	component. Revenue from the sale of goods is measured at the transaction price of the consideration received or receivable which includes fixed, variable or both amounts, (excluding amounts collected on behalf of third parties) net of returns and allowances, trade discounts and volume rebates. ii) Time and material Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. iii) Dividend and interest income Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. iv) Other operating revenue Income incidental to exports such as duty drawback, Merchandise Exports from India Scheme (MEIS), income from import entitlement and premium on sale of such entitlement are recognised on accrual basis in the year of exports based on eligibility when there is a reasonable probability of collection. v) Insurance claims Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
2.10	Employee benefits Employee benefits include provident fund, employee state insurance, gratuity fund and compensated absences.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	a) Retirement benefit costs and termination benefits Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), are reflected in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. b) Defined benefit costs are categorised as follows : -service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); -net interest expense or income; and -remeasurement For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India. The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plan. Any surplus resulting from this



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs. c) Short-term and other long term employee benefits A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.
2.11	Foreign currency transactions and translations Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). " Non-monetary assets and liabilities measured in terms of historical cost in foreign currencies are not retranslated. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.
2.12	Borrowings and borrowing cost Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.
2.13	Earnings per share Basic earnings per share is computed by dividing the net profit after tax and before other comprehensive income attributable to ordinary equity shareholders, by the weighted average number of equity shares outstanding during the period, adjusted for rights issue of equity shares during the period." 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 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.
2.14	Provisions and contingencies A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	Balance Sheet date and adjusted to reflect the current best estimates. " A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable. 2.15 Financial instruments A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the transaction value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, financial liabilities like loans and borrowings and payables are recognised net of directly attributable transaction costs. a) Non-derivative financial assets i) Financial assets at amortised cost A financial asset shall be measured at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition. Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item. ii) Equity instruments at FVTOCI All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to statement of profit and loss. iii) Financial assets at FVTPL FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. iv) Derecognition of financial assets The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	b) Non-derivative financial liabilities i) Financial liabilities at amortised cost Financial liabilities at amortised cost represented by borrowings, trade and other payables. Borrowings are initially recognized at net of transaction costs incurred subsequently carried at amortized cost using the effective interest rate method and all other financial liabilities are recognised at the transaction value. ii) Financial liabilities at FVTPL Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance costs' line item. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss. For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit or loss. iii) Derecognition of non-derivative financial liabilities The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.


Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
2.16	"Fair Value Measurement" "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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: i) In the principal market for the asset or liability, or ii) In the absence of a principal market, in the most advantageous market for the asset or liability. "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 best economic 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, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:" i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities. ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	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 the fair value hierarchy as explained above. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. At initial recognition, the Group measures a financial asset, except trade receivable at its fair value plus, 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. Trade receivables are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of Profit and Loss. For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.
2.17	Impairment a) Financial Assets In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	(i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider : i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument. ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. As practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below: Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount. b) Non-financial assets The Group assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").
2.18	Segment reporting The Managing Director of the Holding Company has been identified as the Chief Operating Decision maker. The Group's operations relate to only one business segment, viz., Textiles and thus it has only one reportable business segment. The geographical segment information as required by Ind AS 108 - Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision maker for the purpose of making decisions about allocating resources and assessing its performance.
2.19	Non-Current Assets held for sale and Discontinued Operations a. Non-Current Assets held for sale The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuous use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortized while they are classified as held for sale. b. Discontinued Operations Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. The Company re-presents the aforesaid disclosures in respect of discontinued operations for all the periods presented in the financial statements so that the disclosures relate to all operations that have been


Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	discontinued by the end of the reporting period for the latest period presented. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.
2.20	Government grants Grants from the government are recognised when there is reasonable assurance that:(i) the Group will comply with the conditions attached to them; and(ii) the grant will be received." Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. Government Grant is recognised in the Consolidated Statement of Profit and Loss Account either as Other Operating Revenue or Other Income or adjusted against the expenses depending upon the nature of the grant.
2.21	Events after Reporting date "Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed."
2.22	Recent Pronouncements 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.



Notes to the consolidated financial statements for the year ended March 31, 2026

Note No.	Particulars
	In May 2025, amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements. In August 2025, amendments to Ind AS 1 - Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non - current and non-current liabilities with covenants. There is no impact of these amendments in its classification criteria of current and non-current liabilities. In August 2025, amendments in Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments- Disclosures, applicable w.e.f. 1st April 2025 - regarding supplier finance arrangements and it does not have any significant impact in its financial statements. Also in August 2025, MCA notified the amendments in Ind As 12, Taxes on Income introducing Pillar Two model rules for accounting Tax expense. The amendments are not applicable to the Company.



Notes to the consolidated financial statements for the year ended March 31, 2026

Notes to the standalone financial statements for the year ended March 31, 2026

3A Property, Plant and Equipment incl. Right-of-use Assets

(Rs. in Lakhs)

Description of Assets	Right of Use - Land & Building	Own land	Building - own	Building on leasehold land	Plant and machinery	Office equipment	Furniture and fittings	Vehicles	Tools and implements	Total
I. Gross										
Balance as at April 1, 2024	488.60	4,933.99	13,409.71	506.40	45,659.19	427.32	446.55	168.01	1.88	66,041.65
Additions	27.53	-	47.33	-	2,219.49	26.41	12.97	-	-	2,333.73
Disposals	(0.75)	-	-	-	(417.98)	-	-	(2.44)	-	(421.17)
Transferred to assets held for sale *	-	56.72	-	-	-	-	-	-	-	56.72
Balance as at March 31, 2025	515.38	4,990.71	13,457.04	506.40	47,460.70	453.73	459.52	165.57	1.88	68,010.93
Additions	91.86	-	3.04	-	6,815.80	26.24	66.76	-	-	7,003.70
Disposals	(3.82)	(10.21)	(407.59)	-	(136.03)	(2.54)	-	(27.67)	-	(587.86)
Reclassified from assets held for sale *	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2026	603.42	4,980.50	13,052.49	506.40	54,140.47	477.43	526.28	137.90	1.88	74,426.77
II. Accumulated depreciation										
Balance as at April 1, 2024	374.95	-	3,472.44	62.57	13,324.72	403.91	282.88	88.41	0.09	18,009.97
Depreciation expenses for the year	36.74	-	472.97	14.91	1,931.72	19.05	36.32	10.76	-	2,522.47
Disposals	-	-	-	-	(165.72)	-	(2.26)	-	-	(167.98)
Transferred to assets held for sale *	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	411.69	-	3,945.41	77.48	15,090.72	422.96	316.94	99.17	0.09	20,364.46
Depreciation expenses for the year	44.03	-	465.24	14.91	2,052.58	21.78	27.04	8.37	-	2,633.95
Disposals	-	-	(83.95)	-	(52.88)	(2.28)	-	(23.75)	-	(162.86)
Transferred to assets held for sale *	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2026	455.72	-	4,326.70	92.39	17,090.42	442.45	343.98	83.79	0.09	22,835.54
Net (I-II)										
Balance as at March 31, 2025	103.69	4,990.71	9,511.63	428.92	32,369.98	30.78	142.58	66.40	1.79	47,646.47
Balance as at March 31, 2026	147.70	4,980.50	8,725.79	414.01	37,050.05	34.98	182.30	54.11	1.79	51,591.23

Refer Note 16 & 18 for the details of Property, Plant and Equipments pledged against the borrowings of the Company and Note No. 53 for asset held for sale.

3B

(Rs. in Lakhs)

Capital work in progress	As at March 31, 2026	As at March 31, 2025
Opening balance	1,509.07	1,009.26
Add: Additions during the year	2,303.54	1,509.07
Less: Capitalised during the year	(2,757.59)	(1,009.26)
Closing balance	1,055.02	1,509.07



(Rs. in Lakhs)

Capital work in progress	Amount of Capital work in progress for a period of				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress					
As at March 31, 2026	1,055.02	-	-	-	1,055.02
As at March 31, 2025	1,509.07	-	-	-	1,509.07

Note: There are no projects suspended as at March 31, 2026 and March 31, 2025. There are no items of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan in current and previous year.

