

To,
The Manager
Listing & Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra,
Mumbai- 400051.

Date: 04.08.2026

Company ID: **LAGNAM**
ISIN: **INE548Z01017**

Sub.: **Notice of the 16th Annual General Meeting (AGM) and Annual Report 2025-2026**

Dear Sir/Madam,

As required under Regulation 30 and Regulation 34 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) we hereby submit copy of the Annual Report of the Company for the financial year 2025-26 along with the Notice convening the 16th Annual General Meeting scheduled to be held on Thursday, 27th of August 2026 at 11:30 A.M. (IST) through Video Conferencing (VC)/other audio-visual means (OAVM) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

The notice convening the 16th AGM and Annual Report 2025-26 are being sent by email to those members whose email addresses are registered with the Company/RTA/Depository Participants. The shareholders whose email ids are not registered with the company may request a copy of the Annual Report by sending an email to rparashar@lagnam.com. The Annual Report & Notice of AGM are also available on the website of the Company at www.lagnamspintex.com.

The details such as manner of attending the AGM through VC/OAVM and casting votes by the shareholders through Electronic Mode is set out in the notice of the AGM.

We request you to please take on record aforesaid information.

Thanking You,

Yours Faithfully,

For Lagnam Spintex Limited

ANAND
MANGAL
Digitally signed by
ANAND MANGAL
Date: 2026.08.04
15:45:17 +05'30'

Anand Mangal
Managing Director
DIN: 03113542

Enclosed: a/a



Lagnam Spintex

LAGNAM SPINTEX LIMITED

CIN: L17119RJ2010PLC032089

Registered Office: A 51-53, RIICO Growth Centre Hamirgarh, Bhilwara- 311001, Rajasthan, India.

Tel: +91 9461656067, **Website:** www.lagnamspintex.com, **E-mail:** rparashar@lagnam.com

NOTICE OF THE 16th ANNUAL GENERAL MEETING

To,

The Members of

LAGNAM SPINTEX LIMITED

(CIN: L17119RJ2010PLC032089)

Notice is hereby given that the 16th Annual General Meeting of the members of **LAGNAM SPINTEX LIMITED** will be held on Thursday, the 27th day of August, 2026 at 11:30 a.m. Indian Standard Time (IST), to transact the following businesses: -

ORDINARY BUSINESS: -

Item No. 1 – Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year 2025-26 ended on 31st March 2026, together with the Report of Board of Directors and the Statutory Auditors thereon.

Item No. 2 – Re-Appointment of Sh. D. P. Mangal as a director liable to retire by rotation

To appoint Director in place of Sh. D. P. Mangal (DIN: 01205208) who is liable to retire by rotation and is being eligible, offer himself for re- appointment.

SPECIAL BUSINESS: -

Item No. 3 – Ratification of Remuneration of Cost Auditors for the Financial Year 2026-27: -

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, if any, of the Companies Act, 2013 read with rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the payment of the remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses, to M/s. N. D. Birla & Co., Cost Accountants (Firm Reg. No. 000028) who were re-appointed by the Board of Directors of the Company as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for financial year ending 31st March, 2027, be and is hereby ratified and approved.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Dated: 8th May, 2026

Place: Bhilwara

**By order of the Board of Directors
For LAGNAM SPINTEX LIMITED**

Sd/-

**Rajeev Parashar
Company Secretary &
Compliance Officer
M. No.: F12673**

Notes: -

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM. Therefore, the deemed venue for the 16th AGM shall be the Registered Office of the Company i.e. 'A 51-53, RIICO Growth Centre Hamirgarh, Bhilwara- 311001, (Rajasthan).
2. In compliance with the aforesaid Circulars, the Notice of 16th Annual General Meeting of the Company, is sent only through electronic mode to those Members whose E-mail address are registered with the Company/ Depositories/ RTA as on 31.07.2026 The AGM Notice and Annual Report of the company are made available on the Company's website at www.lagnamspintex.com and also on the website of the Stock Exchanges where the shares of the Company have been listed viz. National Stock Exchange of India Limited- www.nseindia.com.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility of appointment of Proxies is not available as the AGM is convened through VC / OAVM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. Since the AGM will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility, the Route Map, Proxy Form, Attendance Sheet are not annexed in this Notice.
5. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules framed there under, in respect of the Special Business under Item No. 3 set out above is annexed hereto.
6. In case of the joint share-holders, only such shareholders whose name in higher order will be entitled to vote.
7. The members/ investors may sent their complaints/queries, if any, to the Company's RTA at investor@bigshareonline.com or to the Company at rparashar@lagnam.com
8. CS Sanjay Somani, Practicing Company Secretary (Membership No. FCS-6958, Certificate of Practice No. 5270) have been appointed as Scrutinizer to conduct the remote e-voting and e-voting process to be carried out at the AGM of the Company in a fair and transparent manner.

9. As part of Green Initiatives the Members, who have not yet registered their E-mail address, are requested to register their E-mail address with their DPs. Upon such registration, all subsequent communication from the Company/RTA will be sent to the registered E-mail address.
10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by the NSDL.
13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.lagnamspintex.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
14. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars and SEBI Circulars issued from time to time.

Information as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking appointment / re-appointment at the AGM is provided under a separate heading, which forms part of this Notice.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on at **Sunday, 23rd August, 2026 at 9:00 A.M.** and ends on **Wednesday, 26th August, 2026 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. **Thursday, 20th August, 2026** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, 20th August, 2026**.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, 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 in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. 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 and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on

Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode 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. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.

EVEN Number followed by Folio Number registered with the company
For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to somanics@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR(self-attested scanned copy of Aadhar Card) by email to rparashar@lagnam.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to rparashar@lagnam.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance at least 7 days prior to the meeting mentioning their name, demat account number, email id, mobile number and no. of shares held at rparashar@lagnam.com. The same will be replied by the company suitably.

OTHER INSTRUCTIONS:

1. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Thursday 20th August, 2026** are entitled to vote on the Resolutions set forth in this Notice.

2. The remote e-voting period will commence on **Sunday, 23rd August, 2026** at **9:00 A.M.** and ends on **Wednesday, 26th August, 2026** at **5:00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Thursday, 20th August, 2026** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
3. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. **Thursday, 20th August, 2026**.
4. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
5. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting.
6. M/s. Sanjay Somani & Associates, Practicing Company Secretaries, Bhilwara has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
7. The Scrutinizer shall, immediately after the conclusion of e-voting at Annual General Meeting, download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer shall within two working days of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing.
8. The results along with the Scrutinizers Report shall be placed on the website of the Company and on the website of NSDL and also be immediately forwarded to NSE, Mumbai.
9. All the Statutory Registers and Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Regd. office of the Company on all working days, during business hours up to the date of the Meeting.
10. The Ministry of Corporate Affairs (MCA), Government of India has introduced 'Green Initiative in Corporate Governance' by allowing paperless compliance by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder.
11. The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 124 of the Companies Act, 2013, during the current Financial Year is not applicable.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Share registrars and Transfer Agents.

13. Members who have not registered their email IDs are requested to register their email IDs with the Company's Share Registrars and Transfer Agents.
14. Members are requested to notify the change in their address to the company and always quote their folio number in all correspondence with the company.
15. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2026 has been uploaded on the Company's website www.lagnamspintex.com and may be accessed by the members and also on the website of the National Stock Exchange of India Ltd. www.nseindia.com.
16. Electronic copy of the Notice and the Annual Report for 2025-26 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

Item No. 3

The Board of Directors at its meeting held on 08.05.2026, on the recommendation of the Audit Committee, approved the re-appointment of M/s. N. D. Birla & Co., Cost Accountants (Firm Registration Number 000028), to conduct the audit of the Cost records of the Company for the Financial Year ending 31st March, 2027 at a remuneration of ₹50,000/- (Rupees Fifty Thousand Only) excluding all applicable taxes and reimbursement of out of pocket expenses.

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 (as amended or re-enacted from time to time) the remuneration as mentioned above, payable to the Cost Auditors, is required to be ratified by the members of the Company.

Accordingly, consent of the members is to be sought by passing an Ordinary Resolution as set out at Item No. 3 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2027.

The Board recommends the matter and the resolution set out under Item No. 3 for the approval of the Members by way of passing Ordinary Resolution.

None of the Directors or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to their shareholding, in the aforesaid resolution.

Dated : 8th May, 2026

Place : Bhilwara

**By order of the Board of Directors
For Lagnam Spintex Limited**

Sd/-

**Rajeev Parashar
Company Secretary &
Compliance Officer
M. No.: F12673**

Annexure to the Item No. 2 of the Notice

BRIEF RESUME OF THE DIRECTOR(S) SEEKING RE-APPOINTMENT AT THE 16th ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY, 27th August, 2026

Name	Mr. D. P. Mangal
DIN	01205208
Date of Birth	03.10.1948
Date of appointment on the Board	11.06.2010
Qualifications	CA, B.com
Brief Profile & Expertise in specific functional areas 	Mr. D. P. Mangal, aged 79 years is Promoter- Director and Executive Chairman of the Company. Mr. D. P. Mangal takes care of financial and operational aspect of the Company. He is a qualified Chartered Accountant with vast industrial experience which includes more than 46 years in textile industry. He has also served as the top managerial positions in Large Textiles corporate companies and was involved in various expansion projects. He also assists the Board in making business strategies, formation of policies, technological up gradation plan and new product development. Further, he acts as coordinator between the Managing Director & other members of management team.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Directorship in other public Companies: NIL
Chairman / Member of the Committees of the Board of Directors of Lagnam Spintex Limited	Member – Audit Committee Member – CSR Committee
Memberships/ Chairmanships of committees of other public companies (Includes only Audit Committee and Stakeholder Grievances Committee)	Chairmanship in other Companies: NIL Membership in other Companies: NIL
Number of equity shares held in the Company	29,46,250 Equity Shares
Relationships with other Directors, Manager and other Key Managerial personnel	Father of Mr. Anand Mangal, Managing Director and Mr. Shubh Mangal, Executive Director of the Company
Details of remuneration paid during the FY 2025-26	Rs. 114.52 Lacs (including all benefits & Perquisites as approved)
Number of meetings of the Board attended during the Year 2025-26	06 (Six) out of 06 (Six) meetings held

Spinning Excellence,
Delivering Value



Lagnam Spintex

ANNUAL REPORT 2025-26



100%
COTTON YARN
MANUFACTURER



LEADING-EDGE
TECHNOLOGY



GLOBAL
REACH



SUSTAINABLE
PARTNER

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

DESCRIPTION	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Turnover	8040	17644	20523	34844	30466	43750	60556	60498
Export	1653	6353	10417	20124	13564	20463	28014	25900
PBIDT	1177	1585	2632	5894	3103	4537	6554	6709
Interest	271	931	1188	1088	1098	1526	3085	3065
PBDT	906	654	1444	4807	2005	3010	3469	3644
Depreciation	262	594	755	753	733	929	1679	1662
P B T	644	60	689	4054	1272	2082	1790	1982
TAX	166	-52	241	1174	296	625	505	543
PAT	478	112	447	2880	976	1457	1285	1439
EPS (IN ₹)	3.20@	0.64	2.53	16.30	5.53	8.25	7.28	8.14
Equity	1767	1767	1767	1767	1767	1767	1767	1767

FINANCIAL POSITION	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Total Capital Employed	17699	21357	23479	26832	29707	51200	53971	52902
Net Worth	5322	5434	5828	8536	9429	10895	12087	13535
Long Term Loans	9682	10762	12324	10862	9734	23366	20164	17018
Working Capital Loans	2070	4588	2954	3357	6008	11629	15265	15046
Other Liability	1816	3390	3772	5234	5945	7460	9508	11560
Total Liability	13568	18740	19050	19453	21688	42454	44937	43625
Fixed Assets (Net)	13233	15806	14939	14447	16252	35376	34029	33554
Total Current Assets	5482	8329	9835	12542	13463	17871	22910	23540
Total Current Liabilities	3226	7361	5845	6561	9969	16434	21557	22834

KEY FINANCIAL RATIOS (%)	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Operating Profit Margin %	14.64	8.98	12.82	16.92	10.19	10.37	10.82	11.09
Return on Capital Employed % (PBIT/ Capital Emp.)	5.17	4.64	7.99	19.16	7.98	7.05	9.03	9.54
Return on Sales% (PAT/ Turnover)	5.95	0.64	2.18	8.26	3.20	3.33	2.12	2.38
Return on Net worth %	8.97	2.07	7.68	33.74	10.35	13.38	10.64	10.63
Debt Equity Ratio	1.82	1.98	2.11	1.27	1.03	2.14	1.67	1.26
TOL/TNW	2.55	3.45	3.27	2.28	2.30	3.90	3.72	3.22
Interest Cover Ratio	4.34	1.70	2.22	5.42	2.83	2.97	2.12	2.19
Fixed Assets Cover Ratio	1.37	1.47	1.08	1.11	1.31	1.35	1.44	1.62
Current Ratio	1.70	1.13	1.68	1.91	1.35	1.09	1.06	1.03

@ "After Public issue of 60 lacs Equity shares"



INTEGRITY



INNOVATION



EXCELLENCE



SUSTAINABILITY

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. D. P. Mangal	: Executive Chairman
Mr. Anand Mangal	: Managing Director
Mr. Shubh Mangal	: Executive Director
Mr. Vijay Singh Bapna	: Independent Director
Mr. Jagdish Chandra Laddha	: Independent Director
Mr. Anil Shah	: Independent Director
Ms. Dipali Mathur	: Independent Director

CHIEF FINANCIAL OFFICER

Mr. Devi Lal Mundra

COMPANY SECRETARY

Mr. Rajeev Parashar

STATUTORY AUDITORS

M/s A. L. Chechani & Co.
(Chartered Accountants)
16, Heera Panna Market, Bhilwara-311001.

COST AUDITORS

M/s N. D. Birla & Co.
(Cost Accountants)
A-3, Nirant Apartment,
Ellisbridge, Ahmedabad-380006.

SECRETARIAL AUDITORS

M/s Sanjay Somani & Associates
(Company Secretaries)
29, 1st Floor, Badal Textile Market,
Pur Road, Bhilwara-311001.

INTERNAL AUDITORS

M/s Sunil Somani & Associates .
(Chartered Accountants)
B-14, Near Ganesh Mandir, Gandhi Nagar,
Bhilwara- 311001

PLANT & REGISTERED OFFICE

Lagnam Spintex Limited
(CIN: L17119RJ2010PLC032089)
A 51-53, RIICO Growth Centre
Hamirgarh, Bhilwara-311001
Contact: +91-9116420111
Email: rparashan@lagnam.com
Website: www.lagnamspintex.com

NAME OF THE STOCK EXCHANGE

NATIONAL STOCK EXCHANGE OF INDIA LTD.

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PVT. LTD.
Office No S6-2, 6th Floor, Pinnacle Business
Park, Next to Ahura Centre, Mahakali Caves
Road, Andheri (East) Mumbai - 400093.
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

BANKERS

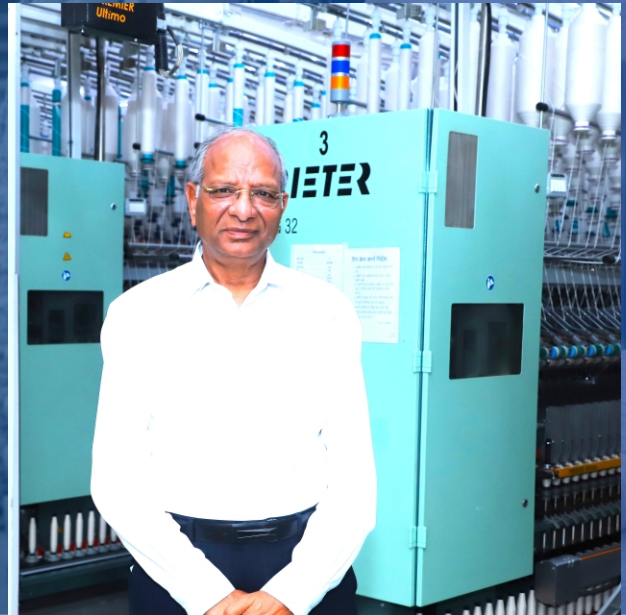
State Bank of India
Punjab National Bank
Bank of Baroda
HDFC Bank Ltd.
Indian Bank
Bank of Maharashtra
Union Bank of India

Message from the Chairman

Strengthening Trust. Enhancing Performance.



As a leading force in the textile industry, Lagnam Spintex stands poised to transform emerging opportunities into sustainable growth and long-term value creation.



Dear Shareholders,

It gives me immense pleasure to present the 16th Annual Report of your Company for the financial year 2025–26. The year under review was characterized by heightened global uncertainty, driven by geopolitical tensions, evolving international trade policies, including the impact of US tariffs, and the Iran–Israel conflict. These developments continued to influence global supply chains, commodity markets, and overall business sentiment. Despite these external challenges, your Company demonstrated resilience, operational discipline, and strategic agility, enabling it to deliver a steady improvement in its financial performance.

Business Performance

During FY 2025–26, your Company recorded Revenue from Operations of ₹604.98 crores, compared with ₹605.56 crores in the previous financial year. The largely stable performance reflects the Company's ability to navigate a volatile business

environment while maintaining operational efficiency and customer confidence.

A notable highlight of the year was the strong growth in the domestic business. Revenue from domestic operations increased to ₹345.98 crores, compared with ₹325.42 crores in the previous year, registering a growth of approximately 6%. This performance was driven by our focused market development initiatives, deeper customer engagement, and our continued emphasis on strengthening our presence in the Domestic market.

Export revenue stood at ₹259.00 crores during the year, compared with ₹280.14 crores in FY 2024–25, reflecting a decline of approximately 7.5%. The moderation in exports was primarily influenced by geopolitical uncertainties, changing global trade dynamics, and disruptions across several international markets.

Recognizing these evolving market conditions, your Company adopted a prudent and balanced

approach by strategically increasing its focus on the domestic market. This timely realignment of the sales portfolio enabled us to mitigate external risks, maintain revenue stability, and reinforce our long-term business sustainability.

Operational & Technical Expertise

At LAGNAM, quality remains the cornerstone of our success. Our products continue to enjoy the trust of customers across domestic and international markets owing to their consistent quality, reliability, and adherence to global standards.

Our commitment to technical excellence is supported by world-class testing and quality assurance infrastructure. The Company is equipped with advanced USTER technologies, including HVI-1000, AFIS PRO 2, UT-5, UTR-4, and CLASSIMAT-5, enabling precise quality monitoring, superior process control, and customized product solutions that meet the stringent requirements of discerning global customers.

Further strengthening our competitive advantage, our manufacturing facilities are equipped with state-of-the-art machinery sourced from globally renowned manufacturers. Every stage of the manufacturing process—from the Blow room to final packing—is integrated with advanced automation and real-time monitoring systems, ensuring operational efficiency, product consistency, enhanced productivity, and minimal human intervention.

Our continued investments in technology, automation, and process excellence not only enhance product quality but also reinforce our ability to compete effectively in an increasingly demanding global marketplace.

Human Capital

At LAGNAM, our people are our greatest strength and the foundation of our sustained success. Our workforce comprises experienced industry professionals, skilled technical experts, and dynamic young talent who collectively drive innovation, operational excellence, and continuous improvement across the organization.

Their unwavering commitment, technical expertise, and customer-centric approach enable us to consistently deliver products that meet the highest standards of quality and reliability, even in a

challenging and rapidly evolving business environment. The dedication and resilience demonstrated by our employees continue to be instrumental in strengthening our competitive position and creating long-term value for all stakeholders.

The Road Ahead

As we look to the future, we remain confident in the long-term growth prospects of both the textile industry and our Company. Our strategic priorities will continue to focus on consolidating our existing product portfolio and manufacturing capacities, expanding our presence in new domestic and international markets, increasing the share of value-added yarns, and deepening relationships with customers across geographies.

We will continue to invest in advanced technologies, digitalization, research & development, process innovation, and the continuous upskilling of our workforce. These initiatives will further strengthen our operational capabilities, enhance customer value, and reinforce our competitive position in an increasingly dynamic global marketplace.

As we move forward, our commitment remains unwavering—to create long-term value for our shareholders through prudent financial management, operational excellence, innovation, responsible business practices, and sustainable growth.

I would like to express my sincere gratitude to my fellow Board Members for their guidance, our lenders and financial institutions for their continued confidence, our customers and business partners for their enduring trust, our vendors for their valuable support, and above all, our employees for their dedication, passion, and relentless pursuit of excellence.

Finally, I extend my heartfelt appreciation to you, our valued shareholders, for your unwavering trust and continued support. Your confidence inspires us to strive for higher standards, embrace new opportunities, and build a stronger, more resilient, and sustainable future together.

Warm wishes,

Sincerely,

D. P. Mangal
Executive Chairman

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Forward Looking Statement:

Some information in this report may contain forward – looking statements. These forward looking statements are based on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases may vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or basis and actual results can be material, depending on the circumstances.