3C Other intangible assets

(Rs. in Lakhs)

Description of assets	Total
I. Gross	
Balance as at April 1, 2024	509.88
Additions	-
Disposals	-
Transferred to assets held for sale *	-
Balance as at March 31, 2025	509.88
Additions	-
Disposals	-
Transferred to assets held for sale *	-
Balance as at March 31, 2026	509.88
II. Accumulated amortisation	
Balance as at April 1, 2024	305.93
Depreciation / amortisation expenses for the year	66.28
Disposals	-
Transferred to assets held for sale *	-
Balance as at March 31, 2025	372.21
Depreciation / amortisation expenses for the year	137.67
Disposals	-
Transferred to assets held for sale *	-
Balance as at March 31, 2026	509.88
Net (I-II)	
Balance as at March 31, 2025	137.67
Balance as at March 31, 2026	(0.00)

* Refer Note no 52 for Assets Held for sale

3D Intangible assets under development

(Rs. in Lakhs)

Intangible assets under development	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Add: Additions during the year	658.59	-
Less: Capitalised during the year	-	-
Closing balance	658.59	-

(Rs. in Lakhs)

Intangible Asset under development	Amount of Intangible Asset under development for a period of				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress					
As at March 31, 2026					
Projects In Progress	658.59	-	-	-	658.59
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025					
Projects In Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-


Notes to the consolidated financial statements for the year ended March 31, 2026
4.1 Investments

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
I. Quoted Investments (fully paid) carried at fair value through other comprehensive income		
Investments in equity instruments - others		
i) 250 (PY: 250) Equity shares of Rs.10/- each in Bannari Amman Sugars Limited	9.06	9.09
ii) 34 (PY: 34) Equity shares of Rs.10/- each in Moil Limited	0.12	0.11
Total Quoted Investments (A)	9.18	9.20
II. Unquoted investments (fully paid)		
i) Investments in Equity instruments - others (carried at cost)		
15,000 (PY: 15,000) Equity shares of Rs.10/- each in OPG Metal Power Limited	1.50	1.50
1,44,000 (PY: 1,44,000) Equity shares of Rs.11/- each in OPG Power Generation Private Limited	16.56	16.56
1900 (PY: 300) Equity shares of Rs.100/- each in Hypkrt Power Private Limited	1.90	1.90
36,00,000 (PY: 36,00,000) Equity shares of Rs.10/- each in Nellai renewables Private Limited	360.00	360.00
4818 (PY Nil) Equity shares of Rs.10/- each in UVMAR Green Energies 6 Private Limited	152.97	-
5270 (PY Nil) Equity shares of Rs.10/- each in Adithyas Renewables Private Limited	107.09	-
ii) Investments in Government securities (carried at cost)		
Kisan Vikas Patra	0.03	0.03
Total Unquoted Investments (B)	640.05	379.99
Total (A) + (B)	649.23	389.19
Aggregate cost of quoted investments	0.37	0.37
Aggregate market value of quoted investments	9.18	9.20
Aggregate amount of unquoted investments	640.05	379.99
Aggregate amount of impairment in value of investments	-	-

5 Other financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	1,383.35	1,552.59
Total - Other financial assets	1,383.35	1,552.59



Notes to the consolidated financial statements for the year ended March 31, 2026

6 Other non-current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	33.32	23.12
Advance to related parties	0.45	2.83
Total - Other non-current assets	33.77	25.95

7 Inventories

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	8,281.50	6,922.98
Goods in transit (Raw materials)	836.84	1,388.99
Work-in-progress	2,503.40	2,263.66
Finished goods	7,089.36	10,383.08
Stores and spares	769.93	769.56
Total - Inventories	19,481.03	21,728.27

8 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Trade receivable considered good - Unsecured	16,613.68	15,543.90
b) Trade receivable - which have significant increase in Credit Risk	464.98	597.20
c) Trade receivable - Credit impaired	575.49	672.05
	17,654.15	16,813.15
Less: Allowance for expected credit loss	(1,040.47)	(1,269.25)
Total - Trade receivables	16,613.68	15,543.90



Notes to the consolidated financial statements for the year ended March 31, 2026

Trade receivables ageing schedule

(Rs. in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2026						
a) Undisputed Trade Receivables - considered good	15,140.43	159.98	771.50	-	-	16,071.91
b) Undisputed Trade Receivables - which have significant increase in credit risk	-	14.08	1.88	-	22.05	38.01
c) Undisputed Trade Receivables - credit impaired	-	20.24	1.43	13.85	244.94	280.45
d) Disputed Trade Receivables - considered good	-	144.53	53.78	-	343.46	541.77
e) Disputed Trade Receivables - which have significant increase in credit risk	-	24.46	59.06	-	343.46	426.97
f) Disputed Trade Receivables - credit impaired	-	-	0.11	3.67	291.26	295.04

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2025						
a) Undisputed Trade Receivables - considered good	14,629.93	376.85	64.51	10.92	77.97	15,160.18
b) Undisputed Trade Receivables - which have significant increase in credit risk	0.32	23.86	29.33	6.14	110.34	169.99
c) Undisputed Trade Receivables - credit impaired	-	3.21	23.30	87.21	338.68	452.40
d) Disputed Trade Receivables - considered good	-	24.77	15.49	-	343.46	383.72
e) Disputed Trade Receivables - which have significant increase in credit risk	-	78.59	5.16	-	343.46	427.21
f) Disputed Trade Receivables - credit impaired	-	0.11	31.99	52.45	135.10	219.65



Notes to the consolidated financial statements for the year ended March 31, 2026

9A Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks in current and cash credit account	275.55	303.67
Cheques, drafts on hand	2.00	15.61
Cash on hand	3.73	1.77
Total	281.28	321.05

9B Bank balances other than above

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked balances with banks		
a) Unpaid dividend accounts	0.67	1.34
b) Fixed assets deposits	160.28	150.00
c) Deposits with Banks held as margin money	129.27	88.72
Total	290.22	240.06

10 Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee advances (Unsecured, considered good)	34.63	41.23
Total	34.63	41.23

11. Other Financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on deposits	118.55	54.76
TUF subsidy receivable	749.48	825.90
Other Receivables	1,447.00	1,027.00
Total	2,315.03	1,907.66


Notes to the consolidated financial statements for the year ended March 31, 2026
12 Other current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	796.69	994.10
Advances to Suppliers	477.97	757.03
Balances with government authorities :		
- Duty drawback and other exports benefits receivable	145.61	299.08
- GST receivable	2,044.62	1,864.56
- ESI Deposit	7.58	7.58
Gratuity	339.52	171.74
Rent Advance	-	1.50
Other Receivable	5.33	5.34
Total	3,817.32	4,100.93

13 Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
15,00,00,000 Equity shares of Rs. 5 each (PY: 15,00,00,000 Equity shares of Rs. 5 each)	7,500.00	7,500.00
	7,500.00	7,500.00
Issued, Subscribed and fully paid up share capital		
7,99,21,375 Equity shares of Rs. 5 each (PY: 6,48,41,871 Equity shares of Rs. 5 each)	3,996.07	3,242.09
	3,996.07	3,242.09

i) Authorised Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (in lakhs)	Number of shares	Amount (in lakhs)
Equity shares				
At the beginning of the period	15,00,00,000	7,500.00	15,00,00,000	7,500.00
Add: Increase of shares during the year	-	-	-	-
At the end of the period	15,00,00,000	7,500.00	15,00,00,000	7,500.00



Notes to the consolidated financial statements for the year ended March 31, 2026

ii) Paid up Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (in lakhs)	Number of shares	Amount (in lakhs)
Equity shares				
At the beginning of the period	64,841,871	3,242.09	64,841,871	3,242.09
Add: Issue of shares on rights basis	15,079,504	753.98	-	-
At the end of the period	79,921,375	3,996.07	64,841,871	3,242.09

iii) Terms/rights and restrictions in respect of equity shares

The Company has issued only one class of equity share having a face value of Rs.5/- per share. The holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. The dividend proposed, if any, by Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

iv) Details of shares held by the holding company

Name of the shareholders	No. of shares	
	As at March 31, 2026	As at March 31, 2025
Equity shares		
Murugan Enterprise Private Limited #	3,87,53,273	3,51,91,255

Pursuant to the allotment of Equity under the Rights Issue, the shareholding of the ultimate Holding Company, Murugan Enterprises Private Limited, has reduced from 54.29% to 48.49% and accordingly, the Company has ceased to be a subsidiary and has become an associate of Murugan Enterprises Private Limited.

v) Shareholders holding more than 5% shares in the company :

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
Murugan Enterprise Private Limited	3,87,53,275	48.49	3,51,91,255	54.27

vi) Shareholding of Promoters

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
Murugan Enterprise Private Limited	3,87,53,275	48.49	3,51,91,255	54.27
S V Arumugam	8,49,071	1.06	6,88,869	1.06


Notes to the consolidated financial statements for the year ended March 31, 2026
14 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Securities premium		
Opening balance	16,081.29	16,129.03
Add: Securities premium on rights issue of equity shares	3,317.49	-
Less : Rights issue expenses	(69.10)	(47.74)
Closing balance	19,329.68	16,081.29
b. General reserve		
Opening balance	16,295.22	16,295.22
Add : Transfer from Retained Earnings	-	-
Closing balance	16,295.22	16,295.22
c. Retained Earnings		
Opening balance	5,080.91	3,623.23
Add : Profit / (loss) for the current year	1,374.88	1,457.68
Closing balance	6,455.79	5,080.91
d. Other Comprehensive Income		
Opening balance	143.51	644.23
Add : Movement during the year	112.07	13.38
Add : Adjustment on Account of Consolidation	-	(514.10)
Closing balance	255.58	143.51
e. Money received against share warrants		
Opening balance	655.00	-
Add : Movement during the year	375.00	655.00
Closing Balance	1030.00	655.00
Total Other Equity (a+b+c+d+e)	43,366.25	38,255.93

- Notes : A. Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.
- B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, Bonus issue, etc.
- C. Retained earnings do not contain any amount of revaluation reserve which was transferred to Retained earnings on the transition date, which may not be available for distribution.
- D. Other comprehensive income represents the cumulative gain/loss arising on remeasurement of defined benefit obligation and fair value changes of financial assets measured at FVTOCI. This would not be reclassified to Statement of Profit and Loss.
- E. The Company has allotted 42,25,806 partly paid Equity Share Warrants of face value Rs. 5 each to promoters and non-promoters for a value of Rs. 62 each and 41,66,660 partly paid Equity Share warrants of face value Rs. 5 each to promoters for a value of Rs. 36 each, which are convertible into equity shares within a period of 18 months from the date of allotment. During the year, a part amount representing 25% of the value aggregating to Rs. 375 Lakhs has been received in addition to Rs. 655 lakhs received during previous year.



Notes to the consolidated financial statements for the year ended March 31, 2026

15 Borrowings - Non Current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured Borrowings		
- Term loan from banks (Refer note 1 to 6 of Note - I)	15,760.01	19,743.51
- Term loan from others (Refer note 7 of Note - I)	-	264.27
Less : Current maturities of long term debt	(7,535.65)	(6,921.67)
Unsecured Borrowings		
- Loans from Related Parties (Refer note 8 of Note - I)	420.00	1,200.00
Total - Borrowings	8,644.36	14,286.11

Note : I

Details of terms of repayment and security provided in respect of secured term loans :

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1 ICICI Bank Limited		
ICICI Bank Limited- GECLS	1,799.68	2,496.33
Less: Current maturities of long term debt	(696.65)	(696.65)
Total	1,103.03	1,799.68

Security for Term Loan - GECLS:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and second pari passu charge on the entire property, plant and equipment of the Company.

Repayment:

Term Loan (GECLS) : 48 monthly instalments starting from November 2024.

Rate of Interest : 9.25%.

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
2 Indian Bank		
i) Term Loan 2 (TUF & Non-TUF)	837.00	4,063.43
ii) Term Loan 3 (TUF & Non-TUF)	3,432.58	3,686.00
iii) Term Loan 4 (GECLS)	1,942.94	3,053.19
Less: Current maturities of long term debt	(3,702.25)	(4,523.25)
Total	2,510.27	6,279.37



Notes to the consolidated financial statements for the year ended March 31, 2026

Security for Term Loans i) & ii) :

Pari passu First charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Security for GECLS Loan:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari, passu charge on the entire property, plant and equipment of the company.

Repayment & Rate of Interest:

Term Loan 2	: 15 Quarterly instalments starting from November 2022.	Rate of Interest : 12.80%
Term Loan 3	: 24 Quarterly instalments starting from May 2022.	Rate of Interest : 12.80%
GECLS Loan 4	: 48 Monthly instalments starting from January 2024.	Rate of Interest : 9.25%

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
3 Indian overseas Bank		
Term loan 1	2,186.33	2,313.33
Term loan 2 (GECLS)	1,209.00	1,821.00
Less: Current maturities of long term debt	(1,708.00)	(739.00)
Total	1,687.33	3,395.33

Security for Term Loan 1 : First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

Security for GECLS Loan:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari passu charge on the entire property, plant and equipment of the company.

Repayment and Rate of Interest :

Term Loan 1 : 19 Quarterly instalments starting from August 2023 with rate of interest: 11.80%
Term Loan 2 : 48 Monthly instalments starting from April 2024 with rate of interest : 9.25%

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
4 Union Bank of India		
Term Loan (GECLS)	661.38	966.63
Less: Current maturities of long term debt	(305.25)	(305.25)
Total	356.13	661.38

Security : Second pari passu charge on the entire property, plant and equipment of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

Repayment: 48 Monthly instalments starting from June 2024.

Rate of Interest: 9.25%



Notes to the consolidated financial statements for the year ended March 31, 2026

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
5 Punjab National Bank		
Term Loan (GECLS)	950.35	1,343.60
Less: Current maturities of long term debt	(393.25)	(393.25)
Total	557.10	950.35

Security : Second pari passu charge on the entire property, plant and equipments of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

Repayment : 48 monthly instalments starting from September 2024.

Rate of Interest : 9.25%

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
6 Karur Vysya Bank		
Term Loan	2,740.75	-
Less: Current maturities of long term debt	(730.25)	-
Total	2,010.50	-

Security : Exclusive charge of Land on which the Solar Plant is installed admeasuring about 25 acres alongwith hypothecation of Solar machinery and related accessories purchased.

Collateral : Nil

Repayment : 20 Quarterly instalments from December, 2025.

Rate of Interest : 9.50%

Term loan from others :

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
7 SIPCOT Soft Loan	-	264.27
Less: Government grant (Refer note (ii) below)	-	(264.27)
Total	-	-

- l) First charge by way of equitable mortgage over factory land and building and hypothecation of other movable assets financed by SIPCOT for the expansion project ranking paripassu with other banks and property, plant and equipment of the expansion scheme of spinning units located at Velvarkottai Village, Dindigul, Weaving unit and Knitting unit at Karanampet, Coimbatore.


Notes to the consolidated financial statements for the year ended March 31, 2026

- ii) The Government of Tamil Nadu in its order : G.O. Ms. No. 126, dated October 20, 2009, has granted an amount equivalent to net output VAT + CST paid through expansion project to Government as Investment Promotion Soft Loan for a period of 10 years, subject to terms and conditions mentioned in the Eligibility Certificate ID/SPA/BSML/2010 dated 30 April 2013. The soft loan will carry a nominal rate of 0.1% per annum. The soft loan availed during the FY 2014-15, 2015-16 & 2016-17 is repayable on the 10th year from the date of availment. This is considered as Government grant and accordingly the loan amount is carried at amortised cost considering an effective interest rate of 12.16%. The Government grant income is recognised proportionately in relation to the interest expense. The Company had repaid the outstanding on full during the year.

Borrowings from others

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
8 Unsecured Loans from Related Party		
Murugan Enterprise Private Limited	240.00	1,200.00
Sakthi Murugan Transport Private Limited	180.00	-
Total	420.00	1,200.00

16 Lease liabilities - Non-current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability on account of land and building lease	59.90	27.45
Total	59.90	27.45

17 Deferred Tax Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax Liabilities	1,844.69	1,059.43
Deferred tax Assets	(64.87)	(64.87)
Deferred tax (Assets)/ Liabilities (Net)	1,779.82	994.56
Total - Deferred tax liabilities	1,779.82	994.56

Refer Note no 43 for Significant components of Deferred Tax (Assets)/ Liabilities recognised in the financials statements

18 Borrowings - Current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured borrowings		
Loans repayable on demand from banks (Refer Note II)	17,604.84	19,084.99
Liability for bills discounted - from banks (Refer Note III)	5,802.44	6,372.51
Current maturities of long term borrowings	7,535.65	6,921.67
Total	30,942.93	32,379.17



Notes to the consolidated financial statements for the year ended March 31, 2026

Note - II

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1. Bank of Maharashtra Working capital limit: Rs. 500 lakhs Interest rate: 12.35% Security: First pari- passu charge by way of hypothecation of stock and book debts and all other current assets and second pari- passu charge on the entire property, plant and equipment of the Company.	500.80	441.26
2. ICICI Bank Limited Working capital limit: Rs. 3,000 lakhs Non - fund based limit: Rs. 1,000 lakhs Interest rate: 12.00 % Security: First pari- passu charge on Company's entire stock, consumable stores and spares and such other movables including book-debts, bills, outstanding monies, receivables both present and future and Second pari-passu charge on the entire property, plant and equipment of the Company.	1,514.20	1,500.00
3. Indian Bank Working capital limit: Rs. 5,200 lakhs Interest rate: 12.55 % Security: First pari- passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.	1,910.25	2,370.38
4. Indian Overseas Bank Working capital limit: Fund based: Rs. 10,000 lakhs Non - fund based limit: Rs. 2,500 lakhs Interest rate: 12.35 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	6,188.95	7,346.81
5. Karur Vysya Bank Limited Working capital limit: Rs. 1,250 lakhs Interest rate: 10.25 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	330.37	318.98
6. Punjab National Bank Working capital limit: Rs. 5,800 lakhs Non - fund based limit: Rs. 2,500 lakhs Interest rate: 12.45 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	1,930.36	2,464.25


Notes to the consolidated financial statements for the year ended March 31, 2026
Note - II (Contd...)