LAGNAM AT A GLANCE



Year of Incorporation
2010



Installed Spindles
67000+



Installed Rotors
1920



Production Capacity
2100+ MT per month



Export to
35+ Countries Served



Export Certification
Three Star Export House

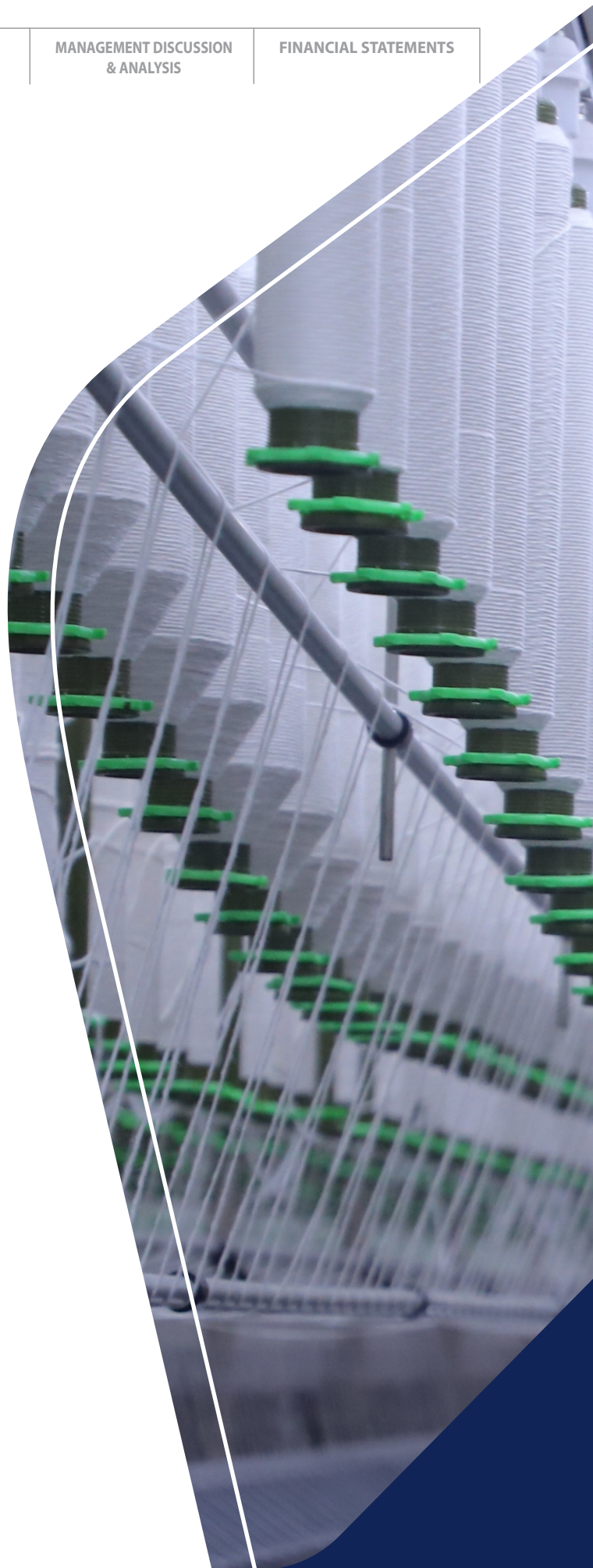


Lagnam Spintex Limited is engaged in the manufacturing of high quality cotton yarn. With a strong focus on quality, innovation and customer satisfaction, we continue to create long-term value for our stakeholders.

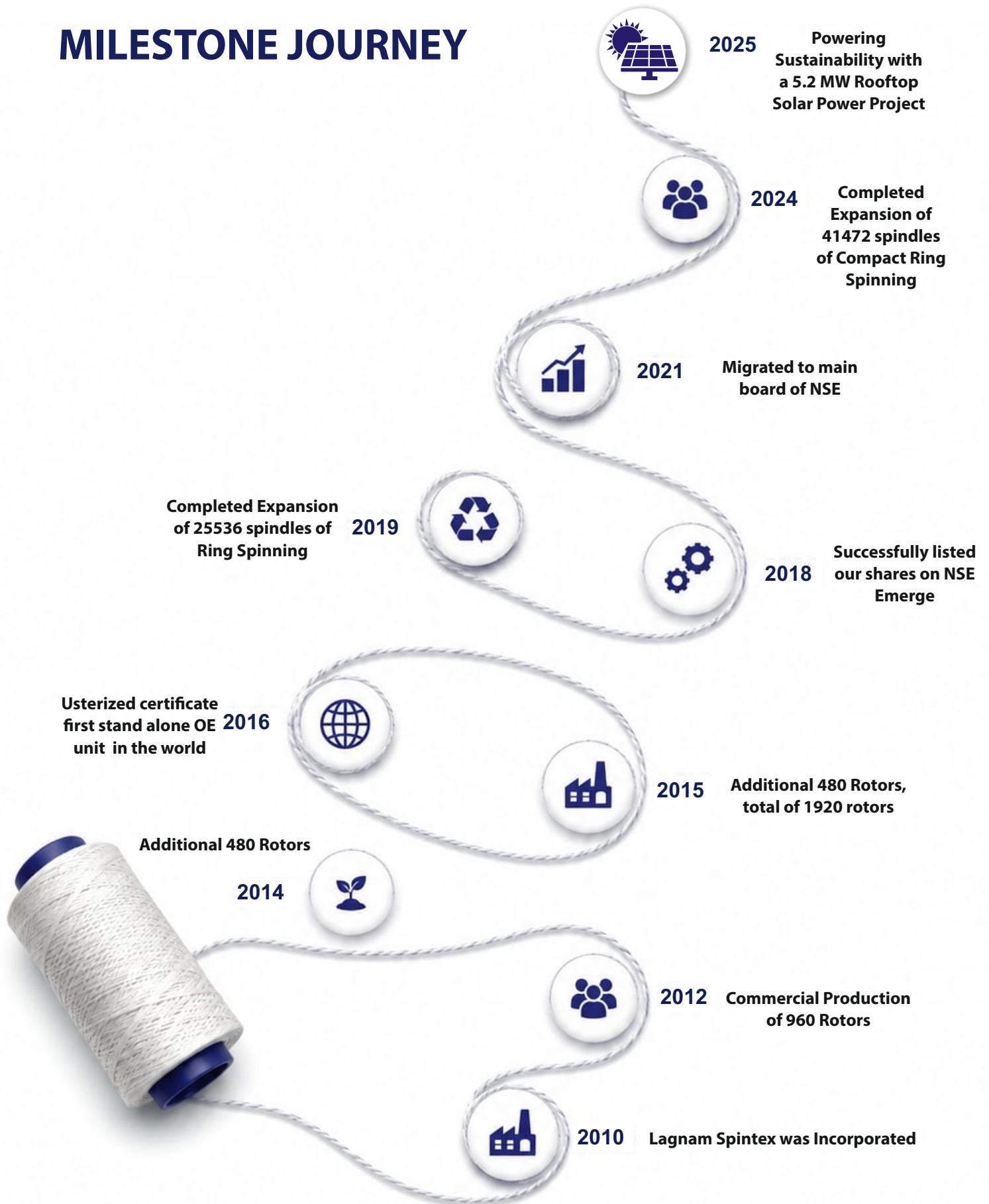
Who We Are

Lagnam Spintex is a leading manufacturer of premium **Ring Spun and Open-End Cotton Yarns**, serving customers across domestic and international markets. Established in 2010, the Company has built a strong track record of operational excellence and sustainable growth.

Certified under ISO 9001:2015 and recognised as “**Three Star Export House**”, the Company's Leading-edge Tech equipped manufacturing facilities produce yarn counts ranging from Ne 4 to Ne 40, catering to a diverse range of textile applications, including Denim, Terry Towels, Bottom Wear, Home Textiles, and Industrial Fabrics.



MILESTONE JOURNEY



CORE VALUES

QUALITY

Delivering premium quality yarn through rigorous standards, process excellence, and continuous improvement.



COMMUNITY

Contributing to the well-being of our communities and creating a positive social impact.



INNOVATION

Embracing technology, creativity, and forward-thinking solutions to create value and stay ahead.



SUSTAINABILITY

Operating responsibly with care for the environment, conserving resources, and building a sustainable future.



CUSTOMER FOCUS

Understanding our customers' needs and delivering value with reliability, consistency, and dedication.



INTEGRITY & TRUST

Upholding the highest standards of integrity, transparency, and ethical conduct in everything we do.



OUR VISION

To create enduring value by spinning together the five pillars that define Lagnam—Quality, Innovation, People, Sustainability, and Trust—delivering excellence that empowers customers, enriches communities, and shapes a sustainable future.

The Five Pillars of Lagnam



Quality

Delivering products and services that consistently exceed expectations through uncompromising standards of excellence.



Innovation

Embracing technology, continuous improvement, and forward-thinking solutions to stay ahead in a dynamic global marketplace.



People

Empowering our employees, nurturing partnerships, and fostering a culture of collaboration, safety, and continuous learning.



Sustainability

Creating long-term value through responsible manufacturing, efficient resource utilization, and environmental stewardship.



Trust

Building enduring relationships with customers, suppliers, investors, and communities through integrity, transparency, and accountability.

OUR MISSION



- To manufacture world-class cotton yarns that consistently exceed customer expectations in quality, reliability, and value.



- To continuously invest in advanced technologies, process excellence, and product innovation.



- To foster long-term relationships with customers, employees, suppliers, and business partners based on trust and integrity.



- To promote sustainable manufacturing through efficient resource utilization, environmental stewardship, and responsible business practices.



- To create lasting value for shareholders while contributing positively to society and the communities we serve.

SUSTAINABLE VALUE FOR ALL

We have, over the years, built a broad framework to create value for all stakeholders.



CUSTOMERS

At Lagnam Spintex, our customers are at the heart of everything we do. We engage with them continuously to understand their evolving requirements and deliver customized yarn solutions that create lasting value.

Our unwavering commitment to quality, consistency, and timely delivery has enabled us to build enduring relationships, reflected in a high level of repeat business from our valued customers.

We adhere to stringent quality standards throughout our manufacturing process, ensuring that every product meets the highest benchmarks of performance and reliability.

Driven by innovation and market insights, we continuously expand our portfolio of value-added yarns to address emerging customer needs and support their growth across diverse applications.



EMPLOYEES

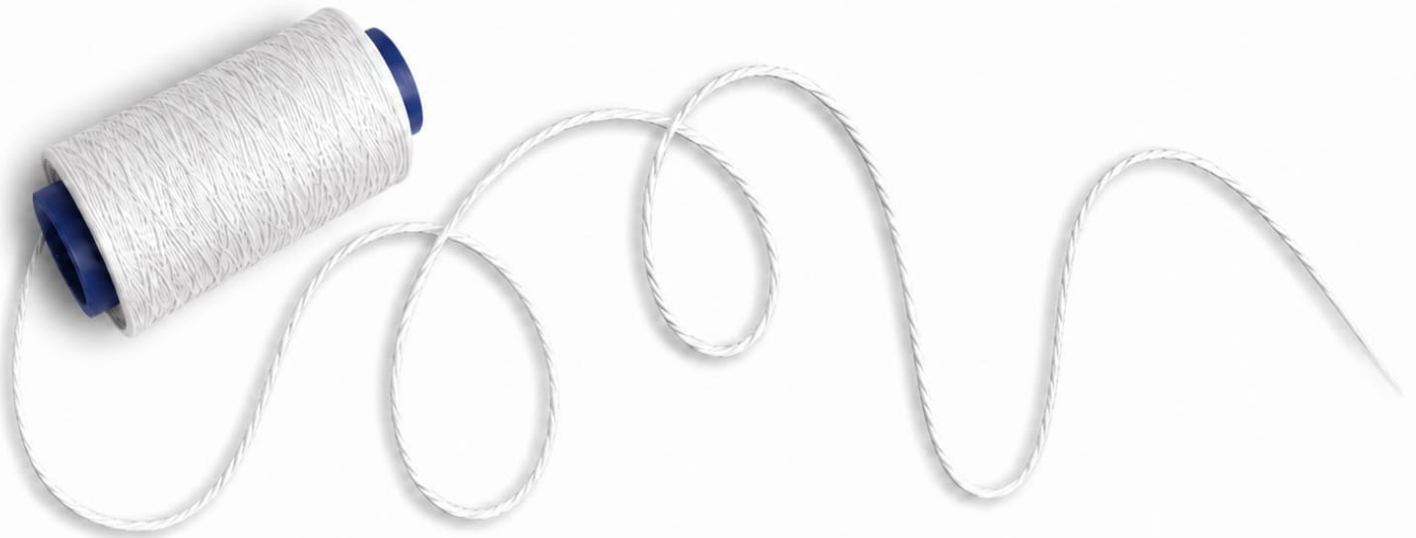
We create an empowering work environment that inspires ownership, accountability, and excellence.

We strengthen capabilities through continuous training, technical development, and leadership initiatives.

We recognize merit and celebrate achievements through fair and performance-driven reward systems.

We uphold robust governance practices that balance organizational goals with employee aspirations.

We embrace diversity, inclusion, and



COMMUNITY

We contribute to the socio-economic development of local communities through focused CSR initiatives in education, healthcare, and rural development.

We support community well-being by promoting health, sanitation, and social welfare programs that create lasting impact.

We encourage environmental stewardship through afforestation, water conservation, and responsible resource management.

We foster employee volunteerism and active community engagement to strengthen our social responsibility initiatives.

We build enduring relationships with local stakeholders through ethical business practices, transparency, and inclusive growth.



SUPPLIERS

We cultivate strategic partnerships that create shared value and drive sustainable growth.

We work closely with suppliers to uphold the highest standards of quality, reliability, and operational excellence.

We promote ethical sourcing, transparency, and responsible business practices across our supply chain.

We encourage innovation and continuous improvement through collaborative engagement and capability development.

We foster trust and long-term relationships through fair business practices, timely settlements, and mutual respect.



SHAREHOLDERS

We strive to deliver sustainable long-term value through responsible growth and disciplined financial management.

We maintain open and transparent communication with the investment community through timely disclosures and proactive engagement.

We uphold strong corporate governance and ethical business practices to protect and enhance shareholder interests.

We allocate capital prudently to strengthen our competitive position and support long-term value creation.

We remain committed to sustainable profitability, financial resilience, and consistent value creation for all our stakeholders.

Trustis

*an intangible
that drives
tangible value at
Lagnam.*

For "years" we have fostered relationships of trust with our stakeholders, through our core competencies in manufacturing of 100% cotton yarn.

At Lagnam Spintex, we are focused on strengthening our leadership in cotton yarn manufacturing by deepening relationships with distinguished customers and expanding our portfolio of value-added yarns. Alongside our core cotton yarn offerings, we continue to enhance our capabilities in specialty yarns to meet evolving market requirements.

We are investing in advanced technology, operational excellence, and the development of our people to deliver superior quality, consistency, and customer value. Guided by the principles of integrity, accountability, innovation, and respect, we remain committed to creating sustainable long-term value for all stakeholders.

At the same time, we continue to reduce our environmental footprint and support initiatives in education, development, healthcare, and community, reinforcing our commitment to responsible and inclusive growth.

Economic, social and environmental sustainability remain at the core of our business philosophy. And in everything we do, we are inspired by time less bonds of trust with all our stakeholders.



OUR PRODUCTS

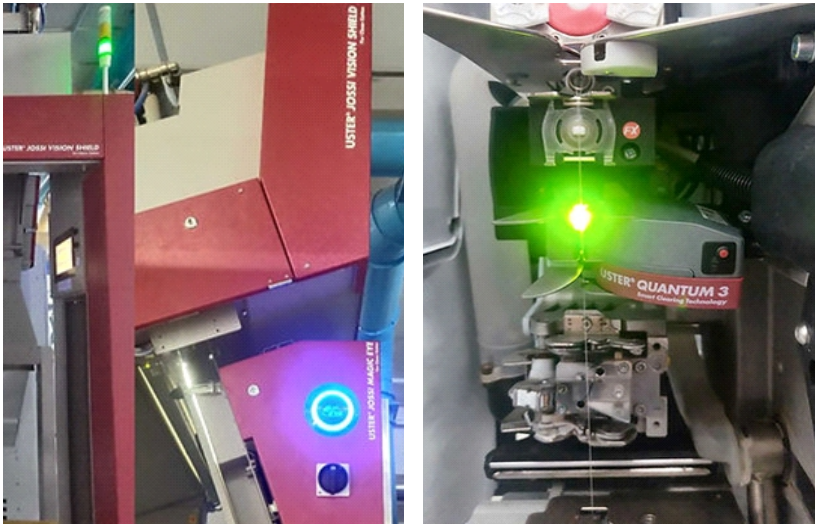
Our Company is engaged into production of 100% cotton yarns for both Knitting & Weaving, which are used for multiple applications such as Denim, Terry Towel, Knitting, Shirting, Sheeting, Sweaters, Socks, Weaving, Bottom wear, Home Textile, Industrial Fabric etc. We produce 70 MT/ day of various kinds of yarn as below:

- 100% Cotton Yarn (Knitting /Weaving)
- Compact Combed - Ne 16/1 to Ne 30/1
- Compact Carded Ne 16/1 to Ne 21/1
- Combed Ne 20/1 to Ne 30/1
- Carded Ne 16/1 to Ne 24/1
- Open End - Ne 6/1 to Ne 20/1
- Compact Slub Yarn Ne 16/1 to Ne 30/1
- Eli-twist Yarn 2/40 KCW
- TFO Double Ne 20/2 & Ne 24/2 Carded Weaving
- Perforated Dye Tube - Ne 6/1 to Ne 16/1 OE (Single Yarn only)
- Perforated Dye Tube / Cones - TFO Double 20/2 to Ne 24/2 Combed & Carded.

- ✓ We can supply all above in Normal Cotton/BCI/Organic Cotton (NOP/ NPOP/IC2)/**Contamination Free yarn**
- ✓ All our Products are Oekotex Certified /INDITEX Approved.



QUALITY & CERTIFICATIONS



OEKO-TEX®
CONFIDENCE IN TEXTILES

STANDARD 100

14.HIN.47714 HOHENSTEIN HTTI

Tested for harmful substances.
www.oeko-tex.com/standard100

The Company is ISO 9001:2015 certified manufacturer of 100% Cotton Ring Spun yarn of Count range Ne 20s to 40s and 100% Cotton of Open End yarn of count range Ne 4s to 20s.

- We were the only standalone Cotton Yarn Manufacturer in the world who has been authorised to use USTER™ Trademark. The quality can be matched to Customer's requirements with the most Advanced Technology and has "USTER LABORATORY" Equipments like HVI-1000, AFIS PRO 2, UT-5, UTR-4, CLASSIMAT-5.
- We have most advance homogenous Bale Management system and USTER VISION SHIELD with MAGIC EYE for coloured and PP contamination sorting at Blow-Room stage.
- We have PREMIER's on-line data monitoring system from Carding to TFO to collect data like actual machine efficiency, speed, breakage rate, idle spindle, slippage, rouge spindle, UKG, GSS etc. which helps to minimize quality variation and process monitoring.
- We have USTER QUANTUM-3 & QUANTUM-4 electronic yarn clearer with PP sensor at Link-Coner to enhance the quality of final yarn.
- Raw Material Testing: All raw materials are tested for fibre Length, Strength, Elongation%, MIC, RD, +B, Neps/gram, Short fibre%, Moisture%, Trash%, etc. through USTER HVI, USTER AFIS and MAG equipments. The raw material is issued only after the test results to maintain the quality parameters.
- Yarn Testing: Every lot is tested for Um%, Imperfections, Hairiness, RKM, Elongation%, Classimat, Count, Count CV%, CSP and TPI through USTER Tester-5, USTER Tensorapid-4, UTER Classimat-5 and MAG equipments at the time of start of production and repeated subsequently to ensure the quality.
- End to end monitoring from fiber to yarn: With USTER® Quality Expert Software, we ensure continuous, real-time monitoring of yarn quality — starting from raw material through to the final product — guaranteeing consistency and excellence.

CERTIFICATIONS:



INDITEX





TECHNOLOGY

At Lagnum, technology forms the foundation of operational excellence. Our manufacturing facilities are equipped with world-class machinery from globally renowned manufacturers, enabling superior quality, higher productivity, energy efficiency, and consistent performance across every stage of yarn production.



ADVANCED
MACHINERY



SMART
AUTOMATION



CONSISTENT
QUALITY



SUSTAINABLE
PROCESSES



TECHNOLOGY





Powering a Sustainable Future

We are committed to a cleaner, greener tomorrow. As part of our sustainability journey, we are investing in renewable energy at scale.



Cleaner Environment



Lower Emissions



Energy Independence



A Sustainable Future

INVESTING IN A CLEANER TOMORROW



22.25 MW

Solar & Wind Capacity is being installed



OUR RENEWABLE JOURNEY

By End of **Q2FY27**



70%

Renewable Energy of our total energy needs



A responsible today for a better tomorrow.
Together, let's build a sustainable future.