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
7. Union bank of India Working capital limit: Rs. 6,250 lakhs (PY: Rs. 6,750 lakhs) Non - fund based limit: Rs. 1,235 lakhs (PY: Rs. 1,235 lakhs) Interest rate: 10.85 % Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	3,538.33	3,447.12
8. DCB Bank Limited Working capital limit: Rs.2,500 lakhs Interest rate: 10.36% Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	1,691.58	1,196.19

Note - III

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Liability for bills discounted from banks		
1. Indian Overseas Bank Letter of credit - from banks	1,430.79	1,891.43
2. ICICI Bank Limited Working capital limit Fund basis : Rs. 3,000 lakhs Non - fund based limit : Rs. 1,000 lakhs Security: First pari- passu charge on Company's entire stock, consumable stores and spares and such other movables including book-debts,bills, outstanding monies, receivables both present and future and Second pari- passu charge on the entire property, plant and equipment of the Company.	2,209.99	2,419.46
3. Indian Overseas Bank Working capital limit : Fund based: Rs. 10,000 lakhs Non - fund based limit: Rs. 2,500 lakhs Security: First pari- passu charge on all current assets and Second pari- passu charge on the entire property, plant and equipment of the Company present and future.	2,161.66	2,061.62
Total	5,802.44	6,372.51



Notes to the consolidated financial statements for the year ended March 31, 2026

19 Lease Liabilities - Current

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability on account of land and building lease	46.77	32.95
Total	46.77	32.95

20 Trade Payable

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Total outstanding dues of micro enterprises and small enterprises (Refer note no 39)	2,381.08	940.76
b) Total outstanding dues other than micro and small enterprises	3,768.89	4,210.02
Total	6,149.97	5,150.78

Trade payables ageing schedule

(Rs. in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2026						
a) MSME	-	2,381.08	-	-	-	2,381.08
b) Others	-	3,730.35	17.40	0.17	20.97	3,768.89
c) Disputed dues - MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-
Total	-	6,111.43	17.40	0.17	20.97	6,149.97

(Rs. in Lakhs)

Particulars	Outstanding for the following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31.03.2025						
a) MSME	-	940.76	-	-	-	940.76
b) Others	-	4,152.73	41.59	2.70	13.00	4,210.02
c) Disputed dues - MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-
Total	-	5,093.49	41.59	2.70	13.00	5,150.78


Notes to the consolidated financial statements for the year ended March 31, 2026
21 Other Financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on borrowings	90.80	140.46
Unpaid Dividend	0.67	1.34
Security deposits received	5.54	13.44
Contractually reimbursable expenses	2.50	10.98
Payable on purchase of property, plant and equipment	5.21	2.00
Total - Other financial liabilities	104.72	168.22

22 Other Current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	1,138.10	396.14
Advance received towards sale of property, plant and equipment	94.30	94.30
Government grant - Sipcot soft loan	-	59.99
Statutory Remittances	107.90	107.66
Liability for Expenses	1,791.14	1,744.87
Total - Other Current Liabilities	3,131.44	2,402.96

23 Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
- Compensated absences	92.72	70.66
- Bonus	60.73	60.65
Total - Provisions	153.45	131.31

24 Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance tax and TDS receivable)	39.81	102.62
Total - Provisions	39.81	102.62



Notes to the consolidated financial statements for the year ended March 31, 2026

25. Revenue from operations

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Sale of Products		
i. Manufactured goods		
Yarn	49,634.87	49,204.58
Fabrics	23,401.87	23,352.47
Waste cotton	5,863.89	6,811.80
Made ups	4,438.45	4,375.19
ii. Traded goods		
Yarn	1.58	215.05
Cotton	-	146.38
	83,340.66	84,105.47
Less : Sales Discount	39.31	81.70
	83,301.35	84,023.77
b) Sale of Services		
Sizing charges, CMT charges, knitting and processing charges	2,478.54	3,163.33
	2,478.54	3,163.33
c) Other operating revenues		
Sale of scrap	245.33	290.00
Yarn second sales	8.75	1.56
Duty drawback and other export incentives	578.43	673.08
Others - Windmill carbon credit	-	10.60
Claims and Other receipts	420.00	573.52
	1,252.51	1,548.76
Total - Revenue from operations	87,032.40	88,735.86

26. Other Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Interest income (Refer Note (I) below)	82.02	120.50
b) Net gain on foreign currency transactions and translation	52.13	116.66
c) Other non-operating income (Refer Note (ii) below)	526.01	7.60
Total - Other Income	660.16	244.76



Notes to the consolidated financial statements for the year ended March 31, 2026

Note

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Interest income comprises:		
Interest on loans and advances	-	-
Interest on security deposits	70.41	120.50
Interest on income tax	11.61	-
Total - Interest income	82.02	120.50
ii) Other non-operating income comprises :		
Profit on sale of property plant and equipment (Net)	516.89	-
Agricultural Income	8.80	4.83
Gain on termination of leases	0.31	0.06
Others - Sundry creditors written back	0.01	2.71
Total - Other non-operating income	526.01	7.60

27. Cost of materials consumed

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	6,747.05	10,813.32
Add: Purchases	58,421.86	61,391.28
	65,168.91	72,204.60
Less: Closing stock	8,281.50	6,747.05
Total - Cost of materials consumed	56,887.41	65,457.55

28. Purchase of Stock-in Trade

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of Stock-in Trade - Yarn	-	971.12
Total Purchase of Stock-in Trade - Yarn	-	971.12



Notes to the consolidated financial statements for the year ended March 31, 2026

29. Changes in inventories of finished goods and work-in-progress

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year :		
Finished goods	7,089.36	10,383.08
Work-in-progress	2,503.40	2,263.66
Total	9,592.76	12,646.74
Inventories at the beginning of the year :		
Finished goods	10,383.08	6,986.29
Work-in-progress	2,263.66	2,012.31
Total	12,646.74	8,998.60
Net (increase) / decrease	3,053.98	(3,648.14)

30. Employee benefits expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	6,415.61	6,118.86
Contributions to provident and other funds	597.27	605.43
Staff welfare expenses	1,040.57	1,361.24
Total - Employee Benefits Expense	8,053.45	8,085.46

31. Finance Costs

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on financial liabilities at amortised cost:		
- Borrowings	4,000.03	4,222.26
- Operating lease liabilities	11.32	6.35
Other borrowing costs	291.54	273.55
Total - Finance costs	4,302.89	4,502.16


Notes to the consolidated financial statements for the year ended March 31, 2026
32. Depreciation and amortization expense

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Depreciation on Tangible assets	2,589.92	2,485.73
b) Depreciation on Intangible assets	137.67	66.28
c) Depreciation on Right of Use assets	44.03	36.74
Total - Depreciation and amortization expense	2,771.62	2,588.75

33. Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent including lease rentals	33.48	27.10
Communication expenses	39.77	38.31
Travelling and conveyance	116.00	110.20
Printing and stationery	32.70	42.26
Quality claim	74.53	99.41
Hank yarn obligation	5.76	13.71
Business promotion expenses	6.73	11.82
Donation	0.48	0.37
Water	106.85	115.47
Consumption of stores and spare parts	13.28	2.18
Manufacturing expenses	-	115.53
Consumption of packing materials	765.72	754.04
Power, fuel and water charges	6,058.06	6,067.74
Repairs and maintenance - Building	70.73	71.49
Repairs and maintenance - Machinery	1,003.18	1,248.67
Repairs and maintenance - Others	442.83	469.50
Insurance	284.63	259.20
Rates and taxes	116.76	283.58
Freight and forwarding charges	618.46	695.35
Sales commission	401.87	606.44
Legal and professional charges	275.89	199.34
Security Service Charges	9.78	10.83
Regulatory and Compliance expenses	-	0.62
Payments to Auditors (Refer note (i) below)	41.85	35.85
Directors Sitting Fees	22.25	15.00
Corporate Social Responsibility expenditure (Refer note 36)	6.20	1.20
Agricultural Expenses	0.44	0.33
Provision for bad and doubtful trade receivables	(228.78)	-
Bad trade and other receivables, loans and advances written off	16.27	46.57
Loss on sale of property plant and equipment (Net)	-	21.23
Sundry balances write off	1.49	-
Miscellaneous expenses	109.55	49.95
Total - Other expenses	10,446.76	11,413.29



Notes to the consolidated financial statements for the year ended March 31, 2026

Note (i) - Payments to auditors:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payments to Auditors		
- Statutory audit fees and Limited review fees	32.50	25.00
- Other Services	9.35	10.10
- Reimbursement of expenses	-	0.75
Total	41.85	35.85

*Payment of audit fees excludes rights issue expenses

34. Details of Undisclosed Income, if any

The Company does not have any transaction 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.