22.25 MW
Solar & Wind Installation



70%
Renewable Energy by End of Q2FY27



Committed to People, Planet & Progress



Committed to a Greener Tomorrow

OUR GLOBAL FOOTPRINT

Delivering Premium Cotton Yarns Across
The Globe



35+
Countries Served



5
Continents



15+
Years of Export
Excellence



100%
Quality Assured



Three Star
Export House



BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 16th Annual Report on the Business and operations of your Company along with the Audited Financial Statements for the year ended 31st March 2026:

1. FINANCIAL RESULTS: -

The Financial Results of the Company's performance for the year under review and those of the previous year are as follows-

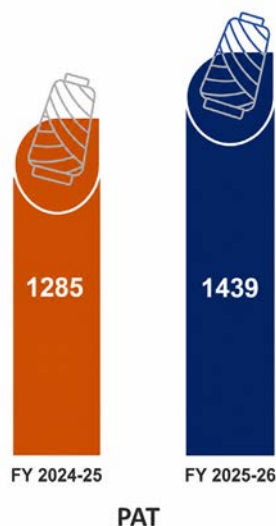
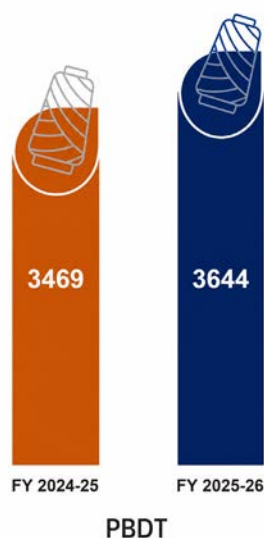
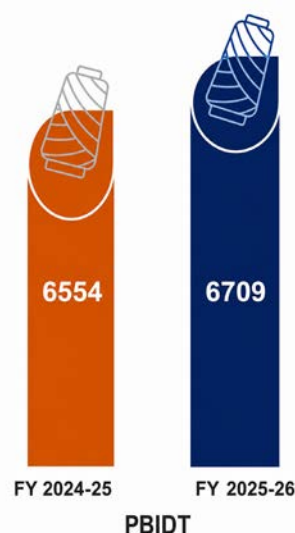
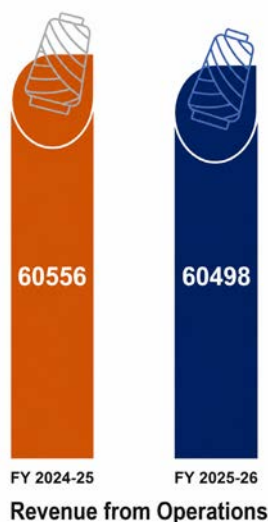
(₹ in Lacs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
Turnover: a) Domestic	34597.87	32542.46
b) Export	25900.18	28014.00
Revenue from Operations	60498.05	60556.46
Other Income	25.14	23.84
Total Revenue	60523.19	60580.30
Profit before Finance Cost, Depreciation & Tax (PBITD)	6708.83	6554.28
Less: Financial expenses (Net)	3065.23	3084.91
Profit before Depreciation & Tax (PBDT)	3643.60	3469.37
Less: Depreciation	1661.81	1679.24
Profit before Tax (PBT)	1981.79	1790.13
Less: Current Tax (Net)	315.62	291.70
MAT Credit Entitlement	(315.62)	(291.70)
Deferred Tax	542.81	504.66
Profit after Tax (PAT)	1438.98	1285.47
Other Comprehensive Income	8.72	(5.33)
Profit available for appropriation	1447.70	1280.14
Earning Per Equity Share- Annualized (Basic & Diluted)	8.14	7.28

BOARD'S REPORT (Contd.)

FINANCIAL HIGHLIGHTS: -

(₹ in Lacs)



2. OPERATIONAL PERFORMANCE & STATE OF AFFAIRS: -

TOTAL REVENUE FROM OPERATIONS:

Your Directors are pleased to report that the Company recorded revenue from operations of ₹604.98 crores during the current financial year, as compared to ₹605.56 crores in the previous year. The performance remained largely stable year-on-year, reflecting the Company's resilience amid a challenging and volatile global business environment.

DOMESTIC REVENUE CONTRIBUTION:

Revenue from domestic operations increased to ₹345.98 crores during the year, as against ₹325.42 crores in the previous year, registering a growth of approximately 6%.

This growth was primarily driven by the Company's strategic focus on strengthening its domestic footprint and capitalizing on emerging market opportunities.

In response to global uncertainties—particularly geopolitical tensions and evolving trade dynamics, including US tariff and the Iran-Israel conflict—the Company proactively diversified its market base and deepened its presence in the domestic segment. *This calibrated approach enabled the Company to effectively mitigate external risks while sustaining its growth momentum.*

EXPORT REVENUE CONTRIBUTION:

Revenue from export operations stood at ₹259.00 crores during the current year, as compared to ₹280.14 crores in the previous year, reflecting a decline of approximately 7.5%.

The moderation in export revenues was primarily attributable to prevailing uncertainties in international markets, including geopolitical developments and trade-related disruptions. As a prudent risk management measure, the Company strategically

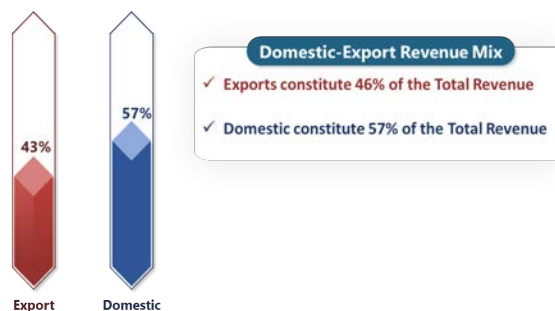


BOARD'S REPORT (Contd.)

rebalanced its sales mix by increasing its focus on the domestic market.

While the Company's export operations remained fundamentally stable and were not impacted, this calibrated shift was undertaken as a precautionary measure to mitigate potential risks arising from global volatility. *This approach enabled the Company to safeguard overall performance and ensure business continuity during the year.*

Domestic and Export Revenue Mix:



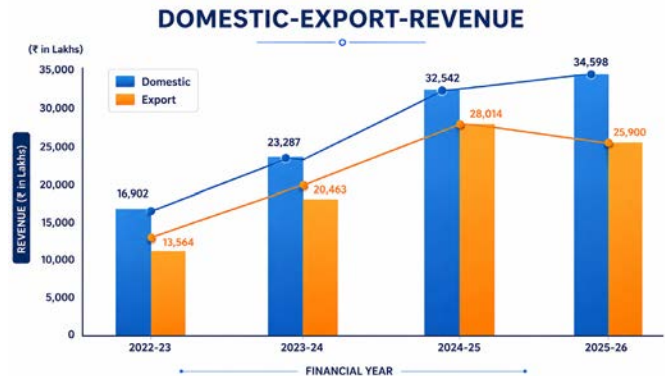
During the financial year, the Company executed a calibrated strategic shift in its sales mix, prioritizing the domestic market to mitigate risks arising from volatility and disruptions in global trade dynamics. This proactive measure was influenced by changes in the global scenario, including US Tariff rates, with the Company strategically shifting sales from export to domestic markets based on international market volatility.

Export volumes for the year stood at 9,868 MT, compared to 10,335 MT in the previous year. Export revenue was ₹259.00 crores during the current year, a decline of approximately 7.5% from ₹280.14 crores in the previous year. This decline was partially attributable to pressure on export margins witnessed in the first half of the year, largely due to subdued demand in key European markets impacted by tariff-related developments in the United States. Despite these near-term challenges, the Company remains structurally well-positioned in international markets.

Conversely, revenue from the Domestic Market increased significantly, reaching ₹345.98 crores during the year, which registered a growth of approximately 6% as against ₹325.42 crores in the previous year. This increase in the domestic revenue ratio successfully offset the drop in export contribution, ensuring that the Company's overall performance was maintained and did not decline. The company has intentionally move the contribution of export to domestic to maintain stability in the business and revenue. The below chart shows the increment in the export annually with a increment of domestic revenue in last Three Financial Year ended. This year export shows as declined, however company maintain the overall sale through increase in the sales from domestic market as per the strategy decided by company. Due to geopolitics

company has decided to shift the ratio of export market and domestic market. As per the below chart the export is declined by 2,114 Lacs in comparison of pervious year, however domestic sales increased by 2,056 Lacs in this year compared to previous year.

(₹ in Lacs)



PROFITABILITY:

Your directors are pleased to report that, through optimal capacity utilization and a strategic focus on value-added products, including the addition of "Compact Cotton Yarn" to our portfolio, the Company delivered a steady improvement in its financial performance as under:

- **Operating Profit (PBITDA) increased** to ₹6708.83 lakhs during the year, as compared to ₹6554.28 lakhs in the previous year, reflecting improved operational efficiency. Notably, operating margins strengthened, with PBITDA as a percentage of revenue from operations improving from 10.82% to 11.09%, underscoring the Company's continued focus on efficiency and value optimization.
- **Cash Profit (PBDT) rose** to ₹3643.60 lakhs, up from ₹3469.37 lakhs in the previous year, demonstrating stronger cash generation ability.
- **Profit After Tax (PAT) grew** to ₹1,438.98 lakhs as against ₹1,285.47 lakhs in the previous year, indicating consistent bottom-line growth.
- **Earnings Per Share (EPS) increased** to ₹8.14 per equity share from ₹7.28 per equity share in the previous year, enhancing shareholder value.

3. CAPACITY EXPANSION: -

The Company remains focused on prudent capital allocation and has not undertaken any new expansion projects during the year, with an emphasis on conserving resources for future growth opportunities.

During FY 2023-24, the Company successfully commissioned its expansion project comprising 41,472 spindles of 100% compact cotton yarn at a total investment of ₹218.00 crore on January 31, 2024—two months ahead of the scheduled timeline. The early completion reflects strong project execution capabilities and efficient capital deployment.

BOARD'S REPORT (Contd.)

The expansion incorporates state-of-the-art technology, including advanced automation and digitalization systems, which are expected to enhance product quality, improve operational efficiencies, and optimize cost structures. These advancements position the Company to achieve higher productivity, strengthen margins, and deliver sustainable value to stakeholders over the long term.

4. SOLAR POWER PLANT: -

Your company has an existing rooftop solar power capacity of 5.2 MW, which significantly contributes to reducing energy costs and enhancing sustainability. We have optimized the available rooftop space by installing solar panels across all our units, ensuring maximum utilization of renewable energy resources. Your Company is also in process for setting up 12 MW (DC) Solar Power Plant and 3.2 MW (AC) Hybrid Wind Solar Power Plant in the District of Jaisalmer, Rajasthan. Upon commissioning of these solar power projects the Company expects to achieve significant savings in the power cost.

5. DIVIDEND: -

The Company remains committed to maximizing long-term shareholder value through disciplined capital allocation. In this context, the Board of Directors has chosen to retain profits to fund future growth opportunities and strengthen the financial position of the Company. Accordingly, no dividend has been recommended for the financial year 2025-2026.

6. TRANSFER TO RESERVES: -

During the year under review the company has not transferred any amount to the general reserves.

7. CAPITAL STRUCTURE: -

The Capital Structure of the Company as on 31.03.2026 is as follows: -

The Authorized Share Capital of the Company is ₹22,50,00,000 (Rupees Twenty-Two Crore Fifty Lakh) divided into 2,25,00,000 (Two Crore Twenty-Five Lakh) Equity Shares of ₹10/- each.

The Issued, subscribed and Paid up Share Capital of the Company is ₹17,66,90,000 (Rupees Seventeen Crore Sixty-Six Lakh Ninety Thousand) divided into 1,76,69,000 (One Crore Seventy-Six Lakh Sixty-Nine Thousand) Equity Shares of ₹10/- each.

During the year under review the Company has not issued any shares. The Company has not issued any shares with differential voting rights or sweat equity or granted stock options.

8. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR: -

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the

end of the financial year of the Company to which the financial statements relate and the date of the report.

9. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE: -

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

10. ANNUAL RETURN

Kindly Take Note that the Annual Return as required under section 92 of the Companies Act, 2013 will be made available on the Website of the Company after Conclusion of the AGM in below link: (Link: <http://www.lagnamspintex.com/Annual-return.html>)

11. CORPORATE SOCIAL RESPONSIBILITY: -

In pursuant to Section 135 of the Companies Act, 2013 read with rules framed there under a CSR Policy to ensure Social Responsibilities has been adopted. The CSR Policy has been uploaded on the website of the Company at following link: (<http://www.lagnamspintex.com/policies>)

In view of the profits and turnover of the company, your Company was required to undertake CSR projects during the year 2025-26 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken various activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as "Annexure I".

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO: -

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure II".

13. RECOGNITION & CERTIFICATIONS: -

The Company has following certifications:

- USTERIZED CERTIFICATE

USTER TECHNOLOGIES AG of Switzerland has renewed its authorization to use the "USTERIZED" trademark to your company, "A mark of quality & trust", which is a prestigious quality authorization granted to only about 70 textiles mill in the world. In the standalone Open-end spinning segment,



BOARD'S REPORT (Contd.)

LAGNAM was the first to get this authorization in the world.

- Three Star Export House Certificate

The Company has been recognized as a **"Three Star Export House"** by the Ministry of Commerce & Industry, Government of India.

- BCI Certificate
- GOTS Certificate
- Oeko-Tex Standard 100 Certificate
- ISO 9001:2015 Certificate

AUDITORS

14. STATUTORY AUDITORS & AUDIT REPORT:-

M/s A. L. Chechani & Co., Chartered Accountants, Bhilwara (Firm Registration No. 005341C), were appointed as the Statutory Auditors of the Company in place of the retiring auditors, M/s SSMS & Associates, Chartered Accountants (Firm Registration No. 019351C), at the 14th Annual General Meeting held on July 16, 2024, for a term of five consecutive years, to hold office until the conclusion of the Annual General Meeting to be held in the calendar year 2029. Accordingly, they have conducted the Statutory Audit for the financial year 2025–26.

Pursuant to Regulation 33(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors have confirmed that they hold a valid Peer Review Certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board is pleased to inform that the Auditors' Report for the financial year 2025–26 does not contain any qualifications, reservations, adverse remarks, or disclaimers requiring explanation or comments from the Board.

15. INTERNAL AUDITORS:-

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, based on the recommendation of the Audit Committee, appointed M/s Sunil Somani & Associates, Chartered Accountants, Bhilwara (ICAI Firm Registration No. 013996C), as the Internal Auditors of the Company for the financial year 2025–2026.

The Internal Audit Reports submitted during the year were duly reviewed by the Audit Committee and the Board of Directors. The reports did not contain any material adverse observations or qualifications requiring further explanation by the Board.

16. SECRETARIAL AUDITORS:-

The Board of Directors, on the recommendation of

the Audit Committee, of the Company, has appointed M/s Sanjay Somani & Associates, Company Secretaries, Bhilwara, [ICSI Membership No. FCS- 6958, Certificate of Practice No. 5270, Peer Review No. 835/2020], as the Secretarial Auditors of the Company for a term of 5 (Five) consecutive years commencing from financial year 2025-26 till financial year 2029-30. Accordingly, they have conducted the Secretarial Audit for the financial year 2025–26.

The Secretarial Audit Report in Form No. **MR-3** submitted by the said Secretarial Auditors, do not contain any adverse remarks and qualifications, hence do not call for any further explanation/s by the Company. The Secretarial Audit Report in Form No. **MR-3** submitted by the said Secretarial Auditors, for the financial year 2025-2026 forms part of the Annual Report as **"Annexure III"** to the Board's report.

17. COST AUDITORS:-

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Board of Directors has appointed M/s N. D. Birla & Co., Cost Accountants (Firm Registration No. 000028), Ahmedabad, to conduct the Cost Audit of the Company for the financial year 2025–2026.

The firm has confirmed its eligibility for appointment in accordance with the provisions of Sections 141 and 148 of the Companies Act, 2013 and the rules made thereunder. They have also confirmed their independence, arm's length relationship with the Company, and that they are not disqualified from such appointment.

18. SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANY:-

The Company does not have any subsidiary, associate, or joint venture during the financial year 2025–2026 and as at the beginning or end of the said financial year. Accordingly, the financial statements have been prepared on a standalone basis and the requirement to furnish details in Form AOC-1 is not applicable.

Further, as on March 31, 2026, Lagnam InfoTech Solutions Private Limited holds 50,34,000 equity shares, constituting 28.49% of the paid-up equity share capital of the Company, and the Company is accordingly considered an associate of Lagnam InfoTech Solutions Private Limited.

19. BOARD OF DIRECTORS, THEIR MEETINGS & KMP(s):-

I. Constitution of the Board

The Board of directors are comprising of total 7 (Seven) Directors, which includes 4 (Four) Independent Directors including 1 (One) Woman Independent director. The Chairman of the Board is Promoter and Whole-Time Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant

BOARD'S REPORT (Contd.)

roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

II. Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having following independent directors:

- (i) Mr. Jagdish Chandra Laddha (DIN: 00118527)
- (ii) Mr. Vijay Singh Bapna (DIN: 02599024)
- (iii) Mr. Anil Shah (DIN: 00145396)
- (iv) Ms. Dipali Mathur (DIN: 07732611)

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years and shall not be liable to retire by rotation.

III. Declaration by the Independent Directors

All the Independent Directors have given their

Following are the Directors and KMP(s) in the Company:

S.N.	Name of Directors/KMP(s)	Nature of Directorship
1.	Mr. Dwarka Prasad Mangal (DIN: 01205208)	Executive Chairman
2.	Mr. Anand Mangal (DIN: 03113542)	Managing Director
3.	Mr. Shubh Mangal (DIN: 01287935)	Executive Director
4.	Mr. Vijay Singh Bapna (DIN: 02599024)	Independent Director
5.	Mr. Jagdish Chandra Laddha (DIN: 00118527)	Independent Director
6.	Mr. Anil Shah (DIN: 00145396)	Independent Director
7.	Ms. Dipali Mathur (DIN: 07732611)	Independent Director
8.	Mr. Devi Lal Mundra (PAN: AKUPM7207P)	Chief Financial Officer
9.	Mr. Rajeev Parashar (PAN: BLSP2313P)	Company Secretary & Compliance Officer

VI. Meetings and Attendance of the Board

The Board meets at regular intervals to discuss and decide on company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes

declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2025-26.

IV. Directors liable to retire by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. D. P. Mangal (DIN: 01205208), Executive Chairman & Whole-Time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

V. Changes in Directors and Key Managerial Personnel

There was no change in the composition of Directors and Key Managerial Personnel during the Financial Year 2025-26.

on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met 6 (Six) times in the Financial Year 2025-26 viz. 16.04.2025, 28.06.2025, 11.08.2025, 10.11.2025, 07.02.2026 and 28.03.2026. The maximum interval between any two meetings did not exceed 120 days. Attendance of each director in board meeting as follows:



BOARD'S REPORT (Contd.)

Date of Meeting	Name of the Directors						
	Mr. D. P. Mangal	Mr. Anand Mangal	Mr. Shubh Mangal	Mr. Vijay Singh Bapna	Mr. Jagdish Chandra Laddha	Mr. Anil Shah	Ms. Dipali Mathur
16.04.2025	Yes	Yes	Yes	Yes	Yes	Yes	No
28.06.2025	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11.08.2025	Yes	Yes	Yes	Yes	Yes	Yes	No
10.11.2025	Yes	Yes	Yes	Yes	Yes	Yes	No
07.02.2026	Yes	Yes	Yes	Yes	Yes	Yes	Yes
28.03.2026	Yes	Yes	Yes	Yes	Yes	Yes	No

VII. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 07th February, 2026 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

VIII. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), uploaded on company's website.

(Link-<http://www.lagnamspintex.com/policies/policies>)

IX. ANNUAL EVALUATION BY THE BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings & Strategic perspectives or inputs regarding future growth of company, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance

of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

20. COMMITTEES OF THE BOARD:-

The Company has following committees:

I. Audit Committee:

The Company has constituted Audit Committee as per requirement of section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The Audit Committee comprises following Directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mr. Jagdish Chandra Laddha	Independent Director	Chairman
2	Mr. Vijay Singh Bapna	Independent Director	Member
3	Mr. Anil Shah	Independent Director	Member
4	Mr. D. P. Mangal	Whole-time Director	Member

During the financial year 2025-26, the Audit Committee met 6 (Six) times 16.04.2025, 28.06.2025, 11.08.2025, 10.11.2025, 07.02.2026 and 28.03.2026

II. Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee comprises of the following Directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mr. Jagdish Chandra Laddha	Independent Director	Chairman

BOARD'S REPORT (Contd.)

2	Mr. Anil Shah	Independent Director	Member
3	Mr. Vijay Singh Bapna	Independent Director	Member

During the financial year 2025-26, the Nomination and Remuneration Committee met on 16.04.2025.

III. Stakeholders' Relationship Committee:

The Company has constituted a Stakeholders' Relationship Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Committee considers and approves various requests regarding annual report and to redress complaints of the shareholders. The Stakeholders' Relationship Committee comprises following Directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mr. Anil Shah	Independent Director	Chairman
2	Mr. Vijay Singh Bapna	Independent Director	Member
3	Mr. Anand Mangal	Managing Director	Member

During the financial year 2025-26, the Stakeholders' Relationship Committee met on 07.02.2026.