35. Corporate Social responsibility

(Rs. in Lakhs)

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	-	-
Amount of expenditure incurred	6.20	6.20
Shortfall at the end of the year	-	-
Total of Previous Years shortfall	-	-

36. Nature of CSR Activities:

The CSR initiatives of the Company aim towards inclusive development of the communities by promoting education and providing basic needs for the economically weaker section of the society.

Note :

- 1) The Company has not made any contribution to Related parties in relation to CSR Expenditure during the year and previous year.

37. Details of Crypto currency or Virtual currency, if any

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.


Notes to the consolidated financial statements for the year ended March 31, 2026
38 Contingent liabilities and commitments (to the extent not provided for)

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
I) Contingent liabilities:		
A) Claims against the Company not acknowledged as debts:-		
a) TANGEDCO demands, pending in appeal	1,769.97	1,814.80
b) Income tax demands - AY 2024-25	137.17	-
B) Contingent Liabilities on Account of Guarantees :-		
a) Guarantee issued in favour of supplier	112.46	112.46
II. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for :		
a. Tangible Assets	-	1,823.32

39 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2026	As at March 31, 2025
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of the period		
- Principal amount due to micro and small enterprise	2,381.08	940.76
- Interest due to micro and small enterprise	--	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
iv) Interest accrued and remaining unpaid at the end of the period	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Notes to the consolidated financial statements for the year ended March 31, 2026

40 Employee benefit plans

A. Defined contribution plans - provident fund and employee state insurance

The Group makes Provident Fund and Employee state insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised the following contributions in the Statement of profit and loss :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Provident fund	397.15	545.39
Employee state insurance	93.29	93.36

B. Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Holding Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Group. The Holding Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds in Note 31 Employee benefits expense. Under this plan, the settlement obligation remains with the Holding Company.

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

- Interest Rate Risk:** The plan exposes the Holding Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- Demographic Risk:** The Holding Company has used certain mortality and attrition assumptions in valuation of the liability. The Holding Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Liquidity Risk:** This is the risk that the Holding Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2026 by Mr. N.Srinivasan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



Notes to the consolidated financial statements for the year ended March 31, 2026

The following table sets out the funded status of the gratuity scheme:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Components of employer expense		
Current service cost	75.08	86.69
Interest cost	45.55	44.72
Expected return on plan assets	(59.26)	(59.62)
Recognised in statement of profit and loss	61.37	71.79
Re-measurement - actuarial (gain)/loss recognised in OCI	(172.28)	(15.41)
Total expense recognised in the Statement of total comprehensive income	(110.91)	56.38
Other Comprehensive Income (OCI)		
Actuarial (gain)/loss due to DBO experience	(139.51)	(44.43)
Actuarial (gain)/loss due to DBO assumption changes	(30.49)	20.21
Actuarial (gain)/loss arising during period	(170.00)	(24.22)
Actual return on plan assets (greater)/less interest on plan assets	(2.28)	8.81
Actuarial (gains)/losses recognized in OCI	(172.28)	(15.41)
Defined benefit cost		
Service cost	75.08	86.69
Net interest on net defined benefit liability / (asset)	(13.71)	(14.90)
Actuarial (gains)/losses recognized in OCI	(172.28)	(15.41)
Defined benefit cost	(110.91)	56.38
Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	691.47	652.76
Current service cost	75.08	86.69
Interest cost	45.55	44.72
Actuarial (gains)/losses	(170.00)	(24.22)
Benefits paid	(52.98)	(68.48)
Present value of DBO at the end of the year	589.12	691.47
Actual contribution and benefit payments for year		
Actual benefit payments	52.98	68.48
Actual contributions	56.86	44.09
Change in fair value of assets during the year		
Plan assets at beginning of the year	863.21	836.79
Expected return on plan assets	59.27	59.62
Actual company contributions	56.86	44.09
Actuarial gain / (loss)	2.28	(8.81)
Benefits paid	(52.98)	(68.48)
Plan assets at the end of the year	928.64	863.21
Actual return on plan assets	61.55	50.81
Current and Non-Current Asset / Liability portion		
Current Asset / (Liability)	339.52	171.74
Net asset / (liability) recognised in the Balance Sheet :		
Present value of defined benefit obligation	(589.12)	(691.47)



Notes to the consolidated financial statements for the year ended March 31, 2026

The following table sets out the funded status of the gratuity scheme (Contd...)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan assets	928.64	863.21
Funded status (Surplus / (Deficit))	339.52	171.74
Net asset / (liability) recognised in the Balance Sheet	339.52	171.74
Composition of the plan assets is as follows:		
Government securities	-	-
Debentures and bonds	-	-
Fixed deposits	-	-
Insurer managed funds*	100%	100%
Total	928.64	863.21

* Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial assumptions		
Discount rate	7.68%	6.85%
Expected return on plan assets	6.85%	7.23%
Retirement age	58	58
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	5.00%	5.00%
Salary escalation	5.00%	5.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Rs. in Lakhs)

Gratuity Plan	As at March 31, 2026	As at March 31, 2025
Estimate value of obligation if discount rate is taken 1% higher	552.58	645.53
Estimate value of obligation if discount rate is taken 1% lower	631.10	744.69
Estimate value of obligation if salary growth rate is taken 1% higher	630.49	743.49
Estimate value of obligation if salary growth rate is taken 1% lower	552.57	645.85
Estimate value of obligation if attrition rate is taken 1% higher	593.66	694.76
Estimate value of obligation if attrition rate is taken 1% lower	583.87	687.58



Notes to the consolidated financial statements for the year ended March 31, 2026

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

(Rs. in Lakhs)

Maturity profile, if it ensues	As at March 31, 2026	As at March 31, 2025
1 Year	41.08	39.60
2 Year	41.94	36.66
3 Year	46.84	40.81
4 Year	37.30	48.35
5 Year	28.48	38.70
6-10 years	124.52	143.55
Above 10 Years	268.94	343.80

Asset Liability Matching Strategies

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Holding Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

Experience Adjustments:

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1. Defined Benefit Obligation	589.12	691.47	652.76	684.55	606.62
2. Fair value of plan assets	928.64	863.21	836.79	783.79	616.80
3. Surplus/(Deficit)	339.52	171.74	184.03	99.24	10.18
4. Experience adjustment on plan liabilities ((Gain)/Loss)	(139.51)	(44.43)	(90.13)	(31.31)	81.85
5. Experience adjustment on plan assets (Gain/(Loss))	2.28	(8.81)	(7.32)	69.55	(6.74)

41 Segment Reporting

a) Primary business segment information

The Company's operations relate to only one business segment, viz., Textiles. Accordingly, this is the only reportable business segment.



Notes to the consolidated financial statements for the year ended March 31, 2026

b) Secondary geographic segment information

(Rs. in Lakhs)

Geographic Segment	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Continuing Operations		
Outside India	7,010.50	6,811.57
India	80,021.89	81,924.29
Revenue from Discontinued Operations		
Outside India	-	164.70
India	57.52	164.33
Total	87,089.91	89,064.89

All non-current assets of the Company are located in India.

c) There is no single external customer from whom Revenue from transactions exceed 10 % of the Company's total revenue in respect of Holding Company and Subsidiary Company.

42 Related party transactions

A. Details of related parties:

Description of relationship	Name of related parties
Associate company	Murugan Enterprise Private Limited
Subsidiaries	Bannari Infotech Private Limited (formerly known as Bannari Amman Infinite Trendz Private Limited)
Enterprises in which the Key management Personnel or relatives have significant influence	Anamallais Automobiles Private Limited Anamallais Agencies Private Limited Anamallais Motors Private Limited Shiva Automobiles Private Limited Vedanayagam Oil Company Sakthi Murugan Transports Private Limited Jahnvi Motor Private Limited Coimbatore Anamallais Agencies Private Limited Bannari Amman Flour Mill Private Limited Bannari Amman Retails Private Limited Shiva Mills Limited Shiva Texyarn Limited



Notes to the consolidated financial statements for the year ended March 31, 2026

A. Details of related parties: (Contd...)

Description of relationship	Name of related parties
Key Management Personnel (KMP)	Sri S V Arumugam, Managing Director Sri N Krishnaraj, Company Secretary Sri S Seshadri, Chief Financial Officer Smt S Sihamani, Director (upto 27.9.2025) Sri K Sadhasivam, Director Sri C Sivasamy, Director Sri R Shanmuga Velayutham, Director (w.e.f 14.11.2025) Smt Priya Bhansali, Director Smt Sadhana Vidhya Shankar, Director Sri K P Ramakrishnan, Director Sri S K Sundararaman, Director Sri Tharanipathy Rajkumar, Director Dr K R Thillainathan and Sri S Palaniswami
Relative of KMP	Smt A Umadevi Sri A Senthil

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

Particulars	Related Party	As at March 31, 2026	As at March 31, 2025
Transactions during the year:			
Sale of fabric	Shiva Texyarn Limited	218.68	72.16
Scrap sales	Shiva Texyarn Limited	6.03	4.07
Conversion/Job work income	Shiva Texyarn Limited	32.96	8.78
Purchase of yarn	Shiva Mills Limited	424.75	123.13
	Shiva Texyarn Limited	87.21	11.88
Fabric Processing charges	Shiva Texyarn Limited	-	0.27
Vehicle maintenance paid	Shiva Automobiles Private Limited	5.93	6.10
	Jahnvi Motor Private Limited	1.15	5.13
	Coimbatore Anamallais Agencies Private Limited	0.75	-


Notes to the consolidated financial statements for the year ended March 31, 2026
B. Details of transactions during the year and balance outstanding as at the balance sheet date: (Contd...)