IV. Corporate Social Responsibility (CSR) Committee:

The Company has constituted a CSR Committee in accordance with the provisions of section 135 of the Companies Act, 2013. The CSR Committee comprises the following Directors:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mr. Jagdish Chandra Laddha	Independent Director	Chairman
2	Mr. D. P. Mangal	Whole-time Director	Member
3	Mr. Vijay Singh Bapna	Independent Director	Member

During the financial year 2025-26, the Corporate Social Responsibility Committee met on 07.02.2026.

21. CORPORATE GOVERNANCE:-

As the Members are aware, the securities [Equity Shares] of the Company are migrated from SME Platform of National Stock Exchange of India Limited (NSE) namely NSE EMERGE to Main Board of National Stock Exchange of India Limited, effective 30th September 2021 (Scrip Code -LAGNAM). Therefore, provisions relating to Corporate Governance provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR Regulations / Listing Regulations], are applicable to the Company consequent to such migration.

Your Directors are pleased to report that your Company has duly complied with the SEBI Guidelines on Corporate Governance for the year 2025-26 relating to the Listing Regulations. A Certificate from m/s Sanjay Somani & Associates, Company Secretaries, Bhilwara, (Membership No.: FCS6958 & COP No.: 5270) confirming compliance with conditions as stipulated under Listing Regulations is annexed to the Corporate Governance Report of the Company. The Corporate Governance report for the financial 2025-26 attached as **Annexure-IV**.

22. RELATED PARTY TRANSACTIONS:-

All the related party transactions that were entered during the financial year, were on the arm's length basis and were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act, 2013. Thus, disclosure in form AOC-2 is not required. All Related Party Transactions were placed before the Audit Committee for approval. A policy on the related party Transactions was framed & approved by the Board and posted on the Company's website at below link: (<http://www.lagnamspintex.com/policies>)

However, you may refer to Related Party transactions, as per the Accounting Standards, in the Notes forming part of financial statements.

23. INVESTORS EDUCATION AND PROTECTION FUND

During the financial year 2025-2026 ended 31 March 2026 under review, there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such, no specific details are required to be given or provided.

24. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:-

To prevent sexual harassment of women at work place, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013 as amended from time to time. The Company has zero tolerance for sexual harassment at workplace in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under for prevention and redressal of complaints of sexual harassment at workplace.

During the year under review, no complaints were received by the Company relating to sexual harassment at workplace. The Management of the Company endeavors to provide safe environment for the female employees of the Company.

25. RISK MANAGEMENT:-

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions



BOARD'S REPORT (Contd.)

to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee. The Company has not made Risk Management Committee, but the Board of Directors and Audit Committee is looking after the Risk Management of the Company.

26. VIGIL MECHANISM / WHISTLE BLOWER POLICY: -

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(9) of the Companies Act, 2013 and the regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company has adopted a Whistle-Blower Policy for Directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The details of the Vigil Mechanism Policy have posted on the website of the Company at following link: (<http://www.lagnamspintex.com/policies>)

27. PREVENTION OF INSIDER TRADING: -

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The details of the Insider Trading Policy have posted on the website of the Company at following link:

(Link: <http://www.lagnamspintex.com/policies>)

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However, there were no such instances in the Company during the year 2025-26.

28. MEETINGS OF THE MEMBERS: -

During the year under review the Annual General Meeting of the Company was held on 23.07.2025. No any other meeting of the members held during the year.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORTS: -

As per Regulation 34(e) read with schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the management Discussion and Analysis Report of the Company for the year ended is set out in this Annual Report as "Annexure V."

30. REGISTRAR AND SHARE TRANSFER AGENT: -

The Company has appointed Bigshare Services Private Limited as its Registrar and Share Transfer Agent. The Corporate Office of Bigshare Services Pvt. Ltd. situated at "Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India.

31. DEMATERIALISATION OF SECURITIES

The Company's Equity Shares are admitted in the system of Dematerialization by both the Depositories namely NSDL and CDSL. As on 31 March 2026, all 1,76,69,000 equity shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents whole 100% of the total issued, subscribed and paid-up capital of the Company as on that date. The ISIN allotted to your Company is INE548Z01017. Status of the securities as on 31.03.2026 hereunder:

	CDSL	%	NSDL	%	TOTAL	%
Shares in Demat	79,36,767	44.92	97,32,233	55.08	1,76,69,000	100.00
Physical Shares	NIL	NIL	NIL	NIL	NIL	NIL

32. COMPLIANCES OF SECRETARIAL STANDARDS: -

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the financial year 2025-2026 ended 31 March 2026.

33. HUMAN RESOURCES: -

The Company considers its workforce as a cornerstone of its success and a key enabler of long-term value creation. It continues to invest in building a strong talent pipeline through focused initiatives in hiring, development, and retention. Internal capability building is encouraged through job rotation and role expansion opportunities.

BOARD'S REPORT (Contd.)

The Company is committed to attracting, retaining, and developing talent, with a strong focus on internal growth through job rotation and job enrichment.

34. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES: -

Pursuant to provision of section 197 of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees given in the "Annexure VI".

During the year, except the Executive Chairman none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum, or Rs. Eight Lakhs Fifty Thousand per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, information is disclosed in terms of the provisions of the Companies Act, 2013.

35. CHANGE IN THE NATURE OF BUSINESS: -

During the year under review there is no change in the nature of the business and commercial activities of the company.

36. INDUSTRIAL RELATIONS: -

The Company maintained healthy and harmonious relations with its workforce at all levels during the year under review, contributing to a stable and productive work environment.

37. DEPOSITS: -

During the financial year 2025-2026 ended 31 March 2026 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

38. CODE OF CONDUCT: -

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all

Directors and Senior Management of the Company and same is hosted on the website of the company at following link: (<http://www.lagnamsintex.com/policies>)

39. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013: -

During the financial year 2025-2026 ended 31st March, 2026 under review, the Company has neither granted loan/s (secured or unsecured), provided guarantees or securities in connection with any loan/s availed by others nor made any investments pursuant to the provisions of Section 186 the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). As such, no specific details are required to be given or provided.

40. INTERNAL FINANCIAL CONTROL FOR FINANCIAL STATEMENTS

The Company has established an adequate system of internal controls commensurate with the size, scale, and complexity of its operations. These controls are designed to ensure safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Company has appointed Internal Auditors, and the scope and authority of the Internal Audit function are clearly defined. To ensure independence and objectivity, the Internal Audit function reports directly to the Chairman of the Audit Committee. The internal audit process involves periodic reviews of key business processes and controls. Based on the observations and recommendations of the Internal Auditors, appropriate corrective actions are undertaken to strengthen the control framework. Significant audit findings and the status of corrective actions are placed before the Audit Committee for its review.

The Company operates in a dynamic business environment and has implemented internal financial controls to ensure the reliability of financial reporting and the preparation of financial statements in accordance with applicable accounting standards. These controls include well-defined policies and procedures for conducting business operations, maintaining accurate records of transactions, and safeguarding assets, thereby facilitating the prevention and timely detection of frauds and errors.

41. INTERNAL CONTROL SYSTEMS: -

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance, and safety of its assets.
- Compliance with applicable laws, regulations, and management policies.



BOARD'S REPORT (Contd.)

42. DISCLOSURE FOR FRAUD AGAINST THE COMPANY: -

In terms of provision of section 134(3)(ca) of the Companies Act, 2013, There were no instances of fraud which are reported by Auditors of the Company under section 143(12) of the Companies Act, 2013 to the Audit Committee.

43. DIRECTORS' RESPONSIBILITY STATEMENT: -

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

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31st, 2026 and of the profit and loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The directors had prepared the annual accounts on a going concern basis; and
- (v) The Directors had laid down Internal Financial Controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

44. DIFFERENCE IN VALUATION: -

During the year under review there was no case of one-time settlement with financial institution so the details of difference between amount of the valuation done

at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions are not applicable to the company.

45. SUSPENSION OF TRADING: -

The equity shares of the Company have been listed and actively traded on Main Board of National Stock Exchange of India Limited. There was no occasion wherein the equity shares of the Company have been suspended for trading during the FY 2025-2026.

46. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE IBC 2016:

During the year under review no application was made further no any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the company.

47. ACKNOWLEDGEMENT: -

The Board of Directors places on record its sincere appreciation for the continued cooperation and support received from the National Stock Exchange of India Limited (NSE), the Securities and Exchange Board of India (SEBI), Auditors, Advisors, Consultants, and other intermediaries, as well as the investors of the Company.

The Board also expresses its gratitude to the Central, State, and Local Government authorities, regulatory bodies, bankers, and members for their continued support and guidance. The Directors further acknowledge with appreciation the dedication, commitment, and contribution of the employees at all levels, whose efforts have been instrumental in the Company's sustained growth.

For and on Behalf of the Board of Directors

D. P. Mangal

Executive Chairman

DIN: 0120520

Place : Bhilwara

Date : 8th May, 2026

ANNEXURE-I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

The CSR activities of the Company are carried out directly and also through contribution/donation made to other organisation/institution for the activities specified under Schedule VII of the Companies Act, 2013. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same has been placed at the website of the Company i.e. www.lagnamspintex.com under the link "Investor Desk-----> Policies---> CSR Policy". As per CSR policy the Company endeavors to make CSR a key business process for sustainable development and continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our Company's CSR Committee believes that it is important for the organization to focus on philanthropic activities in terms of animal welfare, prevention from hunger & poverty, promotion of educational activities, empowering women, making available safe drinking water, setting up old age homes, environment protection, health care etc.

2. Composition of the CSR Committee:

S.N.	Name of Director	Nature of Directorship	Number of meetings of CSR Committee held during the year*	Number of meetings of CSR Committee attended during the year
1.	Mr. Jagdish Chandra Laddha	Independent Director-Chairman	1	1
2.	Mr. Vijay Singh Bapna	Independent Director-Member	1	1
3.	Mr. D. P. Mangal	Whole Time Director-Member	1	1

*During the financial year meeting of the CSR Committee held on 16.04.2025

3. Details of web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board: CSR details are available under the link- <https://www.lagnamspintex.com/csr>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Not Applicable

5. Details of the amount available for set off in the pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

Amount available for set off for the financial year: Rs. 1.12 Lacs

6. Average net profits of the Company as per Section 135(5) :

Financial Year	Profit (₹ in Lacs)
2024-2025	1790.12
2023-2024	2081.86
2022-2023	1272.32
Total	5144.30
Average Profit of above said Profit	1714.77

7. (a) Two percent of average net profit of the Company : Rs. 34.30 Lacs
as per section 135(5)
- (b) Surplus arising out of the CSR projects or programmes : NIL
or activities of the previous financial years

**ANNEXURE-I (Contd.)**

(c) Amount required to be set off for the financial year : Rs. 1.12 Lacs

(d) **Total CSR obligation for the financial year (7a+7b-7c) : Rs. 33.18 Lacs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ In Lacs)	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
Rs. 37.88 Lacs	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year*:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S.N.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	Distt.						Name	CSR Registration No.

N.A

*No CSR amount spent against ongoing projects for the financial year.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	Distt.			Name	CSR regn. no.
1.	Animal Welfare Project	Animal Welfare	No	Rajasthan	Nagaur	2,01,000	No	Shri Ramanand Gaushala, Ladnu	CSR00027624
2.	Safe Drinking Water	Promoting Healthcare	Yes	Rajasthan	Bhilwara	2,44,000	Yes	-	-
3.	Step against hunger & poverty	Eradicating hunger, poverty and malnutrition	Yes	Rajasthan	Bhilwara	3,21,000	No	Agarwal Samaj Sampati Trust	CSR00069554
4.	Education & Empowerment of Specially abled children	Promoting Education and Empowerment of differently abled and economically marginalized children	Yes	Rajasthan	Bhilwara	2,00,000	No	Badhir Bal Kalyan Vikas Samiti	CSR00007249

ANNEXURE-I (Contd.)

5.	Project "Shisha"	Promoting Education & construction of Educational Building	Yes	Rajasthan	Bhilwara	20,00,000	No	Akhil Bharatvarshiya Maheshwari Educational Trust	CSR00059786
6.	Animal Welfare Project	Animal Welfare	No	Rajasthan	Bhilwara	2,51,000	No	Param Pujya Madhav Gau Vigyan Anusandhan Sansthan	CSR00075344
7.	Research & Development	Promoting Sustainable Development Goals	Yes	Maharashtra	Mumbai	74,000	No	CITI Cotton Development & Research Association	CSR00006775
8.	Healthcare Project	Promoting Healthcare	Yes	Rajasthan	Gulabpura	1,01,000	No	Shri Subham Seva Sansthan	CSR00006441
9.	Step against hunger & poverty	Eradicating hunger, poverty and malnutrition	Yes	Rajasthan	Bhilwara	21,000	No	ISKCON, Bhilwara	CSR00005241
10.	Social Healthcare Project	Promoting Healthcare	No	Rajasthan	Bhilwara	75,000	No	Mewar Chamber Development Trust	CSR00019403
11.	Education & Learning	Promoting Education	No	Himachal Pradesh	Sanawar (Solan)	3,00,000	No	The Lawrence School Society	CSR00013043
	TOTAL					37,88,000			

- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment : N.A.
- (f) Total amount spent for the Financial Year : Rs. 37.88 Lacs
(8b+8c+8d+8e)
- (g) Excess amount for set off:

S.N.	Particular	Amount (₹ In Lacs)
1	Two percent of average net profit of the company as per section 135(5)	34.30
2	Total amount spent for the Financial Year (7C+8F)	39.00
3	Excess amount spent for the financial year [(ii)-(i)]	4.70
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years[(iii)-(iv)]	4.70

**ANNEXURE-I** (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S.N.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
			N.A.				

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

S.N.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
				N.A.				

10. Details of creation or acquisition of capital asset created or acquired through CSR spent in the financial year:

No asset created or acquired through CSR spent in the financial year.

11. Reason for unspent amount (two per cent of the average net profit as per section 135(5)):

Company is not carrying any unspent amount for the financial year.

For and on Behalf of the Board of Directors

D. P. Mangal
Executive Chairman
DIN: 01205208

Date: 8th May, 2026
Place: Bhilwara

For and on Behalf of the CSR Committee

J. C. Laddha
Chairman
CSR Committee

ANNEXURE-II

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

In pursuant of section 134(3)(m) of the Companies Act, 2013 read together with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 2014, the relevant information is provided herein below: -

PARTICULARS	Current Year (2025-26)	Previous Year (2024-25)
1. CONSERVATION OF ENERGY		
A: POWER & FUEL CONSUMPTION		
The Company is continuously striving to improve energy management by regularly monitoring energy-related parameters and has optimized the available rooftop space by installing solar panels across all units, ensuring cost reduction through maximum utilization of renewable energy resources. Despite lower consumption of units as compared to the last FY the consumption cost has increased during the year due to sudden increase in the government tariff from October 2025 in the year.		
1. Electricity		
a. Units Consumed (in Lacs)	553.60	575.25
Total Amount (₹ in Lacs)	3890.11	3552.63
Avg. Rate/Unit (Amount in ₹)	7.03	6.18
b. Generation		
(I) Through Diesel generator	-	-
Unit (₹ in Lacs)	-	-
Unit Per ltr. of diesel oil	-	-
Cost / Unit (₹)	-	-
(II) Through HFO Generator	-	-
Unit (₹ in Lacs)	-	-
Unit Per ltr. of diesel oil	-	-
Cost / Unit (₹)	-	-
B. Consumption per unit of production		
Electricity Unit per Kg.	2.24	2.40
1. TECHNOLOGY ABSORPTION		
Expenditure incurred on technology absorption		
The Company is consistently investing in and importing advanced processing machinery to upgrade its technology and deliver value-added products. It has been continuously enhancing the quality of existing products while also developing new ones from time to time.		
• Expenditure incurred on R & D (₹ in Lacs)	-	-
2. FOREIGN EXCHANGE EARNINGS AND OUTGO		
The details of foreign exchange earnings and outgo during the year are as under:		
Earnings (₹ in Lacs)	24255.52	25879.04
Outgo: (₹ in Lacs)		
• Capital Goods	138.34	-
• Recurring	2318.91	683.43

For and on Behalf of the Board of Directors

D. P. Mangal

Executive Chairman

DIN: 0120520

Place : Bhilwara

Date : 8th May, 2026



Annexure-III

FORM 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 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

Lagnam Spintex Limited

A 51-53, RIICO Growth Centre Hamirgarh,
Bhilwara (Raj.)- 311001.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and we hereby report that in our opinion, the Company has, during the audit period for the Financial Year ended on 31st March, 2026 (1st April, 2025 to 31st March, 2026) complied with the statutory provisions, listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. However, the provisions related to Overseas Direct Investment and External Commercial Borrowings was not applicable;
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;
 - (b) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (c) The SEBI (Prohibition of Insider Trading) Regulations, 2015;

(d) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(e) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(ii) Provisions of the following Regulations and Guidelines prescribed under the

Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -

(a) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;

(c) The SEBI (Delisting of Equity Shares) Regulations, 2009; and

(d) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given below:

1. The Minimum Wages Act, 1948, and rules made there under;
2. The Employees' State Insurance Act, 1948, and rules made there under;
3. The Employees' Provident Fund and Misc. Provisions Act, 1952, and rules made there under;
4. The Payment of Bonus Act, 1965, and rules made there under;
5. The Payment of Gratuity Act, 1972, and rules made there under;
6. The Factories Act, 1948 and allied State Laws;
7. The Payment of wages Act, 1936;
8. The Air (Prevention and Control of Pollution) Act, 1981;
9. The Environment (Protection) Act, 1986;
10. Equal Remuneration Act, 1976;
11. Legal Metrology Act, 2009;
12. The Water (Prevention and Control of Pollution) Act, 1974;

Annexure-III (Contd.)

13. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is having business of manufacturing of cotton yarn therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

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

- (i) Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) under the provisions of Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

Adequate notices were given to all directors and the committee members to schedule the Board and Committee Meetings and 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 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.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith has not been reviewed by us, since the same have been subject to the statutory financial auditor or by other designated professionals.

We further report that during the audit period of the Company there is no change in the capital of the Company. Share Capital of the Company is as under: -

The Authorized Share Capital of the Company is Rs. 22,50,00,000 (Rupees Twenty-Two Crore Fifty Lakh) divided into 2,25,00,000 (Two Crore Twenty-Five Lakh) Equity Shares of Rs.10/- each.

The Issued, subscribed and Paid up Share Capital of the Company is Rs. 17,66,90,000 (Rupees Seventeen Crore Sixty-Six Lakh Ninety Thousand) divided into 1,76,69,000 (One Crore Seventy-Six Lakh Sixty-Nine Thousand) Equity Shares of Rs.10/- each.

We further report that during the audit period no prosecutions initiated against or show cause notice received by the Company for alleged offences under the Companies Act, 2013 and also no fines and penalties or any other punishment imposed on the Company.

For Sanjay Somani & Associates

Sanjay Somani
Proprietor
M. No.: FCS6958
COP No.: 5270

Place : Bhilwara
Date : 8th May, 2026
UDIN: F006958H000308446

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



Annexure-III (Contd.)

Annexure - A to the Secretarial Audit Report

To,
The Members,
Lagnam Spintex Limited
A 51-53, RIICO Growth Centre Hamirgarh,
Bhilwara (Raj.)- 311001.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they need to take independent advice or decision as per their own satisfaction.

For Sanjay Somani & Associates

Sanjay Somani
Proprietor

M. No.: FCS6958
COP No.: 5270

Place : Bhilwara
Date : 8th May, 2026

Annexure-IV

CORPORATE GOVERNANCE REPORT

Dear Members,

At Lagnam, corporate governance is regarded as a critical enabler of long-term value creation and sustainable business performance. The Company is firmly committed to the highest standards of governance, anchored in the principles of transparency, accountability, integrity, and ethical conduct. These principles form the foundation of all business decisions and stakeholder engagements.

The Company's governance framework is designed to protect and enhance stakeholder value through prudent resource allocation, robust risk management, and responsible business practices. It ensures timely, accurate, and comprehensive disclosures to the Board, shareholders, and other stakeholders, fostering trust and confidence in the Company's operations.

The Company remains steadfast in its commitment to upholding governance practices in both letter and spirit. It continuously benchmarks its policies and processes against evolving regulatory requirements and global best practices, and undertakes periodic reviews to strengthen its governance architecture. Through this disciplined approach, the Company strives to reinforce stakeholder trust and deliver sustainable, long-term growth.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Lagnam Spintex Limited ("the Company" or "Lagnam") is committed to upholding the highest standards of corporate governance as a fundamental driver of sustainable growth, operational excellence, and long-term value creation. The Company has consistently fostered governance practices, systems, and processes that serve the interests of all stakeholders, including customers, vendors, investors, regulators, employees, and the society at large.

The Board of Directors recognizes that strong corporate governance is integral to maintaining stakeholder trust and delivering consistent financial and operational performance. Guided by this philosophy, the Company continuously strives to enhance stakeholder value through the adoption of best-in-class governance standards, transparent disclosures, and ethical business conduct. The Company has built a strong legacy of fairness, integrity, and transparency, and remains committed to strengthening these principles in all aspects of its operations.

The Company's governance framework is anchored in the core principles of transparency, accountability, and integrity. It emphasizes timely and accurate disclosures, robust internal controls, and a well-balanced and independent Board, thereby ensuring effective oversight and strategic guidance.

Lagnam has consistently adhered to sound corporate governance practices to ensure efficient conduct

of its business and to meet its obligations towards all stakeholders, including shareholders, customers, employees, and the communities in which it operates. The Company endeavors to go beyond mere regulatory compliance and is committed to adopting progressive governance practices that enhance stakeholder confidence.

Corporate governance at Lagnam is viewed as a continuous journey towards excellence and sustainable value creation. The Board plays a pivotal role in embedding strong governance principles and ethical values across the organization, thereby reinforcing a culture of responsibility, transparency, and long-term growth.

Our governance framework is guided by the following core principles:

- ❖ Ensuring fair and equitable treatment of all stakeholders, thereby fostering trust, transparency, and active engagement;
- ❖ Maintaining timely, accurate, and comprehensive disclosure of all material matters relating to the Company, including its financial performance, ownership structure, and governance practices;
- ❖ Ensuring that the Board operates with integrity and independence, with members acting on a fully informed basis, in good faith, and in the best interests of the Company and its shareholders, supported by an appropriate composition and size of the Board;
- ❖ Promoting and reinforcing a culture of ethical conduct, compliance, and responsible business practices across all levels of the organization;
- ❖ Investing in continuous learning, development, and integration of employees to build capabilities aligned with the Company's strategic objectives.

The Company's vision is anchored in embracing challenges and continuously striving to set and uphold the highest standards of corporate governance, thereby strengthening stakeholder confidence and driving sustainable long-term value creation.

2. BOARD OF DIRECTORS

Composition, Category and Attendance at Meetings:

The Board of Directors of the Company comprises eminent professionals with diverse expertise and rich experience across business, industry, finance, management, taxation, and marketing. The Board has an optimal mix of Executive and Non-Executive Directors, ensuring a balanced and effective governance structure. As on date, the Board consists of seven Directors, including one Woman Independent Director, and is in compliance with the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure



Annexure-IV (Contd.)

Requirements) Regulations, 2015 ("Listing Regulations") and the applicable provisions of the Companies Act, 2013.

The composition of the Board reflects a strong presence of Non-Executive Directors, constituting more than 50% of the total strength, with Independent Directors also forming more than half of the Board. The Company is led by an Executive Chairman. The Independent Directors, with their wide-ranging experience and domain expertise, bring objectivity, independent judgment, and valuable insights to the Board's deliberations and decision-making processes, thereby strengthening the overall governance framework.

Number of Board Meetings:

During the financial year 2025-26, 06 (Six) meetings of the Board of Directors were held on 16.04.2025, 28.06.2025, 11.08.2025, 10.11.2025, 07.02.2026

and 28.03.2026. The frequency and intervening gap between the meetings was within the period prescribed under the Companies Act, 2013, Listing Regulations and Secretarial Standards-1 issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings read with General Circular(s) issued by the Ministry of Corporate Affairs. The frequency of the meetings is enough for the Board to undertake its duties effectively.

The 15th Annual General Meeting of the members of the Company was held on 23.07.2025 at 11.30 a.m. through Video Conferencing/Other Audio-Visual Means (VC/OAVM) facility.

The Composition of the Board of Directors, attendance at Board & previous Annual General Meeting, number of other Directorship, Committee Membership and Chairmanship are as under:-

Name of Directors	Category of Directorship	Board Meetings attended out of 6 Meetings	Attendance at last AGM held on 23.07.2025	Directorship in other Companies/ LLP as on 31.03.2026 (A)	No. of Committees in which Member or Chairperson as on 31.03.2026 (B)		Directorship in other Listed Companies as on 31.03.2026
					Chairman	Member	
Mr. D. P. Mangal (DIN: 01205208)	Executive Promoter	6	Yes	1	NIL	1	NIL
Mr. Anand Mangal (DIN: 03113542)	Executive Promoter	6	Yes	NIL	NIL	1	NIL
Mr. Shubh Mangal (DIN: 01287935)	Executive Promoter Group	6	Yes	1	NIL	NIL	NIL
Mr. Jagdish Chandra Laddha (DIN: 00118527)	Independent Non-Executive	6	Yes	6	3	3	2#
Mr. Vijay Singh Bapna (DIN: 02599024)	Independent Non-Executive	6	No	3	3	4	2*
Mr. Anil Shah (DIN: 00145396)	Independent Non-Executive	6	Yes	5	1	2	NIL
Ms. Dipali Mathur (DIN: 07732611)	Independent Non-Executive	2	Yes	2	Nil	Nil	NIL

Mr. Jagdish Chandra Laddha is Director in other Two (2) Listed Companies namely: -

- Vinati Organics Limited (CIN: L24116MH1989PLC052224)
- BSL Limited (CIN: L24302RJ1970PLC002266)

*Mr. Vijay Singh Bapna is Director in other Two (2) Listed Companies namely: -

- MMP Industries Limited (CIN: L32300MH1973PLC030813); and
- Usha Martin Limited (CIN: L31400WB1986PLC091621)

Annexure-IV (Contd.)

- (A) Directorship in other Companies meant for Companies other than Foreign Companies.
- (B) Committee Membership meant for Chairman or Member of Audit Committee and Stakeholders' Relationship Committee of the Company and other companies also.
- None of the Independent Director/s have any material pecuniary relationship or transactions with the Company other than receiving Sitting Fees for attending the Board Meetings and its Committee Meeting/s of the Company.

None of the Directors of the Board serve as Members of more than 10 Committees nor are they Chairman of more than 5 Committees, as per requirements of the Regulation 26(1) of the Listing Regulations.

As required under Regulation 17A of the Listing Regulations, none of the Independent Directors serves as an Independent Director in more than seven listed companies. No Independent & Non-Executive Directors are holding any share in the Company and no convertible instrument has been issued by the Company.

Relationship Status:

None of the Directors are related to each other except

three Executive Directors as under: Mr. D. P. Mangal, Executive Chairman (DIN: 01205208) is father of Mr. Anand Mangal, Managing Director (DIN: 03113542) & Mr. Shubh Mangal, Executive Director (DIN: 01287935) and Mr. Anand Mangal & Shubh Mangal are brothers.

All the Independent Directors have given declaration that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of Listing Regulations, the independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. All the Independent Directors have confirmed inclusion of their names in Independent Director's data bank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended and also completed the online proficiency test conducted by the Indian Institute of Corporate Affairs, wherever required. It is hereby confirmed that in the opinion of Board, the Independent Directors fulfill the conditions specified under the "Listing Regulations" and they are independent to Management. No Independent Director has resigned during the year.

The table below summarizes the key attributes and skills matrix, identified by the Board of Directors, as required in the context of business of the Company and the name of Directors who have such skills / expertise / competence: -

S. No.	Name of Directors	Skills / Expertise / Competence					
		Finance	Legal	Management	Technical Operations	Marketing / Sales	Administration
1.	Mr. D. P. Mangal, Executive Chairman	✓	✓	✓	✓	✓	✓
2.	Mr. Anand Mangal, Managing Director	✓		✓	✓	✓	✓
3.	Mr. Shubh Mangal, Executive Director		✓	✓	✓		✓
4.	Mr. Jagdish Chandra Laddha, Independent Director	✓	✓	✓	✓	✓	✓
5.	Mr. Vijay Singh Bapna, Independent Director	✓	✓	✓		✓	✓
6.	Mr. Anil Shah, Independent Director	✓	✓	✓		✓	✓
7.	Ms. Dipali Mathur, Independent Director	✓		✓		✓	✓



Annexure-IV (Contd.)

Board Meeting Procedure:

The Company's Board Meetings are governed by a structured agenda. The Board Meetings are generally scheduled well in advance and the notice of each board meeting is given in writing to each Director. The Board Meeting may be convened on short notice, with the consent of Independent Directors, for urgent matters. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. The Board papers, comprising the agenda are circulated well in advance before the meeting of the Board.

All statutory, significant and other material information as specified in Part A of Schedule-II under the regulation 17(7) of the Listing Regulations are regularly made available to the Board, wherever applicable. The Board also reviews periodically the compliances of laws applicable on the Company.

Board's role, functions, responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory regulatory requirements, major accounting provisions etc. are considered by the Board.

3. AUDIT COMMITTEE

Your Company has an Audit Committee constituted by the Board of Directors which acts as a link between the management, auditors and the Board and oversees the financial reporting process.

Brief Description of terms of reference:

The terms of reference of the Audit Committee are aligned with the guidelines set out in the Regulation 18 read with Part C of schedule II of the Listing Regulations and also with the provisions of Section 177 of the Companies Act, 2013. The terms of reference broadly includes approval of annual Internal Audit Plan, review of financial reporting processes, auditors' report, internal control, risk management system, Internal Financial Control and its adequacy, functioning of whistle blower mechanism and governance processes, discussions and approval of quarterly, half yearly and annual financial statements/results, recommendation for appointment, remuneration and terms of appointment of auditors, monitor related party transactions, uses and application of funds raised through issues, review of Auditors' Independence and performance and effectiveness of Audit process, appointment of CFO etc.

The Audit Committee has the following powers:

- i. To investigate any activity within its terms of

reference;

- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee mandatorily reviews the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The role of the Audit Committee is not limited to but includes:

1. Oversight 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.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. 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;

Annexure-IV (Contd.)

- vii. Qualifications in the draft audit report.
5. Reviewing, with the management, Quarterly / half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. 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.
14. Discussion with internal auditors any significant findings and follow up there on.
15. 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.
16. 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.
17. 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.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and

directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.

19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition:

The composition of the Audit committee meets the requirements of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. It comprises following directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1.	Mr. Jagdish Chandra Laddha	Independent Non-Executive	Chairman
2.	Mr. Vijay Singh Bapna	Independent Non-Executive	Member
3.	Mr. Anil Shah	Independent Non-Executive	Member
4.	Mr. D. P. Mangal	Executive Chairman (WTD)	Member

Mr. Jagdish Chandra Laddha, Chairman of the Committee possesses high degree of accounting and financial management and technical business expertise and all other members of the committee have experience and sound accounting and financial knowledge. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 23rd July, 2025.

Meetings and Attendance:

The committee met 06 (Six) times during the financial year 2025-26. The dates on which Audit Committee Meetings were held are 16.04.2025, 28.06.2025, 11.08.2025, 10.11.2025, 07.02.2026 and 28.03.2026. The number of meetings attended by each committee member during the year was as under: -

**Annexure-IV (Contd.)**

Name of Member	No. of Meetings attended out of 6 meetings held	Date of Meetings and attendance of the committee members					
		16.04.2025	28.06.2025	11.08.2025	10.11.2025	07.02.2026	28.03.2026
Mr. Jagdish Chandra Laddha, Chairman	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Vijay Singh Bapna, Member	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Anil Shah, Member	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. D. P. Mangal, Member	6	Yes	Yes	Yes	Yes	Yes	Yes

The Managing Director, Executive director, CFO as well as the representatives of the internal & the statutory auditors are permanent invitees to the meeting. The Company Secretary acts as secretary to the audit committee.

4. NOMINATION AND REMUNERATION COMMITTEE

Your Company has Nomination and Remuneration Committee constituted by the Board of Directors to oversee appointment, remuneration and performance evaluation of Directors, Key Managerial Personnel (KMP) & Senior Management Personnel (SMP).

Brief Description of terms of reference:

The terms of reference of Nomination and Remuneration Committee are aligned with the guidelines set out in the Regulation 19 read with Part D of Schedule II of the Listing Regulations and also with the provisions of Section 178 of the Companies Act, 2013 which broadly includes formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of performance of the Independent Directors and the Board of Directors and devising a policy on Board diversity; to Devise a policy on diversity of board of directors; 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 their appointment and removal. Decision about extension or continuation of term of Independent Directors on the basis of report

of performance evaluation and to recommend to the Board, all remuneration in whatever form, payable to senior management.

Role of the Nomination and Remuneration Committee not limited to but includes:

1. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
2. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
3. Formulation of criteria for evaluation of performance of independent directors and Board of Directors.
4. Devising a policy on diversity of board of directors.
5. Deciding on, 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.
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
7. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the

Annexure-IV (Contd.)

Executive Directors for that purpose.

8. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
9. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
10. To formulate and administer the Employee Stock Option Scheme.

Composition:

The composition of the Nomination and Remuneration Committee meets the requirements of section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. It comprises following directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1.	Mr. Jagdish Chandra Laddha	Independent Non-Executive	Chairman
2.	Mr. Vijay Singh Bapna	Independent Non-Executive	Member
3.	Mr. Anil shah	Independent Non-Executive	Member

During the financial year 2025-26, one meeting of the Committee was held on 16.04.2025. The number of meetings attended by each committee member during the year was as under: -

Name of Member	No. of Meetings attended out of 1 meeting held	Date of Meeting and attendance of the committee members
		16.04.2025
Mr. Jagdish Chandra Laddha, Chairman	1	Yes

Details of Remuneration paid to Executive Directors:

(Rs. in Lakhs)

S. No.	Name of Directors	Category of Directors	Basic Salary	Contribution to P.F.	Gratuity	Commission	Others	Total
1	Mr. D. P. Mangal	Executive Chairman (WTD)	108.00	-	-	-	6.52	114.52
2	Mr. Anand Mangal	Managing Director	58.11	6.97	-	-	1.52	66.60
3	Mr. Shubh Mangal	Executive Director (WTD)	57.60	6.91	-	-	4.47	68.98
	Total							250.10

Mr. Vijay Singh Bapna, Member	1	Yes
Mr. Anil shah, Member	1	Yes

Performance Evaluations:

The Nomination & Remuneration Committee (NRC) and The Board is responsible for undertaking a formal annual evaluation of its own performance, committees and individual Directors with a view to review their functioning and effectiveness and to determine whether to extend or continue the term of appointment of the independent directors. During the year, NRC and the Board carried out the performance evaluation of itself, Committees and each of the executive directors/non-executive directors/independent directors excluding the director being evaluated. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, etc. The criteria for performance evaluation of the Committees included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India as amended time to time.

The detailed Policy inter-alia including criteria for performance evaluation is available under web link -(www.lagnamspintex.com-policies) https://683a4e08-c1df-4fd4-b9e4-1933a3be745e.filesusr.com/ugd/daa4e5_6697c18d337842a3815a77737b29f43e.pdf

Remuneration of Directors:

Non-Executive Independent Directors are paid only sitting fees for attending the Board and Committee meetings and Executive Directors are paid Salary and Perquisites subject to the overall ceilings imposed by the Companies Act, 2013 and other applicable statutes.

The appointment and remuneration of Chairman, Managing Director and Executive Director are governed as per terms and conditions approved by the Board of Directors and Shareholders on the recommendation of Nomination and Remuneration Committee.



Annexure-IV (Contd.)

Performance linked incentive & Criteria: Commission based on profit of the Company. (NIL During the year)

Service contract, notice period, severance fee - The employment of Executive Director/WTD shall terminate automatically in the event of his ceasing to be a Director of the Company in the General Meeting and/or in the event of their resignation as a Director of the Company. No severance fee is payable to Executive Directors/WTD. Notice period shall be as per the appointment letter issued at the time of appointment.

Stock option to Executive Directors – Nil

Details of Sitting Fee paid to Non-Executive Directors:

Non-Executive Directors do not draw any remuneration except sitting fee of Rs. 30,000/- for attending every Board Meeting and Rs. 5,000/- for attending every Committee Meeting. Total sitting fee of Rs. 7,85,000.00/- was paid during the financial year 2025-26. The details of remuneration paid to Non-Executive Directors during the financial year 2025-26 are as under: -

S. No.	Name of Director	Category of Directors	Sitting Fee (Amt. In Lakhs)
1.	Mr. Jagdish Chandra Laddha	Independent Non-Executive Director	2.37
2.	Mr. Vijay Singh Bapna	Independent Non-Executive Director	2.42
3.	Mr. Anil Shah	Independent Non-Executive Director	2.37
4.	Ms. Dipali Mathur	Independent Non-Executive Director	0.69

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fees to them for attending Board and Committee meetings. No Independent & Non-Executive Directors are holding any share in the Company and no stock option, convertible instrument has been issued by the Company. The Company has not advanced any loan to any Director during the Financial Year 2025-26.

5. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Your company has Stakeholders Relationship Committee constituted by the Board of Directors to oversee the services provided to the Investors of the Company.

Broad Terms of reference

The terms of reference of Stakeholders Relationship Committee are in line with the provisions of regulation 19 read with Part D of Schedule II of the Listing Regulations and also with the provisions of Section 178 of the Companies Act, 2013 which broadly includes the following: -

The committee considers and approves various requests for transmission, sub-division, consolidation, renewal, exchange, issue of new certificates in replacement of old ones, Dematerialization/ Rematerialization of Shares, non-receipt of declared Dividend, Annual Reports and to redress the grievances of the investors as may be received from time to time. The Committee evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company; Provide guidance and make recommendations to improve investor service levels for the investors; Review of the various measures

and initiatives taken by the Company for reducing the quantum of unclaimed dividends; Review of adherence to the service standards adopted by the Company; Review of measures taken for effective exercise of voting rights by shareholders.

The Committee meets as and when required and during the financial year 2025-26, one meeting of the Committee was held on 07.02.2026.

The Secretarial Department of the Company and Registrar & Transfer Agent, M/s Bigshare Services Private Ltd., Mumbai attended all the Grievance of the Shareholders and Investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, SCORES etc.

No Stakeholders' Grievance remained un-attended/ pending for more than 15 days. There was no complaint pending for disposal as on the March 31st, 2026. As all the shares of the Company has fully dematerialized hence No request for dematerialization of Equity Shares of the Company was pending for approval as at the 31st March, 2026.

Role of the Stakeholders Relationship Committee not limited to but includes:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share

Annexure-IV (Contd.)

Transfer Agent.

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition:

The composition of "Stakeholders Relationship Committee" is as under:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1.	Mr. Anil shah	Independent Non-Executive	Chairman
2.	Mr. Vijay Singh Bapna	Independent Non-Executive	Member
3.	Mr. Anand Mangal	Managing Director	Member

Compliance Officer: - Mr. Rajeev Parashar, Company Secretary

Designated E-mail for Investors' Grievances -
investorgrievances@lagnam.com

Details of Complaints received and status thereof: -

No complaint was received from Investors during the financial year 2025-26 and no complaint was pending at the end of the year.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company is an eligible Company qualifying under Section 135(1) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) for undertaking the Corporate Social Responsibility (CSR) activities as per the Company's CSR Policy during the financial year 2025-26 ended 31st March 2026.

The Terms of Reference of the Committee is as follows:

- (i) formulate and recommend to the Board, a

7. GENERAL BODY MEETING:

(i) Location and Time of General Body Meetings:

The details of location, date and time of Annual General Meetings held during last three years are given as under: -

AGM	Date	Time	Place	Special Resolution(s) passed
13 th AGM	28.07.2023	11:00 AM	Through Video Conference (VC)/ Other Audio-Visual Means ("OAVM") hosted at Lagnam Spintex Limited A 51-53 RIICO Growth Centre Hamirgarh, Bhilwara-311001, Rajasthan.	1. To consider and approve the payment of remuneration to Mr. D. P. Mangal (DIN: 01205208), Executive Chairman of the Company for the period w.e.f 03.02.2024 to 31.03.2025 of his present tenure. 2. To consider and approve, continuation of the present term of Mr. Vijay Singh Bapna (DIN: 02599024) as an Independent Director, who shall attain the age of 75 (Seventy-Five) years on 28th August, 2023.

Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken either by the Company or through implementing agency as specified in Schedule VII to the Companies Act, 2013 as amended from time to time;

- (ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (iii) monitor the Corporate Social Responsibility (CSR) Policy of the Company from time to time;
- (iv) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

Composition:

The composition of the "Corporate Social Responsibility Committee" is as under:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1.	Mr. Jagdish Chandra Laddha	Independent Non-Executive	Chairman
2.	Mr. Vijay Singh Bapna	Independent Non-Executive	Member
3.	Mr. D. P. Mangal	Executive Chairman (WTD)	Member

Secretary of the Committee: - Mr. Rajeev Parashar, Company Secretary

The details pertaining to the Corporate Social Responsibility (CSR) activities together with details of expenditure is enclosed and attached as an Annexure - I to the Boards' Report of the Company.

**Annexure-IV (Contd.)**

14 th AGM	16.07.2024	11:00 AM	Through Video Conference (VC)/ Other Audio-Visual Means ("OAVM") hosted at Lagnam Spintex Limited A 51-53 RIICO Growth Centre Hamirgarh, Bhilwara-311001, Rajasthan.	1. To re-appoint Sh. D. P. Mangal (DIN: 01205208), as Whole Time Director, designated as "Executive Chairman" for a term of 5 years w.e.f 01.04.2025 2. To re-appoint Mr. Vijay Singh Bapna (DIN: 002599024) as a Non-Executive Independent Director of the Company for a second term of 5 consecutive years w.e.f. 09.09.2024
15 th AGM	23.07.2025	11:30 AM	Through Video Conference (VC)/ Other Audio-Visual Means ("OAVM") hosted at Lagnam Spintex Limited A 51-53 RIICO Growth Centre Hamirgarh, Bhilwara-311001, Rajasthan.	1. To consider and approve the continuation of remuneration to Mr. Anand Mangal, Managing Director (DIN: 03113542) of the company, for the period from 01.04.2026 to 31.03.2028, of his current tenure of appointment. 2. To consider and approve the continuation of remuneration to Mr. Shubh Mangal, Executive Director (DIN: 01287935) of the company, for the period from 21.02.2026 to 20.02.2028, of his current tenure of appointment. 3. To appoint Secretarial Auditors of the Company.