(Rs. in Lakhs)

Particulars	Related Party	As at March 31, 2026	As at March 31, 2025
Staff quarters maintenance	Shiva Mills Limited	11.10	7.08
Purchase of fuel	Vedanayagam Oil Company	1.91	1.74
Rent paid	Anamallais Automobiles Private Limited	23.78	14.23
	Sakthi Murugan Transports Private Limited	6.86	4.64
	Smt A Umadevi	12.00	12.00
Advances given	Bannari Amman Retails Private Limited	0.01	0.44
Inter corporate deposits received	Sakthi Murugan Transports Private Limited	180.00	-
Inter corporate deposits repaid	Murugan Enterprise Private Ltd	960.00	500.00
Interest paid	Murugan Enterprise Private Ltd	62.56	149.86
	Sakthi Murugan Transports Private Limited	1.38	
Remuneration of KMP	Sri S V Arumugam, Managing Director	60.00	60.00
	Sri N Krishnaraj, Company Secretary	24.14	24.55
	Sri S Seshadri, Chief Financial Officer	24.59	23.39
	Smt. Gayathri Arumugam	-	11.44
	Sri. T V Guru Krishnan	-	14.47
Commission to KMP	Sri S V Arumugam, Managing Director	95.93	-
Sitting fees to KMP	Sri C Sivasamy, Director	2.50	1.85
	Dr K R Thillainathan, Director	-	0.70
	Sri S Palaniswami, Director	-	0.20
	Sri K Sadhasivam, Director	3.50	2.45
	Smt S Sihamani, Director	1.50	1.85
	Smt Priya Bhansali, Director	4.00	2.35
	Smt Sadhana Vidhya Shankar, Director	3.50	1.75
	Sri K P Ramakrishnan, Director	4.25	2.60
	Sri S K Sundararaman, Director	1.25	0.25
	Sri R Shanmuga Velayutham, Director	0.75	-
	Sri Tharanipathy Rajkumar, Director	1.00	1.00



Notes to the consolidated financial statements for the year ended March 31, 2026

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

Particulars	Related Party	As at March 31, 2026	As at March 31, 2025
Balances outstanding as at year end :			
Receivables			
	Bannari Amman Retails Private Limited	33.28	33.27
	Anamallais Automobiles Private Limited	0.27	0.27
	Anamallais Agencies Private Limited	-	0.02
	Anamallais Motors Private Limited	-	0.21
	Bannari Amman Flour Mill Private Limited	-	0.02
	Shiva Texyarn Limited	59.64	47.27
(Payables)			
	Vedanayagam Oil Company	(0.09)	(0.06)
	Sakthi Murugan Transports Private Limited	(180.55)	(0.51)
	Anamallais Automobiles Private Limited	(2.07)	(0.60)
	Murugan Enterprise Private Limited	(240.00)	(1,200.00)
	Shiva Automobiles Private Limited	(0.40)	(1.14)
	Shiva Mills Limited	(113.91)	(32.09)
	Smt A Umadevi	(0.90)	(0.90)
	Shiva Texyarn Limited	(32.68)	(12.83)

- Note:** i) Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.
- ii) The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.



Notes to the consolidated financial statements for the year ended March 31, 2026

44 Income tax recognised :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Statement of Profit and Loss	Other comprehensive income	Statement of Profit and Loss	Other comprehensive income
For continuing operations				
Current tax :				
In respect of current year	368.74		-	-
In respect of Prior years	(483.66)			
Deferred tax :				
In respect of current year	791.95	(60.20)	(183.38)	5.38
Income tax expense / (savings) for continuing operations	677.03	(60.20)	(183.38)	5.38
For discontinuing operations				
Current tax :				
In respect of current year	-	-	721.82	-
Deferred tax :				
In respect of current year	(66.90)	-	(134.78)	-
Income tax expense / (savings) for discontinuing operations	(66.90)	-	587.04	-
Total income tax expense / (savings)	610.13	(60.20)	403.66	5.38

Movement in deferred tax balances :

(Rs. in Lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Others	Closing balance
For the year ended March 31, 2026					
Tax effect of items constituting deferred tax (asset)					
Provision for doubtful trade receivables	(443.53)	79.95	-	-	(363.58)
Provision for compensated absences and gratuity and fair value of gain/(loss) on equity instruments	49.84	(6.18)	60.20	-	103.86
Brought forward & current year losses	(3,087.06)	507.44		-	(2,579.62)
Minimum alternate tax (net)	(5,458.57)	362.31		-	(5,096.26)
Others	(16.63)	(247.84)		-	(264.47)
Tax effect of items constituting deferred tax (asset)	(8,955.95)	695.68	60.20	-	(8,200.07)
Tax effect of items constituting deferred tax liability					
On difference between book balance and tax balance of fixed assets	9,950.51	29.38	-		9,979.89
Tax effect of items constituting deferred tax liability	9,950.51	29.38	-	-	9,979.89
Net Deferred tax (asset)/liability	994.56	725.06	60.20	-	1,779.82



Notes to the consolidated financial statements for the year ended March 31, 2026

Movement in deferred tax balances :

(Rs. in Lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Others	Closing balance
For the year ended March 31, 2025					
Tax effect of items constituting deferred tax (asset)					
Provision for doubtful trade receivables	(443.53)				(443.53)
Provision for compensated absences and gratuity and fair value of gain/(loss) on equity instruments	81.42	(36.96)	5.38	-	49.84
Brought forward & current year losses	(3,388.70)	301.64			(3,087.06)
Unabsorbed depreciation					
Minimum alternate tax (net)	(4,736.75)	(721.82)			(5,458.57)
On account of difference in treatment of expenditure	(67.43)			57.91	(9.52)
Others	(8.18)	1.07			(7.11)
Tax effect of items constituting deferred tax (asset)	(8,563.17)	(456.07)	5.38	57.91	(8,955.95)
Tax effect of items constituting deferred tax liability					
On difference between book base and tax base of property, plant and equipment	10,547.66	137.91	-	(735.06)	9,950.51
Remeasurement of defined benefit plans	7.95			(7.95)	-
Deferred tax on gain on acquisition of control	223.47			(223.47)	-
Tax effect of items constituting deferred tax liability	10,779.08	137.91	-	(966.48)	9,950.51
Net Deferred tax (asset)/liability	2,215.91	(318.16)	5.38	(908.57)	994.56

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit / (loss) before tax	1,985.01	1,122.75
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	693.56	392.29
On account of enacted tax rates	-	1,016.86
On account of permanent differences	(0.59)	(0.33)
On account of deferred tax income on origination of temporary differences	(270.99)	(17.09)
On account of previously unrecognised tax loss	174.05	(55.05)
On account of deduction on profit on sale of investment	-	(967.31)
Others	14.09	34.28
Income tax expense recognised in the statement of profit and loss	610.13	403.66



Notes to the consolidated financial statements for the year ended March 31, 2026

45 Borrowing cost capitalised under property, plant and equipment

Nil

Nil

46 Leases

The Holding Company has entered into leasing arrangements in respect of lease hold land and residential/office premise. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months in case of premises and between 30 to 90 years in case of land. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.