(ii). Details of Special Resolution passed in the year 2025-26 through postal ballot;

No Postal Ballot Resolution was passed in the financial year 2025-26.

(iii) Procedure of Postal Ballot: Not Applicable**8. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS'**

Pursuant to the Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the meeting of the Independent Directors was held on February 07th, 2026 without the attendance of Non-Independent Directors and members of management to inter-alia to:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company taking into account the views of the Executive and Non-Executive Directors;
- Assess the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

9. OTHER DISCLOSURES**Details of Compliances:**

The Company has complied with all the requirements of the Listing Regulations as well as SEBI regulations and guidelines. During the last three years, no penalties/strictures were imposed / passed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets which have significant impact on the financials.

Related Party Transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis and do not have any potential conflict the interests of the Company at large. There were no materially significant transactions with related parties during the financial year. Suitable disclosure as required by the Ind AS 24 has been made in the notes to the Financial Statements. Pursuant to regulation 23 of the Listing Regulations, all the related party transactions are disclosed to Stock Exchanges on half yearly basis. The Board has approved a policy for related party transactions which has been uploaded on the Company's website under the link <https://www.lagnamspintex.com/policies>.

Code of Conduct: -

The Board of the Company has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics.

The code of conduct for Directors and Senior Management as approved by the Board of Directors has been placed on the website of the Company under the link <https://www.lagnamspintex.com/policies>.

All Board members and senior management personnel have affirmed compliance with the code of conduct during the year under review. In this regard, certificate of Managing Director is given at the end of this report.

Initiatives on Code of Conduct for Regulating, Monitoring & Reporting Trading by Insiders

In compliance with the SEBI regulation on Code of Conduct for Regulating, Monitoring & Reporting

Annexure-IV (Contd.)

Trading by Insiders, the Company has instituted a comprehensive code of conduct for Regulating, Monitoring & Reporting Trading in shares of the Company by designated and connected persons. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautions them on consequences of violations. The Company follows closure of trading window prior to the publication of price sensitive information. The Company has been informing the directors, senior management personnel and other persons covered under the code and advise them not to trade in Company's securities during the closure of trading window period.

Compliance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In accordance with the provisions of Regulation 34(3) read with Schedule V Para C Sub clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a certificate from Practicing Company Secretary confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate issued is annexed herewith in this report.

Whistle Blower Policy/Vigil Mechanism:

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably. One such risk identified is the risk of fraud & misconduct. The Audit Committee is committed to ensure fraud-free work environment and to this end the Committee has laid down a Whistle Blower Policy providing a platform to all the Directors, employee, other stakeholders can report any suspected or confirmed incident of fraud/misconduct. The policy also provides for adequate safeguard against victimization. This policy is applicable to all the directors, employees, other stakeholders of the Company and it is posted on the website of the Company under the link <https://www.lagnampintex.com/policies>. It provides for direct access to the Chairperson of audit committee in appropriate or exceptional cases and no employee was denied access to the Audit Committee.

During the year under review, there was no instance of fraud reported and all the recommendation of the Audit Committee were accepted by the Board. No employee was denied access to the Audit Committee.

Prohibition of Sexual Harassment of Women

To prevent sexual harassment of women at work place, The Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013 has been notified. The Company has zero tolerance for sexual harassment at workplace in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under for prevention and redressal of complaints of sexual harassment at workplace. No complaint was pending at the beginning and end of the year and no complaint of sexual harassment of women has been received during the financial year 2025-26.

Familiarization Programme for Independent Directors:

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director.

Further, the Directors are regularly updated with amendments in the provisions of the Companies Act, 2013, Listing Regulations, other applicable SEBI Regulations etc. Besides these Directors are updated on continuous basis in respect of Related Party Transactions, Audit and Auditors and they are periodically meeting with the senior management of the Company.

The details of familiarization programme for Independent Directors is available at the website of the Company under the link <https://www.lagnampintex.com/policies>.

Risk Management

The Company has a well-defined risk management framework in place. Under this framework, the Management has categorized the risks as High risk, Moderate risk and Low risk which were monitored on a continuous basis and appropriate risk mitigation steps were initiated as and when deemed necessary. The detail of commodity price risk, foreign exchange risk and hedging activities has been given in Management & Discussions Analysis Report.

Loans and Advances

The Company has not made any loan advances to firms/companies in which Directors of the Company are interested.

Compliance Confirmation

It is confirmed that the Company has complied with the requirements prescribed under Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations. A certificate from Statutory Auditors for compliance of provisions



Annexure-IV (Contd.)

of Corporate Governance is attached with the Report.

Discretionary Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations and adoptions of discretionary requirements as provided in the Part –E of Schedule – II under regulation 27(1) Listing Regulations are as under: -

- (i) Reporting of Internal Auditors directly to Audit Committee.
- (ii) Modified opinion(s) in Audit Report – Moved towards regime of financial statement with unmodified audit opinion.

Others

- During the year the Company has paid total fee of Rs. 2.17 Lakhs to the Statutory Auditors towards Audit Fee and other services.
- There are no instances where Board has not accepted the recommendation of any Committee of Board of the Company.
- The Company do not have any Subsidiary Company.
- Pursuant to Regulation 30A(2) of Listing Regulation we confirm that no agreement is subsist under clause 5A to para A of part A of schedule III to the Listing Regulations.

- The details about commodity price risk, foreign exchange risk and hedging activities are given in the Management Discussion and Analysis Report.

10. MEANS OF COMMUNICATION

The main channel of communication to shareholders is through Annual Report which inter-alia includes the Board Report, the Report on Corporate Governance and Audited Financial Statements.

Quarterly financial results are reviewed & approved by the Audit Committee and Board of Directors and submitted to the Stock Exchanges. The Quarterly financial results are published in one prominent English newspaper such as the Financial Express and one/two vernacular language newspapers such as the Dainik Lokjiveen, Nafa Nuksan and Jan Satta.

The website of the Company www.lagnamspintex.com acts as the primary source of information about the Company which inter-alia displayed the annual/quarterly financial results, official press/news release and Shareholding pattern, of the Company. The same are also displayed on the website of both the Stock Exchanges. The Company ensures that relevant provisions of Regulation 46 of the Listing Regulation, 2015 are complied with.

During the Financial year 2025-26, the Company did not raise any funds through preferential allotment or qualified institutional placement.

10. GENERAL SHAREHOLDER INFORMATION

Shareholder Information:

A.	Date of AGM & Time & Venue	27 th August, 2026 at 11:30 AM IST through Video Conference (VC)/Other Audio-Visual Means (OAVM)
B.	Date of Book Closure	To be disclosed separately
C.	Dividend Payment date	Within 30 days from the date of AGM if any.
D.	Next Financial Year	April 1, 2026 to March 31, 2027
E.	Tentative Financial Calendar for next Year for 2026-27:	

Period	Date of Board Meeting
1 st Quarter ending June, 2026	Fourth week of July, 2026 or First week of August, 2026
2 nd Quarter ending September, 2026	Fourth week of October, 2026 or First week of November, 26
3 rd Quarter ending December, 2026	Fourth week of January, 2027 or First week of February, 2027
Year ending 31 st March, 2027	Before 15 th May, 2027

AGM for year ending 31st March, 2027

July/August 2027

- F.** Listing on Stock Exchange & Stock Code :

Name of Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	LAGNAM

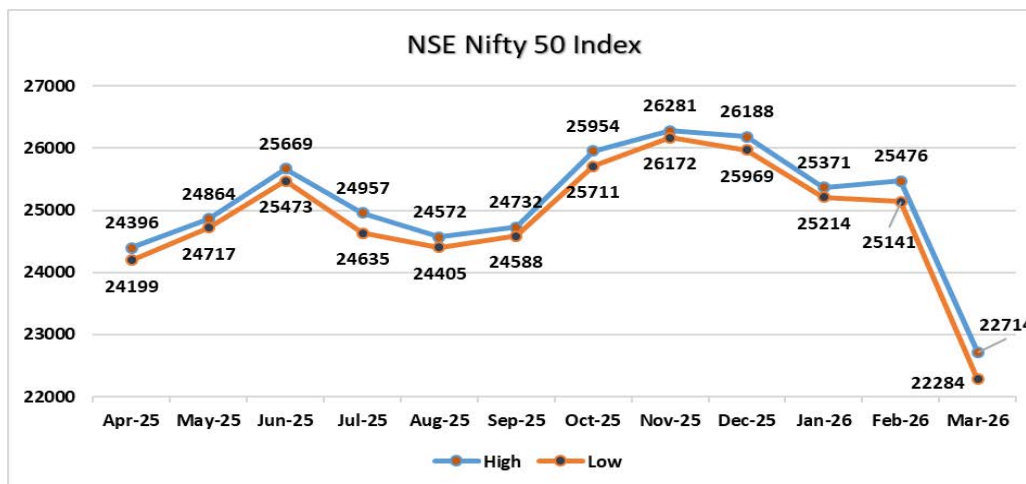
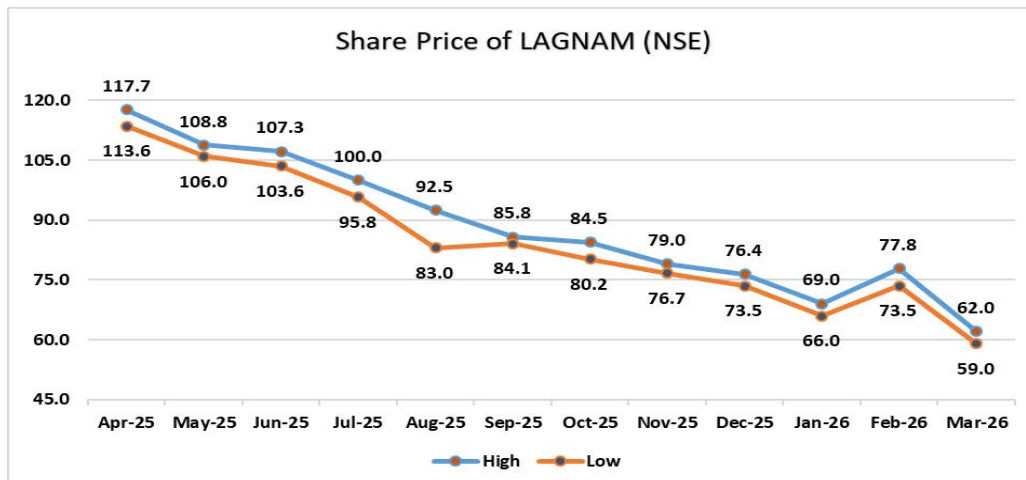
The applicable listing fee for the Financial Year 2026-27 has been paid to the Stock Exchange.

Annexure-IV (Contd.)

G. Stock Price Data:

Month	Share Price of LAGNAM (NSE)		National Stock Exchange of India Limited (NSE) Index	
	High	Low	High	Low
April, 2025	117.71	113.61	24396.15	24198.75
May, 2025	108.80	105.99	24863.95	24717.40
June, 2025	107.26	103.56	25669.35	25473.30
July, 2025	99.96	95.80	24956.50	24635.00
August, 2025	92.45	83.01	24572.45	24404.70
September, 2025	85.78	84.08	24731.80	24587.70
October, 2025	84.50	80.23	25953.75	25711.20
November, 2025	79.00	76.70	26280.75	26172.40
December, 2025	76.40	73.50	26187.95	25969.00
January, 2026	69.00	66.00	25370.70	25213.65
February, 2026	77.80	73.50	25476.40	25141.30
March, 2026	62.01	59.00	22714.10	22283.85

*For disclosure and comparison purpose the performance of Nifty 50 (Index) is taken into account.



**Annexure-IV (Contd.)****I. Dematerialization of Share and Liquidity:**

The equity shares of the Company are compulsorily traded and settled in dematerialized form under ISIN INE548Z01017. All the shares are in dematerialized form only. The details of Shares are as under: -

Particulars	31 st March, 2026		31 st March, 2025	
	No. of Shares	No. of Shares	No. of Shares	%
No. of Shares Dematerialized				
- NSDL	97,32,233	56.01	98,95,703	56.01
- CDSL	79,36,767	43.99	77,73,297	43.9
No. of Shares in Physical Mode	-	-	-	-
Total	1,76,69,000	100.00	1,76,69,000	100.00

J. Outstanding GDRs/ADRs/Warrants Etc. NIL**K. Registrar & Share Transfer Agent: -**

The Bigshare Services Private Limited is the Registrar and Share Transfer Agent (RTA) of the Company. The Shareholders / Investors are requested to contact for all correspondence / queries at the following address: -

M/s Bigshare Services Private Limited

Unit : Lagnam Spintex Limited
 Address : Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India.

Phone No. : 022-62638200
 Fax No. : 022-62638299
 Email : investor@bigshareonline.com
 Web Site : <http://www.bigshareonline.com>

Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer of shares can be processed in DEMAT form, transmission and transposition of securities held in physical or DEMAT form shall be effected only in dematerialized form. Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation. The has all the 100% Share Capital in DEMAT form.

L. Distribution of Shareholding as on 31st March, 2026:

No. of Equity Shares held	No. of Shareholders	% to Shareholders	No. of Shares	% to Shares
Up to 500	4699	84.93	427393	2.42
501 to 1,000	326	5.89	257030	1.45
1,001 to 2,000	198	3.58	297806	1.69
2,001 to 3,000	115	2.08	309863	1.75

Annexure-IV (Contd.)

3,001 to 4,000	36	0.65	127550	0.72
4,001 to 5,000	25	0.45	117373	0.66
5,001 to 10,000	61	1.10	434490	2.46
10,001 & above	73	1.32	15697495	88.84
Total	5533	100.00	17669000	100.00

M. Credit Ratings of the Company

During the year 2025-26, India Ratings and Research Private Limited has upgraded the ratings of Bank Loan facilities of the Company and following credit ratings assigned: -

- India Ratings

Facilities	Previous Rating	Upgraded Rating
Long-Term Loans	IND BB+ / Rating watch with Developing Implications	IND BBB-/Stable
Fund Based Facilities	IND BB+ / Rating watch with Developing Implications	IND BBB-/Stable/IND A3
Non Fund Based Facilities	IND A4+/ Rating watch with Developing Implications	IND A3

N. Plant Location & Address for Correspondence

(a)	Plant Locations	A 51-53, RIICO Growth Centre Hamirgarh, Bhilwara-311001, Rajasthan.
(b)	Registered office and address for correspondence	A 51-53, RIICO Growth Centre Hamirgarh, Bhilwara-311001, Rajasthan. Phone: +91-9116420111 E-Mail: rparashar@lagnam.com Website – www.lagnamspintex.com

For and on Behalf of the Board of Directors

Place : Bhilwara
Date : 8th May, 2026

D. P. Mangal
Executive Chairman
(DIN – 01205208)



Annexure-IV (Contd.)

COMPLIANCE CERTIFICATE

(Under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

- A) We have reviewed financial statements and cash flow statement for the year ended 31st March, 2026 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take rectify these deficiencies.
- D) We have indicated to the auditors and the Audit Committee:
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Devi Lal Mundra)
Chief Financial Officer
PAN- AKUPM7207P

(Anand Mangal)
Managing Director
DIN: 03113542

Place: Bhilwara
Date: 08th May, 2026

DECLARATION AS REQUIRED UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

All Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management of Lagnam Spintex Limited for the Financial Year ended 31st March, 2026.

Place : Bhilwara
Date: 08th May, 2026

(Anand Mangal)
Managing Director
DIN: 03113542

Annexure-IV (Contd.)**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To
The Members of
Lagnam Spintex Limited

We have examined the compliance of conditions of Corporate Governance by Lagnam Spintex Limited for the year ended 31st March, 2026 as stipulated in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of Management of the Company. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above-mentioned "Listing Regulations"

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

For Sanjay Somani & Associates

Sanjay Somani
Proprietor

M. No.: FCS6958

COP No.: 5270

UDIN: F006958H000308380

Place : Bhilwara
Date : 08th May, 2026

**Annexure-IV** (Contd.)**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 Lagnam Spintex Limited
A 51-53, RIICO Growth Centre, Hamirgarh,
Bhilwara-311001 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lagnam Spintex Limited having CIN: L17119RJ2010PLC032089 and having registered office at A 51-53, RIICO Growth Centre, Hamirgarh, Bhilwara-311001 (Rajasthan) (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN
1.	Mr. Dwarka Prasad Mangal	01205208
2.	Mr. Anand Mangal	03113542
3.	Mr. Shubh Mangal	01287935
4.	Mr. Jagdish Chandra Laddha	00118527
5.	Mr. Vijay Singh Bapna	02599024
6.	Mr. Anil Shah	00145396
7.	Ms. Dipali Mathur	07732611

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

For Sanjay Somani & Associates

Sanjay Somani

Proprietor

M. No.: FCS6958

COP No.: 5270

UDIN: F006958H000308336

Place : Bhilwara
Date : 08th May, 2026

ANNEXURE-V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL YEAR 2025-26

The management discussion and analysis report provide an over view of the financial activities for the fiscal year ended on 31st March 2026, gives an overall sight of the yarn industry, opportunities and threats in the business and Company's strategy to deal with that. This report is designed to focus on current years' activities, resulting changes and other known facts in conjunction to the financial and strategic position of the Company.

Economic Scenario

The textile industry in India is largest industry after agriculture and is also highly labour intensive offering the largest volume of employment. India is among the world's largest producer of textiles and apparels.

The textiles and apparel industry in India has strengths across the entire value chain from fiber, yarn, fabric to apparel. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the

organized textile industry in India. The organized textile industry in India is characterized by the use of capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

The Indian textile industry remains one of the largest contributors to the country's economy, providing employment to millions and contributing significantly to exports. The cotton yarn segment forms a critical part of the textile value chain, supplying raw material to weaving, knitting, and garment sectors.

During FY 2025-26, the Indian cotton yarn industry witnessed a gradual recovery driven by improved domestic demand and revival in exports, particularly to key markets such as China and Bangladesh. The industry is expected to record revenue growth in the upcoming years, supported by higher volumes and marginal improvement in yarn realizations.

Domestic consumption continues to account for a major share of yarn demand, while exports contribute nearly 30% of the industry's revenue. However, the industry remained exposed to volatility in raw material prices, geopolitical disruptions, and changing trade dynamics.

India's textile sector continued to demonstrate resilience in global markets during FY 2025-26. Total textile exports, including handicrafts, increased from ₹3,09,859.3 crores in FY 2024-25 to ₹3,16,334.9 crore in FY 2025-26, registering a growth of 2.1%. This performance reflects steady global demand for Indian textile products and the continued competitiveness of the sector across major product categories.

Among the major segments, Ready-Made Garments (RMG) of all textiles remained the largest contributor to textile exports, rising from ₹1,35,427.6 crore to ₹1,39,349.6 crore, an increase of 2.9%. Cotton yarn, fabrics, made-ups and handloom products recorded exports of ₹1,02,399.7 crore in FY 2025-26 as against ₹1,02,002.8 crore in FY 2024-25, reflecting stable growth of 0.4%. Man-made yarn, fabrics and made-ups posted a stronger growth of 3.6%, with exports increasing from ₹41,196.0 crore to ₹42,687.8 crore.

The cotton yarn market size has grown strongly in recent years. It will grow from \$77.75 billion in 2025 to \$82.89 billion in 2026 at a compound annual growth rate (CAGR) of 6.6%. The growth in the historic period can be attributed to growth in global textile manufacturing, expansion of apparel production, increasing demand for breathable fabrics, availability of raw cotton supply, adoption of mechanized spinning processes.

Companies operating in the cotton yarn market are increasingly focusing on innovation in yarn production, including the development of compact spun yarns and blended yarns, to improve fabric quality and address evolving industry requirements. Compact spun yarns enhance fabric performance by reducing imperfections, resulting in greater strength, smoothness, and durability. Blended yarns combine natural fibers such as cotton with



ANNEXURE-V (Contd.)

synthetic fibers, offering benefits such as improved sheen, higher strength, and a softer texture. These products utilize compact spinning technology to minimize yarn irregularities, delivering superior strength, smoothness, and durability, while CVC yarns blend cotton with polyester to achieve enhanced sheen and strength along with a cotton-like feel.

The cotton yarn market consists of sales of clothing, pillowcases, bedding, towels, curtains, home decor, crafts, and industrial products made using cotton yarn. Values in this market are 'factory gate' values, that is, the value of goods sold by the manufacturers or creators of the goods, whether to other entities (including downstream manufacturers, wholesalers, distributors, and retailers) or directly to end customers. The value of goods in this market includes related services sold by the creators of the goods.

INDUSTRY DEVELOPMENTS & FUTURE OUTLOOK

India is the world's second-largest producer of textiles and garments.