Lease Liabilities

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Building	Building
Opening balance	60.40	69.43
Additions	91.86	27.53
Deletions	(4.13)	(0.81)
Interest	11.32	6.35
Lease payments	(52.78)	(42.10)
Closing balance	106.66	60.40
Current	46.77	32.95
Non-current	59.90	27.45

Maturity analysis of OLL

The details of the maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1 year	48.16	37.42
1 to 5 years	85.93	29.32
More than 5 years	-	-

Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease rent relating to continuing operations	33.48	27.10
Lease rent relating to discontinued operations	-	3.58

The carrying value and fair value of financial instruments by categories as at March 31, 2026 and March 31, 2025 are as follows:


Notes to the consolidated financial statements for the year ended March 31, 2026
47 Financial Instruments

(Rs. in Lakhs)

Particulars	Carrying value		Fair value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial assets				
Amortised cost				
Loans	34.63	41.23	-	-
Trade receivable	16,613.68	15,543.90	-	-
Cash and cash equivalents	281.28	321.05	-	-
Other Bank balances	290.22	240.06	-	-
Other financial assets	3,698.38	3,460.25	-	-
Investment in government securities	0.03	0.03	-	-
Investment in equity and preference instruments (unquoted)	640.02	379.96	-	-
FVTOCI				
Investment in equity instruments	9.18	9.20	9.18	9.20
Total assets	21,567.42	19,995.68	9.18	9.20
Financial liabilities				
Amortised cost				
Borrowings	39,587.29	46,665.28	-	-
Lease liabilities	106.67	60.40	-	-
Trade payables	6,150.61	5,150.78	-	-
Other financial liabilities	104.72	168.22	-	-
Total liabilities	45,949.28	52,044.68	-	-

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2026 was assessed to be insignificant.



Notes to the consolidated financial statements for the year ended March 31, 2026

48 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2026 and March 31, 2025: (Rs. in Lakhs)

Particulars	Total	Fair value measurement using		
		Level - 1	Level - 2	Level - 3
Financial assets measured at fair value:				
FVTOCI financial assets designated at fair value: Date of valuation March 31, 2025				
Investment in equity instruments (quoted)				
As at March 31, 2026	9.18	9.18	-	-
As at March 31, 2025	9.20	9.20	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

49 Financial risk management

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses foreign currency borrowings to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

2) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.



Notes to the consolidated financial statements for the year ended March 31, 2026

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from top customer	4,441.53	4,857.29
Revenue from top 5 customers	11,761.44	11,058.23

3) Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

4) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk through credit limits with banks.

The Group's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Group is given below :

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	281.28	321.05
Other Bank balances	290.22	240.06
Total	571.50	561.11

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2026 and March 31, 2025.

(Rs. in Lakhs)

Particulars	As at	Less than 1 year	1-2 years	2 years and above
Borrowings	March 31, 2026	30,942.93	6,400.75	2,243.61
	March 31, 2025	32,379.17	7,123.31	7,162.80
Trade payables	March 31, 2026	6,150.61	-	-
	March 31, 2025	5,150.78	-	-
Lease liabilities	March 31, 2026	46.77	33.62	26.28
	March 31, 2025	32.95	22.79	4.66
Other financial liabilities	March 31, 2026	104.72	-	-
	March 31, 2025	168.22	-	-



Notes to the consolidated financial statements for the year ended March 31, 2026

5) Foreign currency risk

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, British pound sterling and Euros) and foreign currency borrowings (primarily in U.S. dollars, British pound sterling and Euros). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the management of the Group believes that the borrowings in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent.

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2026 and March 31, 2025:

(Rs. in Lakhs)					
Particulars	As at	US\$	Euro	Pound/Sterling	Total
Assets					
Trade receivables*	March 31, 2026	435.78	897.67	-	1,333.45
	March 31, 2025	644.82	1,521.09	38.02	2,203.93
Cash and cash equivalents	March 31, 2026	-	-	-	-
	March 31, 2025	-	-	-	-
Liabilities					
Trade payable	March 31, 2026	-	-	-	-
	March 31, 2025	-	-	-	-
Borrowings	March 31, 2026	-	-	-	-
	March 31, 2025	-	-	-	-
Net assets / (liabilities)	March 31, 2026	435.78	897.67	-	1,333.45
	March 31, 2025	644.82	1,521.09	38.02	2,203.93

* Trade receivables excluding allowance for doubtful trade receivables.

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in INR against all foreign currencies dealt by the Group. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.


Notes to the consolidated financial statements for the year ended March 31, 2026

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact on profit or (loss) for the year on account of rupee appreciation by 5%	66.67	72.76

For a 5% weakening of the INR against the relevant currency, there would be equivalent amount of impact on the profit / (loss) as mentioned in the above table.

6) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit / (loss) for the year ended would have impacted in the following manner:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Increase / (decrease) in the profit / (loss) for the year	(376.89)	(435.74)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

7) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Total equity attributable to the equity share holders of the company	47,106.74	41,354.51
As percentage of total capital	54%	47%
Current borrowings	30,942.93	32,379.17
Non-current borrowings	8,644.36	14,286.11
Total borrowings	39,587.29	46,665.28
As a percentage of total capital	46%	53%
Total capital (borrowings and equity)	86,694.03	88,019.79



Notes to the consolidated financial statements for the year ended March 31, 2026

50 Valuation of Inventories :

Inventories of raw materials are valued at lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. The inventory of Finished Goods and Work-in-progress are valued at the lower of cost and net realizable value, and cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Finished Goods and Work-in-progress, to their present location and condition. This inventory comprises of diversified range and quality of yarn and cloth / fabrics, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation.

51 Additional Regulatory Information :

i) Title Deeds of Immovable Properties not held in the name of the Group.

The title deeds of all the immovable properties are held in the name of the Group.

ii) Revaluation of Property, Plant and Equipment

The Group has not revalued its Property, Plant and Equipment during the year.

iii) Loans and advances granted to Promoters, Directors, KMPs and related parties

The following disclosures are made in respect of loans and advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

a) Repayable on demand

Type of Borrower	31.03.2026		31.03.2025	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	-	0%	-	0%

iv) Details of Benami Property

The Group does not hold any benami property. Hence, no proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

v) Reconciliation of Statement of Current Assets filed by the Group with banks for Working Capital facilities availed by the Group:

During the period under consideration, the Holding Company has borrowings from banks on the basis of security of Current Assets and the Quarterly Statements of Current Assets filed by the Holding Company with the banks are in agreement with the books of accounts for all the quarters of the year.



Notes to the consolidated financial statements for the year ended March 31, 2026

vi) Wilful Defaulter

The Group is not declared as a wilful defaulter by any bank or financial Institution or other lender.

vii) Undisclosed income

The Group has no 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).

viii) Relationship with Struck off Companies

The Group did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2026.

ix) Registration of Charges or Satisfaction with Registrar Of Companies

The Group does not have any charges or satisfactions yet to be registered with Registrar of Companies beyond the statutory period.

x) Layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

xi) Approved scheme(s) of arrangements

During the year, there is no approved scheme of arrangements.

xii) Utilisation of Borrowed Funds and Share Premium

A) The Group has not advanced or loaned to or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B) The Group has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52. Reconciliation of change in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	As at April 01, 2025	Proceeds	Repayment	Others	As at March 31, 2026
Non-current borrowings (including current maturities)	21,207.78	2,885.00	(7,912.77)	-	16,180.01
Current borrowings	25,457.50	-	(2,050.22)	-	23,407.28
Lease liabilities	60.40		(52.78)	99.05	106.67
Total	46,725.68	2,885.00	(10,015.77)	99.05	39,693.96



Notes to the consolidated financial statements for the year ended March 31, 2026

52. Reconciliation of change in liabilities arising from financing activities (Contd...)

(Rs. in Lakhs)

Particulars	As at April 01, 2024	Proceeds	Repayment	Others	As at March 31, 2025
Non-current borrowings (including current maturities)	28,936.56		(4,518.50)	(3,210.28)	21,207.78
Current borrowings	27,882.65	547.95		(2,973.10)	25,457.50
Lease liabilities	69.43		(42.10)	33.07	60.40
Total	56,888.64	547.95	(4,560.60)	(6,150.31)	46,725.68

53 Assets Classified as Held for Sale

- The Holding Company entered into an agreement to sell dated March 30, 2011 with Shiva Tex Yarn Limited for the sale of part of land situated at Velvarkottai, Dindigul and Kodangipalayam, Karanampet, Coimbatore, valued at Rs. 56.72 lakhs. Accordingly the said amount is disclosed as assets held for sale. As the Holding Company yet to receive the clearance from the lenders with respect to such lands, the same has been reclassified from asset held for sale to Property, Plant and Equipment during the year ended March 31, 2026
- The Garment unit situated at palladam, which had been earlier classified as assets held for sale, was sold and the resulting gain/loss has been recognized under discontinued operations in the Statement of Profit and Loss for the year ended 31st March, 2026. The land at SIPCOT, Perundurai is continued to be classified as assets held for sale / discontinued operations as per Ind AS 105 'Non-Current Assets held for sale and discontinued operations as at 31st March, 2026.

c. Results of the discontinued operations are presented below:

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
INCOME		
I Revenue from Operations	57.52	329.03
II Other Income	152.11	2,487.53
III Total Income (I+II)	209.63	2,816.56
IV EXPENSES		
Cost of materials consumed	175.93	87.36
Purchases of Stock-in trade	-	-
Changes in inventories of finished goods and work-in-progress	-	351.96
Employee benefits expense	-	83.56
Finance costs	166.38	225.24
Depreciation and amortization expense	-	-
Other expenses	58.77	556.12
Total Expenses (IV)	401.08	1,304.24
VII Profit/(Loss) before tax from discontinued operations (III-IV)	(191.44)	1,512.32
VIII Tax Expense of discontinued operations Deferred tax Expenses /(Savings)	(66.90)	587.04
IX Profit/(Loss) from discontinued operations after tax (VII-VIII)	(124.54)	925.28


Notes to the consolidated financial statements for the year ended March 31, 2026
d. Major classes of Assets and Liabilities of Discontinued Operations are as follows :

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
Assets held for sale:		
1. Non Current Assets		
Property, Plant and Equipment	211.74	4,780.11
2. Current Assets	-	-
Total Assets (1 + 2)	211.74	4,780.11
Liability:		
1. Non Current Liabilities		
Liabilities directly associated with Assets classified as held for sale / Discontinued operations	-	2,750.00
2. Current Liabilities	-	-
Total Liabilities (1 + 2)	-	2,750.00
Net Assets directly associated with discontinued operations	211.74	2,030.11

e. Cash flow statement of discontinued operations:

(Rs. in Lakhs)

Particulars	31.03.2026	31.03.2025
Net Cash Flow from /(used in) in Operating activities	(191.44)	(1,457.13)
Net Cash Flow from /(used in) in Investing activities	1,818.37	7,954.00
Net Cash Flow from /(used in) in Financing activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	1,626.93	6,496.87

- 55.** To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

As per our report of even date

For **P. N. Raghavendra Rao & Co**
Chartered Accountants
FRN : 003328S

P R Vittel
Partner
Membership No: 018111

Coimbatore
29.05.2026

For and on behalf of the board

S.V. ARUMUGAM
Chairman & Managing Director
DIN 00002458

K. SADHASIVAM
Director
DIN 00610037

N. KRISHNARAJ
Company Secretary
ACS No. 20472

S. SESHADRI
Chief Financial Officer



Notes to the consolidated financial statements for the year ended March 31, 2026

55 Financial ratios

Sl. No.	Particulars	Numerator	Denominator	31.03.2026	31.03.2025	Variance	Reason for variance
1	Current ratio (in times)	Current assets	Current liabilities	1.06	1.13	(16%)	
2	Debt-Equity Ratio (in times)	Total Debt (Long Term Borrowings + Short Term Borrowings + Interest Payable thereon)	Shareholders' Equity	0.84	1.13	(26%)	The variance is due to Repayment of Total Debt and increase in equity on rights issue during the year
3	Debt Service Coverage Ratio (in times)	Earnings available for Debt Services (Net profit after tax + Depreciation + Interest + other non cash adjustments)	Debt Service (Interest & Lease payments + principal repayments)	0.73%	0.64	14%	
4	Return on Equity Ratio (in %)	Net profit after tax	Average shareholder's equity	3.11	1.66	87%	The variance is due to increase in consolidated profit during the year
5	Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventories	2.91	2.69	8%	
6	Trade Receivables turnover ratio (in times)	Revenue from operations	Average Trade Receivables	5.42	4.73	14%	
7	Trade payables turnover ratio (in times)	Total Purchases	Average Trade Payables	10.34	7.40	40%	The variance is due to increase in trade payables during the year.
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital	35.18	16.23	117%	The variance is due to lower net working capital.
9	Net profit ratio (in %)	Net Profit After Taxes	Revenue from operations	1.58%	1.47%	8%	
10	Return on Capital employed (in %)	Earnings Before Interest and Taxes (EBIT)	Capital Employed	7.27%	6.56%	11%	
11	Return on investment (in %)	Earnings Before Interest, Depreciation and Taxes (EBIDT)	Investment (Total Assets)	9.37%	8.39%	12%	



Notes to the consolidated financial statements for the year ended March 31, 2026

56 Additional information as required by Paragraph 2 of the general instructions for preparation of consolidated Ind AS financial statements to Schedule III to the Companies Act, 2013

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in Lakhs	As % of consolidated profit or loss	Amount in Lakhs	As % of consolidated other comprehensive income	Amount in Lakhs	As % of consolidated other comprehensive income	Amount in Lakhs
Associate Company								
Bannari Amman Spinning Mills Limited	102%	48,327.14	110%	1,515.70	100%	112.07	109%	1,627.77
Indian - Subsidiary								
Bannari Infotech Private Limited (Formerly known as Bannari Amman Infinite Trendz Private Limited)	-2%	(964.82)	-10%	(140.82)	0%	-	-9%	(140.82)
Total	100%	47,362.32	100%	1,374.88	100%	112.07	100%	1,486.95


Financial Performance - Yearwise

(₹ In lakhs)

Financial Year	Equity Share Capital	Reserves & Surplus	Turnover *	Profit Before Depreciation	Depreciation	Profit Before Tax	Dividend on Equity Shares (%)
1995-1996 (18 months)	350.05	42.16	3171.12	185.77	143.93	41.84	-
1996-1997	350.05	104.84	4936.08	769.28	668.09	101.19	10
1997-1998	350.05	181.02	5270.53	494.61	379.92	114.69	10
1998-1999	350.05	592.27	6137.82	792.70	342.60	450.10	10
2000-2001 (18 months)	350.05	1464.27	9942.63	1702.90	537.03	1165.87	15
2001-2002	350.05	1736.63	6365.46	736.57	333.64	402.93	10
2002-2003	350.05	2085.64	6361.65	1183.80	340.02	843.78	10
2003-2004	350.05	2685.39	7533.23	1206.95	322.97	883.99	20
2004-2005	875.13	3601.48	7487.43	1789.41	321.42	1467.99	20
2005-2006	1575.43	13569.54	8670.07	2044.41	470.86	1573.55	20
2006-2007	1575.43	14903.05	11033.07	2563.34	848.69	1714.65	20
2007-2008	1575.43	14657.28	20933.17	3122.39	1493.26	1629.12	20
2008-2009	1575.43	14454.79	29095.40	3139.29	2180.84	958.44	10
2009-2010	1575.43	15683.92	35427.40	4799.92	2565.30	2234.62	15
2010-2011	1575.43	19196.90	58645.01	12108.40	5389.09	6719.31	20
2011-2012	1575.43	17559.28	43660.96	326.46	3722.63	-3396.16	-
2012-2013	1575.43	19922.46	54928.79	7648.08	3575.65	4072.42	20
2013-2014	1575.43	22710.63	71654.61	8105.12	3500.16	4604.96	20
2014-2015	1575.43	23764.29	68539.95	4580.63	2666.24	1914.38	15
2015-2016	1575.43	25315.94	77568.04	5653.94	2880.73	2772.21	16
2016-2017	1575.43	27318.00	86703.47	4402.52	2957.47	1445.05	18
2017-2018	1575.43	27713.08	93164.67	3586.83	2823.26	763.57	16
2018-2019	1575.43	29334.00	101642.61	4912.48	3005.32	1907.16	16
2019-2020	1575.43	29096.74	93506.78	2854.65	2831.16	23.49	-
2020-2021	1575.43	28087.79	80466.72	1563.77	2809.11	(1245.34)	-
2021-2022	3242.09	41119.36	129832.89	10425.68	2817.61	7608.09	12
2022-2023	3242.09	37305.85	109034.75	(1794.07)	2728.98	(4523.05)	-
2023-2024	3242.09	37966.81	89717.49	59.67	2886.58	(2826.91)	-
2024-2025	3242.09	39031.41	92385.06	2251.92	2522.47	(270.55)	-
2025-2026	3996.07	44332.07	84035.92	4809.25	2633.95	2175.33	5

* Turnover = Net Sales + Closing Stock - Opening Stock

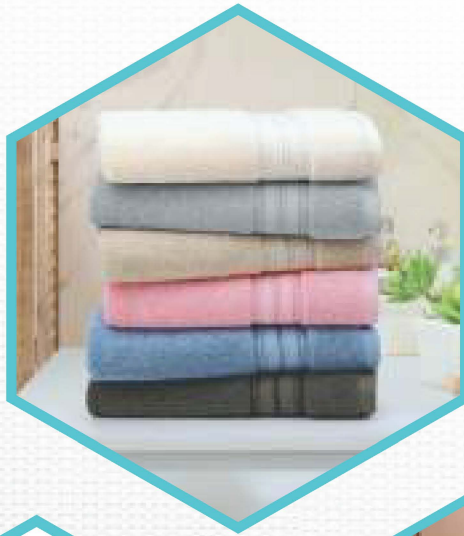
* Excludes interdivision transfers



Notes







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