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

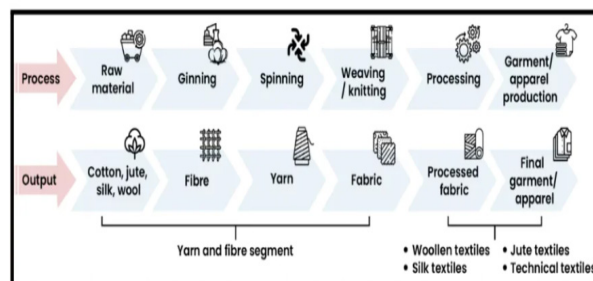
India is one of the largest producers of cotton and jute in the world. India is also the 2nd largest producer of silk in the world and 95% of the world's hand-woven fabric comes from India. The Indian technical textiles segment is estimated at \$16 bn, approximately 6% of the global market.

The textiles and apparel industry in India is the 2nd largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries.

- India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4% share of the global trade in textiles and apparel.
- The textiles and apparel industry now contributes approximately 2% of India's GDP and about 11% of manufacturing GVA (Gross Value Added) as of August 2025. The textile industry in India is predicted to double its contribution to the GDP to approximately 5% by the end of this decade.
- The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers.
- India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY26.
- Total textile exports are expected to reach US\$ 70 billion by FY27.

- The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 2.3 billion by 2030. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$ 100 billion.
- The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 145 billion by 2027.
- The Indian Technical Textiles market is the fifth largest in the world. The technical textiles industry was valued at US\$ 29 billion in 2024 and is projected to grow to US\$ 45 billion by 2026, US\$ 123 billion by 2035, and US\$ 309 billion by 2047.
- The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.
- The Indian textiles market is expected to be worth >US\$ 209 billion by 2029.

Key segments of the textile industry



The Indian Textile Industry has inherent linkage with agriculture and with the culture and traditions of the country making for its versatile spread of products appropriate for both domestic and the export markets. The textile industry is operating under different segments such as Spinning (the process of converting cotton or manmade fiber into yarn), Weaving and Knitting (converting yarn into woven or knitted fabrics), Fabric Finishing/ Processing (dyeing, printing and other cloth preparations) and Clothing (apparel manufacturing). The textiles and apparel industry in India have strengths across the entire value chain from fiber, yarn, fabric to apparel. Presently, spinning is the most consolidated and technically efficient sector in India's textile industry.

The textile sector also has a direct link with the rural economy and performance of major fibre crops and crafts such as cotton, wool, silk, handicrafts and handlooms, which employ millions of farmers and crafts persons in rural and semi-urban areas. It has been estimated that one out of every six households in the country depends directly or indirectly on this sector. India has several advantages in the textile sector, including abundant availability of raw material and labour. It is the second largest player in the world cotton trade. It has the largest cotton acreage, of about nine million hectares and is the third largest producer of cotton fibre in the world. It ranks fourth in terms of staple fibre production and fourth in polyester yarn production.

ANNEXURE-V (Contd.)

The textile industry is also labour intensive, thus India has an advantage.

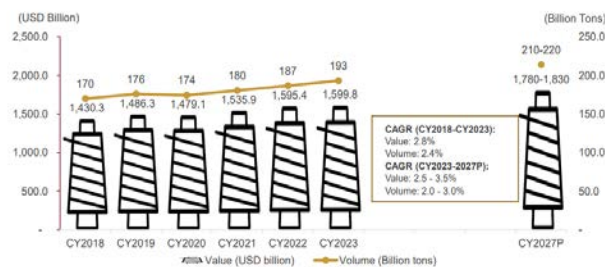
(Source: IBEF- India Brand Equity Foundation and Pib.gov)

Global textile market expected to grow at 2.5-3.5% CAGR between FY2023-FY2027 in value terms:

The global textile industry had grown consistently between FY2018 to FY2023, barring FY2020, which saw a decline due to Covid-19. Global trade restrictions due to disrupted supply chain and decline in textile products consumption amid imposed lockdown had negatively impacted the market resulting in a decline of ~0.5% in FY2020 compared to FY2019. However, the market recovered in FY2021, registering a Y-o-Y growth of 3.8% due to the easing of Covid19 restrictions and release of pent-up demand. The growth continued, with global textile industry registering a Y-o-Y increase of 3.9% in FY2022 and 0.3% in FY2023.

Going ahead, the industry is expected to grow at a CAGR of 2.5 - 3.5% between FY2023 to FY2027 to reach ~USD 1,780-1,830 billion in FY2027. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market over the forecast period. Volume wise, the industry is expected to grow from 193 billion tons in FY2023 to 210-220 billion tons in FY2027, registering a CAGR of 2.0 - 3.0%.

Global textile market

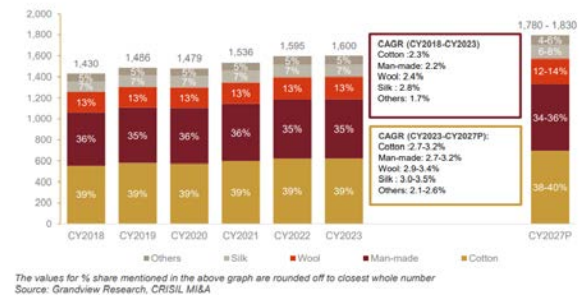


Source: Grandview Research, CRISIL M&A

Cotton is expected to remain the largest contributor of textiles industry at ~38-40% share in FY2027

From FY2018-FY2023, cotton continued to dominate the textile market, accounting for around 39% of total textile sales. The high demand for cotton can be attributed to its exceptional qualities like strength, absorbency, and color retention. Its share is expected to remain in similar range (38-40%) in FY2027 as well. Man-made textiles had the second largest market share between FY2018-FY2023 and is expected to remain in similar range in FY2027 as well due to easy availability of raw materials, growing population and increasing demand of apparels in various textures and designs.

Global textile sales by raw material (value)



On volume basis also, cotton and man-made textiles had the highest share with 38% and 37% respectively between FY2018-2023. Overall, on volume basis, the industry is expected to register a CAGR of 2.0-3.0% in between FY2023- FY2027 compared to a CAGR of ~2.4% between FY2018-FY2023.

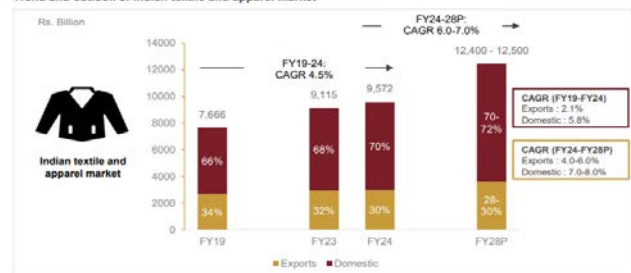
Indian textile and apparel market projected to grow at 6-7% CAGR between fiscal 2025-26 and 2028

Indian textile and apparel industry is projected to grow at a CAGR of 6.0-7.0% between fiscal 2024 and fiscal 2028, reaching a value of Rs. 12,400-12,500 billion in fiscal 2028. During this period, exports are expected to grow at a CAGR of 4.5-5.5% while domestic industry is expected to grow at slightly higher pace of 7.0-8.0%.

Between fiscals 2019 to fiscal 2024, the total Indian textile and apparel industry had grown at a CAGR of 4.5%. Within the total industry, the domestic Indian textile and apparel industry had grown at a higher pace of 5.8%, while exports have grown at a CAGR of 2.1%. The slower growth in exports is majorly due to decline in fiscal 2020 as a result of global slowdown which was further compounded by the Covid-19 pandemic leading to disruptions in supply chain and demand causing order cancellations. Also, high export tariffs levied on Indian exporters in countries like European Union (EU) when compared to zero import duty for other exporting countries such as Bangladesh have further dampened the export performance.

The future growth in Indian textile and apparel market will be led by various economic factors such as increase in discretionary income, rising urban population. Further, the demand is poised by increase in online retailing, shift from cotton to man-made fiber, robust growth of technical textiles segment. Additionally, global industry expanding outside of China would aid the Indian export markets in the growth trajectory.

Trend and outlook of Indian textile and apparel market



Note: Domestic Indian textile industry consists of Ready-Made garments, Unstitched Fabric, Technical textiles, and Home textiles

P stands for projected

Source: Ministry of textiles, DGC&S, CRISIL M&A



ANNEXURE-V (Contd.)

Raw Material



Cotton is one of the most important cash crops and accounts for around 25% of the total global fibre production. In the raw material consumption basket of the Indian textile industry, the proportion of cotton is around 60%.

This has forced the manufacturers across the textile value chain – from spinning mills and weaving units to garment makers – to seek the abolition of an import duty on cotton (effectively to the tune of 11%, including cesses) and the creation of a strategic reserve of about 10-15% of market supplies by the government to help stabilize prices.

Rising raw material costs have also created inter-segmental conflicts in the industry. “There is a continuous spike in cotton yarn prices. The government should step in to bring stability to raw material prices.

The India cotton market continues to evolve amid shifting agricultural dynamics and policy interventions designed to enhance productivity and quality. The Union Budget 2025-26 allocated INR 5,272 crore to the Ministry of Textiles, representing a 19% increase from the previous year, signaling strong governmental commitment to sector development. The launch of a multi-year Cotton Productivity Mission aims to significantly enhance cotton yields, moving toward global production benchmarks and improving overall farm efficiency. Initiatives like Kasturi Cotton, supported by blockchain-enabled traceability platforms, are positioning Indian cotton to compete with premium international varieties, boosting its appeal in global markets. Private sector investments in expanding cotton ginning and processing capacity reflect strong investor confidence in the sector’s growth prospects. Together, these government programs

and industry initiatives are strengthening the supply chain, enhancing quality, and supporting the long-term development and competitiveness of India’s cotton market.

India Cotton Market Trends:

Rising Adoption of Sustainable and Traceable Cotton Production

The India cotton market is witnessing accelerated adoption of sustainable farming practices and traceability

systems. For instance, the Kasturi Cotton Bharat initiative, implemented through public-private partnership between the Government of India, trade bodies, and industry, provides blockchain-based QR code traceability from farm to finished product. At World Cotton Day 2025 celebrations in New Delhi, Union Minister of Textiles announced the government’s goal of achieving carbon-neutral textiles by 2030 while targeting USD 100 billion in exports. Multiple MoUs were signed under the Kasturi Cotton initiative with leading textile organizations to promote sustainable cotton production and enhance India’s global cotton footprint.

Shift Toward Value-Added Manufacturing and Export Diversification

Indian cotton is increasingly being diverted to value-added manufacturing rather than raw fiber exports. Cotton yarn exports demonstrated a positive trajectory in early 2025, growing approximately 16%, fueled by rising demand from key markets including Bangladesh, Vietnam, and China. Cotton exports in July 2025 totaled USD 1.02 billion, up from USD 970.5 million in the same month the previous year, reflecting a growth of 5.17%. This trend highlights the industry’s focus on enhancing competitiveness and capturing higher value in international markets through processed cotton products.

Digital Transformation and Technology-Driven Farming Practices

The cotton sector is embracing digital transformation through precision agriculture technologies and smart farming tools. The Central Institute of Cotton Research has deployed AI-powered pheromone traps in Punjab’s cotton belt regions including Bathinda, Mansa, and Muktsar, providing hourly pest data to farmers via mobile applications for precise and timely pest management interventions. For instance, the Cott-Ally mobile application launched by the Ministry of Textiles delivers real-time information on minimum support prices, procurement centers, payment status, and best agricultural practices directly to cotton farmers. Drip and sprinkler irrigation systems are gaining rapid traction in Maharashtra and Madhya Pradesh, enabling water savings, while ensuring stable growth during erratic monsoon conditions.

Market Outlook 2026-2034:

The India cotton market is set for steady growth, supported by the expansion of the textile industry, government initiatives aimed at enhancing productivity, and rising global demand for sustainably produced cotton. Programs like the Cotton Productivity Mission are driving improvements in cultivation practices, including advanced seed technology, optimized planting methods, and better pest management. As the textile sector continues to grow, domestic cotton consumption is expected to rise significantly, creating opportunities for manufacturers

and farmers while strengthening India’s position in both domestic and international cotton markets. The market generated a revenue of USD 6.9 Billion in 2025 and is projected to reach a revenue of USD 9.6 Billion by 2034,

ANNEXURE-V (Contd.)

growing at a compound annual growth rate of 3.59% from 2026-2034.

Regional Insights:

- North India
- South India
- East India
- West India

West India, encompassing the Central Zone states of Gujarat, Maharashtra, and Madhya Pradesh, maintains market leadership as the region produces approximately two-thirds of India's total cotton output. Gujarat is the largest cotton-producing state, contributing 90.60 lakh bales in 2023-24, with the Saurashtra region accounting for approximately 70% of the state's production. Key cotton districts including Amreli, Bhavnagar, Junagadh, and Rajkot benefit from favorable black soil conditions and established agricultural infrastructure. The state has achieved success through drip irrigation adoption, precision farming techniques, and government-backed farmer-producer organizations, improving marketing and export linkages.

Maharashtra, the second-largest producer with 89.09 lakh bales according to 2024-25 estimates, cultivates cotton primarily in the Vidarbha, Marathwada, and Khandesh regions. The state is working on climate-resilient agriculture, crop insurance, and organic cotton production for the global markets. There is a tremendous expansion of spinning capacity in the region, and new FAS travel reveals that more spinning facilities are being opened to satisfy the growing demand for local fibers. The government efforts, such as direct market access and value-added processing programs, are assisting in stabilizing the farmers' income and also enhancing the quality and marketability of cotton grown in the area.

Market Dynamics:

Why is the India Cotton Market Growing?

Strong Government Policy Support and Investment Initiatives

The India cotton market is witnessing strong growth, supported by proactive government policies and increased focus on sector development. Initiatives such as the Cotton Productivity Mission are driving improvements in cultivation through advanced seed technology, high-density planting, and scientific farming practices, aiming to enhance yields and align productivity with global standards. Consistent efforts to provide minimum support prices are helping ensure price stability and income security for farmers. Together, these measures are strengthening the cotton supply chain, encouraging investment, and creating a favorable environment for sustained growth in India's cotton production and related industries.

Expanding Textile Industry and Rising Export Demand

The India cotton market benefits substantially from the expanding domestic textile industry and growing international demand for Indian textile products. The India

textile market size was valued at USD 152.40 Billion in 2025 and is projected to reach USD 213.75 Billion by 2034, growing at a compound annual growth rate of 3.83% from 2026-2034. The textile sector is a major employment generator in India, with cotton textiles ranking just after agriculture in terms of workforce contribution. Growing demand from key international markets, including Bangladesh, Vietnam, Peru, and Egypt, has driven a steady increase in cotton yarn exports. This trend has strengthened India's position in the global textile trade, with significant volumes of cotton yarn being exported to major importing countries, highlighting the sector's importance for both employment and foreign exchange earnings.

Growing Demand for Sustainable and Premium Quality Cotton

Rising global demand for sustainably produced and traceable cotton is driving significant changes in India's cotton cultivation and processing practices. Initiatives promoting premium, certified cotton are establishing Indian cotton as a high-quality, globally recognized brand, supported by blockchain-based traceability systems that track the product throughout the supply chain. International buyers increasingly require suppliers to uphold strong labor practices, environmental sustainability, and transparent operations. This shift is encouraging producers to adopt eco-friendly farming methods, implement rigorous quality standards, and enhance traceability, reflecting a broader industry commitment to sustainability, responsible production, and meeting evolving global market expectations.

Market Restraints:

What Challenges the India Cotton Market is Facing?

Pink Bollworm Infestation and Pest Resistance Challenges

The pink bollworm has become a persistent problem in the India cotton market and has decreased the pest resistance of Bt cotton. The pest has, over time, developed resistance to the Bt proteins, leading to great losses in the yields of major cotton-producing areas. This continuous menace lowers productivity, interferes with farm activities, and puts pressure on the growers to find alternative ways of managing the pests to maintain cotton production.

Water Scarcity and Climate Variability

Water shortage and unpredictable weather conditions have a great influence on cotton farming. The reliance on seasonal rainfall exposes the yields to sporadic precipitation, early withdrawal of monsoons, and temperature extremes. Over-precipitation may lead to waterlogging and pest infestations, whereas drought means that crops will not grow and the fibers will not be so fine. Such environmental problems establish unpredictability and risks among cotton farmers.

Competition from Alternative Crops and Market Price Volatility

Cotton farming faces stiff competition from alternative crops that offer lower risks and higher returns. Farmers



ANNEXURE-V (Contd.)

are increasingly switching to crops with shorter maturity periods and reduced input costs. Combined with fluctuating cotton prices and gaps between domestic and international markets, these factors create uncertainty, discouraging expansion of cotton acreage and impacting overall production stability.

Competitive Landscape:

The India cotton market features a fragmented competitive landscape with numerous stakeholders, including farmers, ginning units, traders, spinning mills,

and textile manufacturers. Government agencies play a key role in ensuring price support and stabilizing market operations, providing a foundation for consistent supply. Market participants are increasingly focusing on quality improvement, sustainable production practices, and adoption of advanced technologies to enhance efficiency and competitiveness. Initiatives promoting premium, traceable cotton are driving differentiation, while ongoing investments in ginning and processing infrastructure are enabling companies to capture greater value along the cotton-to-textile value chain, supporting long-term growth and market development.

Government Support and Notable Trends in Textile Sector

1

• Technology Up-gradation and Modernization:

- **Amended Technology Upgradation Fund Scheme (ATUFS)** to provide credit-linked Capital Investment Subsidies (CIS) to textile units for purchasing benchmarked machinery, helping mills modernize and reduce their environmental footprint.
- **Spinning Mill Modernization Schemes:** State-specific initiatives, such as those in Tamil Nadu, offer interest subsidies for replacing machinery older than five years.
- **Mini Textile Park Schemes:** Subsidies for developing infrastructure, buildings, and machinery for smaller units.

2

Raw Material Supply and Price Stabilization:

- **Cotton Corporation of India (CCI) Support:** The government directs CCI to sell cotton stocks purchased under the Minimum Support Price (MSP) directly to MSME-category spinning mills to ensure availability.
- **Special Sales/Discounts:** CCI offers discounts (e.g., Rs. 300/- per candy) to MSME mills, cooperative sector mills, and Khadi industries to boost competitiveness.
- **Yarn Supply Scheme (YSS):** Ensures availability of raw materials at 'mill gate prices' to handloom weavers, indirectly supporting steady demand for yarn.
- **Kasturi Cotton Initiative:** Focuses on branding, traceability, and certification to promote Indian cotton quality, benefiting the entire supply chain from farm to mill.

ANNEXURE-V (Contd.)

3

Financial Assistance and Incentives:

- **Production Linked Incentive (PLI) Scheme:** Encourages production of high-value Man-Made Fiber (MMF) fabrics and technical textiles, attracting investment and promoting eco-friendly manufacturing.
- **Rebate of State and Central Taxes and Levies (RoSCTL):** Provides tax rebates on exported garments and made-ups, boosting downstream demand for yarn.
- **Interest Equalization Schemes:** Increased rates for pre- and post-shipment credit to support MSME exporters.
- **Special Package for Textiles (2016):** Included measures like additional production subsidies under ATUFS, EPF contribution support, and tax concessions.

4

Infrastructure Development:

- **PM MITRA Parks:** Establishment of 7 mega integrated Textile Parks and Apparel Parks with world-class, plug and play facilities to reduce logistics costs and improve efficiency.
- **Integrated Processing Development Scheme (IPDS):** Supports new and upgraded Common Effluent Treatment Plants (CETPs) to help mills meet environmental standards.

5

SAMARTH Scheme: Scheme for Capacity Building in Textile Sector:

Aims to provide skill development, promote innovation, improve governance and infrastructure in the sector.

Other Government Schemes & Policies

SAATHI Scheme

- The Ministry of Textiles, Government of India, along with Energy Efficiency Services Ltd. (EESL), has launched a technology upgradation scheme called

SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the power loom sector of India.

Remission of Duties or Taxes on Export Product (RoDTEP)

- The government of India introduced a new scheme,



ANNEXURE-V (Contd.)

named RoDTEP, in September 2019 and released a budget allocation of Rs. 500 billion, in a move to replace MEIS and RoSL (only refunds state taxes). The new scheme is in terms with the conditions of the WTO, where incentives cannot be provided, but the taxes incurred during the process can be refunded. Hence, the government plans to refund all state (RoSL) and Central government taxes incurred by the export players during the manufacturing process of RMG.

- According to the government, this new scheme would “adequately compensate” for the current 6% (4% MEIS and 2% RMG) benefits being availed of by the RMG exporters and help them stay competitive enough in the international trade market.

Merchandise Exports from India Scheme

- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of textiles Industry - readymade garments and made-ups - from 2% to 4%.

Scheme for Integrated Textile Parks (SITP):

- The setting up of integrated textile parks is one of the flagship schemes of the Ministry of Textiles primarily setup to assist small and medium entrepreneurs in the textile industry to clustered investments in textile parks by providing financial support for world class infrastructure in the parks.
- SITP has majorly boosted Indian textile industry. A total of 59 textile parks have been sanctioned under SITP by the Ministry of Textiles out of which 22 textile parks have been finalized and rest are under various stages of construction. While 13 textile parks will receive a grant of Rs. 520 crores from the Government for infrastructure development, they are estimated to bring in private sector investment of about Rs. 3,240 crores. This scheme is a true game changer as the financial aid provided to companies seeking to setup manufacturing units but unable to do so due to the sky high prices of land has caused many new entrants to enter this sector. Furthermore, the easing of the red-tape with the plug and play setup in these parks has made India a hotspot not only for domestic but also international players seeking to enter the domain of textiles and apparel.
- This scheme provides textile units infrastructure, including power, water, roads, and drainage system, and assistance to meet environmental norms. It is expected to attract considerable investments to set up huge integrated textile facilities. This is a positive step towards making India a hub

for textile products. As per union budget 2021-22, the government has allocated Rs 800 million (budgeted estimate) under SITP.

COMPETITION IN FOREIGN MARKETS



The Indian cotton textile industry has been facing increasing competition in world markets. This is largely due to high cost of production and consequently high prices of cotton. It is paradoxical in a country where wages are low and cotton is internally available.

- Availability of quality cotton in required volume can be made achievable through framing Government Policies for increasing the productivity of cotton on par with international producers.
- Though the mandatory compliance of BIS Standard for several textile products including MMF Fibre, Yarn, Technical Textile products, etc., by way of issuing
- Quality Control Orders (QCO) is a welcome move and would encourage Atma Nirbhar Bharat, it lacks workable standards. Also, the initial investment towards establishment of lab and its connected mandates is beyond the capacity of the growing MSME sector that accounts over 85% of the entire textile value chain. The industry, industry Associations and the government are actively involved in addressing the issues in complying the QCOs. The Government is in the process of bringing more than 100 QCOs covering the entire textile value chain.
- India's textile and apparel industry can be labelled as that rocket which zoomed off to the skies but lost its fizz somewhere in between. Despite being the second-largest exporter of textiles and accounting for 5% of the global share of textiles and apparel, India's first runners up crown face stiff chances of being taken away by smaller countries like Vietnam and Bangladesh.
- The principles of sustainability, traceability and circularity have begun to rule the export market. The domestic manufacturers are also working towards incorporating the same in the manufacturing process. However, the cost of certification to prove the same is already on higher side and still escalating.

ANNEXURE-V (Contd.)

Threads of Growth



- India is the second largest producer of cotton with the largest area under cotton cultivation in the world. It has an edge in low-cost cotton sourcing compared to other countries.
- Presence of entire value chains
- Competitive manufacturing costs Strong Domestic Textile Demand
- Export-Oriented Textile Manufacturing
- Sustainability and Natural Fiber Preference
- Availability of skilled manpower
- Large and growing domestic market
- Rising per capita income, higher disposable incomes and preferences for brands
- India has gathered experience in terms of working with global brands and this should benefit Indian vendors.
- China losing its competitive edge to India

STRATEGIES:



- Focused on Innovation & Technology
- Exploring existing potential and new product development
- Building value around the commodity
- Product development for immediate market needs
- Lean Manufacturing- to minimise waste and create more value-oriented products
- Assets Reliability- adopting smart machineries and incorporate artificial intelligence
- Organisational Alignment- clear assignment of duties towards every management personnel for smooth and efficient operations
- Energy- sustainable manufacturing and use of energy efficient machinery

OPPORTUNITIES AND THREATS

Opportunities

The yarn manufacturing industry in 2026 is experiencing a significant shift toward high-value, sustainable production driven by a rebound in global demand. One of the primary opportunities lies in the surging demand for sustainable and organic yarn, as consumers and major brands prioritize eco-friendly materials and circular economy principles. Furthermore, government initiatives like the Mission for Cotton Productivity are helping manufacturers improve yields and reduce dependence on expensive imports. The integration of quality checks and advanced spinning technologies also allows companies to enhance precision and cater to the high-margin technical textiles market, which serves sectors like healthcare and automotive.

- ➔ **Rising Demand for Sustainable Textiles:** Growing consumer preference for natural fibers over synthetics, particularly with eco-friendly standards like GOTS, provides a niche market.
- ➔ **Export Potential & Trade Deals:** New market access via trade agreements (e.g., India-UAE/Australia) and recovery in demand from China.
- ➔ **Capacity Expansion & Upgradation:** Government support through initiatives like India's Technology Upgradation Fund Scheme (TUFS) and the expansion of integrated textile parks to improve efficiency.
- ➔ **Value Addition:** Opportunities exist in manufacturing specialized yarn, organic cotton, and enhanced, branded yarn products

Threat

➔ Raw cotton availability

Fluctuations in domestic cotton production directly influence yarn output and export volumes.



ANNEXURE-V (Contd.)

→ Price competitiveness

Global cotton prices and spinning costs impact India's ability to compete with other yarn-exporting countries.

→ Global textile demand

Demand from international apparel and fabric manufacturers plays a key role in determining export performance.

→ Exchange rate movements

Currency fluctuations affect export pricing and profitability for Indian yarn exporters.

→ Trade policies and regulations

Changes in export incentives, duties, and compliance requirements can influence shipment volumes and market access.

→ Market Demand

The demand for cotton based textiles is supported by India's growing population, rising incomes, and urbanization, but the industry must adapt to changing consumer preferences and market dynamics.

→ Sustainability

The industry is increasingly focused on sustainability, which presents a challenge as it requires investment in technology and practices that align with global sourcing requirements.

→ Trade Regulations

The enforcement of trade regulations, such as the Cotton Bales (Quality Control) Order, can create barriers for Indian cotton in the global market.

SEGMENT ANALYSIS

Yarn is the core of all fabrics- be it garments or home furnishings. The Company Produces Cotton Yarn using Cotton as raw material. We can call it a 'Sustainable Yarn' production because it has been manufactured keeping environment, humans and the economy in balance. Our yarns do not deplete the earth's resources or cause carbon footprints. They are organically grown or manufactured by recycling.

As the Company is manufacturing only the one product i.e. Cotton Yarn, Therefore, segment/product-wise details are not applicable.

COMPANY OVERVIEW

The manufacturing facility of The Company (LSL) is situated at A 51-53, RIICO Growth Centre, Hamirgarh of Bhilwara District in the Rajasthan State and spreads over 48,263 square meters. The Company has an installed capacity of 1,920 rotors in open-end segment, 25536 spindles in ring spinning segment and 41,472 spindles in Compact

Ring Spinning segment for cotton yarn having capacity to produce approx. 69.45 tons per day of high-quality yarn.

During the year 2023-24, the company successfully commissioned the expansion project of 41,472 spindles of compact cotton yarn at a cost of Rs. 218 Cr., two months ahead of schedule, i.e., on 31st January 2024, without any time or cost overruns. The plant is equipped with modern, automatic machinery. The level of technological advancement directly influences the productivity of both machines and labor, which in turn affects production, operating costs and profitability. Our technical team in spinning is highly skilled, utilizing modern spinning technologies and processing techniques that ensure the production of high-quality yarn. Thanks to the enhanced capacity resulting from the expansion project, your company has exceeded the estimated turnover.

Lagnam Spintex is currently exporting cotton yarns to countries such as Portugal, Bangladesh, Poland, Peru, South Korea, Morocco, Egypt, Greece, Argentina, Turkey, Spain, Indonesia, Bulgaria, USA, and others. The products are widely used in industries such as apparel and garment manufacturing, industrial fabrics, towels, denims, and more.

FINANCIAL PERFORMANCE

The Company has recorded total revenue from operations during the Financial year 2025-26 of Rs. 60498.05 Lacs against the total revenue of Rs. 60556.46 Lacs in the previous financial year 2024-25.

The Total expenses of the Company during the financial year 2025-26 is Rs. 58541.40 Lacs against the expenses of Rs. 58790.17 Lacs in the previous financial year 2024-25.

The EBITDA for the financial year 2025-26 is Rs. 6708.83 Lacs, compared to Rs. 6554.28 Lacs in the previous financial year 2024-25.

The Profit after tax is Rs. 1438.98 Lacs for the financial year 2025-26 as compare to Rs. 1285.47 Lacs in the previous financial year 2024-25.

RISK & CONCERNS

No industry is free from normal business risk and concerns. Indian Textile Industry continues to face stiff competition from Bangladesh, Taiwan and other emerging economies. The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime. The primary raw material for the manufacturing of yarn is cotton which is an agriculture produce. Its supply and quality are subject to forces of nature i.e. Monsoon. Any increase in the prices of raw cotton will make the things difficult for the Textile Industry resulting weak demand and thin margins. Thus availability of raw cotton at the reasonable prices is crucial for the spinning industry. Any significant change in the raw cotton prices can affect the performance of the Industry.

ANNEXURE-V (Contd.)



The high rate of interest is affecting the financial performance of the Textile Industry. The Spinning industry being more capital intensive requires huge funds, long term as well as short-term in the form of working capital for its operations. The Government must support the industry by providing cheap finance so that the industry remains financially viable. Though Government has taken some remedial measures in this regard but still a lot more is required so that the Textile Industry could meet the challenges ahead. Some of the primary risks and concerns for the Industry are as under:

1. External Trade and Tariff Pressures

- ➔ US Tariff Hike: The US imposed a 50% effective tariff on Indian apparel exports in August 2025, which has a trickle-down effect on the demand for Indian cotton yarn. Indian exporters are offering discounts to maintain market share, which narrows margins for spinners.
- ➔ Reduced Export Incentives: Export rebates under the RoDTEP scheme have been cut from 3.4% to 1.7% of the FOB value, directly impacting export profitability.
- ➔ Competition: Indian spinners face stiff competition from countries with lower tariff rates.

2. Raw Material and Supply Risks

- ➔ High Import Dependency: Due to low local output, reliance on imported cotton is rising (up 85% YoY in 5M FY2026), increasing costs for manufacturers.
- ➔ Crop Damage & Acreage Shift: Untimely rainfall in major producing states (Maharashtra, Gujarat, Andhra Pradesh, Telangana) has damaged crops. Farmers are shifting to more profitable crops, reducing the overall cultivated area.

3. Financial and Operational Concerns

- ➔ Margin Contraction: Spinners' margins are expected to contract by 50-100 basis points in FY2026, particularly in the second half of the year.
- ➔ Declining Contribution Levels: Average cotton yarn contributions dropped from Rs. 103/kg in H1 FY2026 to Rs. 96/kg in November 2025.
- ➔ Weakened Export to China: Although a recovery

in exports to China is expected early in the year, fluctuations in their demand remain a constant risk factor.

4. Other Key Risks

Geopolitical Issues: Geopolitical instability in neighboring markets like Bangladesh has disrupted trade, challenging the growth in export volumes.

Synthetic Competition: Increasing availability of cheaper synthetic alternatives (polyester/nylon) continues to threaten the demand for cotton-based products.

Key Mitigation Factors:

- ➔ CCI Procurement: Significant procurement by the Cotton Corporation of India (CCI) helps secure steady supply.
- ➔ Import Duty Exemption: A temporary exemption on import duties for cotton, valid until December 2025, helps manage raw material costs.
- ➔ Sustainability Focus: Indian mills are strengthening their practices to meet rising international demand for certified, eco-friendly cotton.

INFORMATION TECHNOLOGY

In today's global marketplace change is inevitable and to keep ahead of this any organization must use Information Technology to drive Innovation which is the path to quick business decisions. Lagnam is a firm believer that without IT no organization can function, therefore our end-to-end Business Process Management tool based on Infor LX ERP platform went live along with our COD in 2019. After making significant investment in its IT infrastructure and solutions, Lagnam would be one of the very few manufacturing companies that has significant budget allocated for IT upgradation to adopt to ever evolving technological solutions.

As our systems are maturing, we are immensely proud to use the full potential of technology in various day to day activities:

- ➔ We have a centralized single network infrastructure secured by a robust Firewall monitored and managed by our team on regular basis. On this network all our manufacturing machines as well as user computers are connected for ease of access
- ➔ All our end user machines and servers are protected by McAfee Enterprise level End Point Security system to safeguard any virus attacks on our network
- ➔ The management and operational team have easy access to all the operational data of various machines on the tip of their fingers at all the time for a quick proactive action.



ANNEXURE-V (Contd.)

- ➔ We have a complete HRMS and Payroll system to fully utilize our human resource potential.
- ➔ We recently invested in a customized Cotton Bale Management system to keep our product quality consistent.
- ➔ We have developed in house Open source email server to support our BPM system to send out reports by department to everyone at the end of the day to take corrective actions as and when required.
- ➔ Use of collaborative tools for easy information sharing across various departments.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has implemented proper system for safeguarding the operations/ business of the Company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

The Audit Committee of Board of Directors reviews the efficiency and effectiveness of internal control systems and suggests the solution to improve and strengthen. The Internal control system were tested during the year and no material weakness in design or operation were observed. The requirement of having internal auditor compulsory by statue in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of Company.

HUMAN RESOURCES AND INDUSTRIAL RELATION



The Company had cordial and harmonious industrial relations at all levels of organizations. The company believes that the industry has the tremendous potential to impact the society, nation and the world positively. Its employees are major stakeholder sand their efforts have direct stake in the business prospectus of the organization. The employees have extended a very productive cooperation in the efforts of the management to carry the company to greater

heights. The Company considers employees as their biggest competitive advantages. The Company takes initiative like training and development for its people to increase the performance. The Company has taken various steps to improve and enhance skill of its people. The industrial relations remained cordial in our plant. The Company has continued to give special attention to human resources and overall development. At present company has employed man power of around 800+ peoples including technical, non-technical, managerial and non- managerial, casual and contract labour.

ENVIRONMENT AND SAFETY

The Company remains committed to environmentally responsible and safe operations as a core priority. All activities are carried out in strict adherence to applicable statutory and industry regulations, with due emphasis on safeguarding the health and safety of all stakeholders. The Company continues to promote environmental protection and the conservation of natural resources, integrating sustainable practices across its operations to the extent feasible.

CHANGE IN FINANCIAL RATIOS:

Ratios having movement of more than 25% are as follows:

Ratio	25-26	24-25	Reason for Change
Net Capital Turnover ratio	85.67	44.79	Due to improved efficiency in net capital management
Trade Payables Turnover Ratio	29.31	81.76	Due to utilization of M-1 exchange credit to take advantage of lower ROI.

CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which we operate. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

ANNEXURE-VI

Particulars of Employees

[As per section 197(12) read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio and remuneration of Directors & KMPs

S.N.	Name	Designation	Date of commencement of Employment/ Director ship	Qualification	Age (In years)	Working Experience (In Years)	Remuneration For the year 2025-26 (₹ In Lacs)	Ratio Between Director or KMP and Median Employee
1	Mr. D. P. Mangal	Executive Chairman	11/06/2010	Chartered Accountant	77	44	114.52	48.10:1
2	Mr. Anand Mangal	Managing Director	12/06/2010	BSC (Honors) in Business & Management Studies from University of Bradford, UK	43	22	66.60	27.97:1
3	Mr. Shubh Mangal*	Executive Director (WTD)	21/02/2020	Masters in Management and Information Systems from Case Western Reserve University, USA	48	26	68.98	28.97:1
4 [^]	Mr. Vijay Singh Bapna	Independent Director	23/12/2017	Chartered Accountant	77	50	2.42 [^]	N.A.
5 [^]	Mr. Jagdish Chandra Laddha	Independent Director	10/02/2018	Chartered Accountant	76	50	2.37 [^]	N.A.
6 [^]	Mr. Anil Shah	Independent Director	10/02/2018	Chartered Accountant	73	44	2.37 [^]	N.A.
7 [^]	Ms. Dipali Mathur	Independent Director	10/02/2018	PGDBM	44	22	0.69 [^]	N.A.
8	Mr. Devi Lal Mundra	Chief Financial Officer	01/02/2018	B.Com	65	41	19.26	8.09:1
9	Mr. Rajeev Parashar	Company Secretary	01/02/2018	CS, LL.B., B.Com	33	10	10.47	4.40:1

[^] Remuneration in the form of Sitting Fees to attend meetings as an Independent Director.



ANNEXURE-VI (Contd.)

B. Percentage increase in the median remuneration of employees in the financial year –:

The median remuneration of the employees in current financial year has increased by 5.32%.

C. Number of permanent employees on the rolls of company –

As on 31st March, 2026 the total number of employees on the roll was 886.

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

Average % increase in the salary of employees other than Managerial Personnel: - 7.46%

Average % increase/(Decrease) in the Salary of the Managerial Personnel: - 8.89%

E. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms that remuneration is as per the remuneration policy of the Company

For and on Behalf of the Board of Directors

**Place : Bhilwara
Date : 8th May, 2026**

**D. P. Mangal
Executive Chairman
DIN: 01205208**

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Lagnam Spintex Limited,

Opinion

We have audited the accompanying Standalone Financial Statements of **LAGNAM SPINTEX LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Standalone Financial Statements')

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manners required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not

include the Standalone Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards ("Ind AS") and other accounting

principles generally accepted in India, including the 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.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance



with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and

to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Emphasis of Matters

The Company has provided depreciation on Plant and Machinery considering the same as 'Continuous Process Plant' based on technical expert's advice. This being a technical matter, no opinion is expressed thereon. Refer note no.1-VI & 2 to the accompanying financial statements.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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-II on this matter.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the companies Act, 2013.

- 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 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) According to management representation, information and explanation given to us and

based on our examination of the records of the Company, the company has not advanced or loaned or invested any fund to or in any other person(s) or entity(ies) during the year.

- (v) According to management representation, information and explanation given to us and based on our examination of the records of the Company, the company has not received any fund from any other person(s) or entity(ies) during the year to lend or invest or provide guarantee or security to or in other persons or entities.
- (vi) The company has complied the provisions of sec 123 of Companies Act, 2013 on declaration of dividends during the year.
- (vii) According to management representation and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions related to books of accounts. The audit trail has not been tampered and has been preserved by the company as per statutory requirements.

For A. L. Chechani & Co.
Chartered Accountants
Firm Reg. No. 005341C

Place: Bhilwara
Date: 8th May, 2026

(Rahul Parmanandani)
Partner
M.No. 431503
UDIN : 264315030JGVVC8404

**ANNEXURE I TO AUDITOR'S REPORT**

The Annexure referred to in our report of even date to the members of **Lagnam Spintex Limited** on the accounts of the company for the year ended 31st March, 2026. We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company is maintaining proper records showing full particulars of Intangible Assets;
- (b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals, no any material discrepancies were noticed on such verification;
- (c) The title deeds of all the Immovable properties are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As per the information 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.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management. No any material discrepancies were noticed on physical verification.
- (b) Quarterly returns or statements filed by the company with banks those sanctioned working capital limits to the company, are in agreement with the books of accounts of the Company.
- (iii) The company has not made any investments in, 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 other parties during the year.
- (iv) The Company has not entered any transaction in respect of loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act, 2013.
- (v) The company has not accepted deposits or amounts which are deemed to be deposits under provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under.
- (vi) We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records

have been made and maintained.

- (vii) (a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the records of company, particulars of statutory dues which have not been deposited on account of any dispute are as under:-

Sr. No.	Name of Statute	Nature of Due	Amount (Rs. In Lac)	Forum where dispute is pending
1	Income Tax Act, 1961	Tax Interest	29.12 26.40	Commissioner Appeal, Ajmer
		Tax	7.56	ITAT, Jodhpur
2	GST Act	Tax Penalty	2.90 2.90	Dy. Commissioner Appeals, SGST, Rajkot
		Tax Interest	45.51 44.73	Addl. Commissioner Appeals, SGST, Ajmer
		Penalty	4.48	

- (viii) According to the information and explanations given to us, the company has not surrendered or disclosed any transaction not recorded in books of account as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the company is not a declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, during the year the company has obtained term loans for capital expansion plans & other working capital loans for the purpose of working capital and are applied for the purpose for which the same were obtained.
- (d) According to the information and explanations given to us, the company has not utilized any short-term fund for long term purposes.
- (e) The Company does not have any subsidiaries, associates or joint ventures, hence para (e) and (f) are not applicable to the company.

- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) In our opinion and according to the information and explanations given to us, there is no fraud by the company or any fraud on the Company has been noticed or reported during the year.
- (b) There is no case, hence no report under sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014.
- (c) According to information and explanations given to us, no whistle-blower complaints are received during the year.
- (xii) The company does not fall under the category of Nidhi Company, hence provisions specified in Nidhi Rules, 2014 are not applicable to the company.
- (xiii) The company has complied the provision of sections 177 and 188 of Companies Act 2013 on all transactions with the related parties and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system commensurate with size and nature of its business in accordance with section 138 of Companies Act, 2013.
- (b) We have considered the reports of the Internal Auditors issued for the period under audit.
- (xv) In our opinion and according to information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him covered under the provisions of section 192 of Companies Act, 2013.
- (xvi) (a) The Company has not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence para (c) and (d) is not applicable to the company.
- (xvii) The Company has neither incurred cash loss in current financial year nor in the immediately preceding financial year.
- (xviii) There has been resignation of statutory auditor during the year due to completion of two consecutive terms of 5 years. No objections or concerns are raised by outgoing auditors in their resignation letter.
- (xix) In our opinion, on the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, no material uncertainty exists as on the date of the audit report that 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.
- (xx) (a) The company does not have any unspent amount to transfer to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) The company does not have any ongoing project as specified in sub-section (5) of section 135 of the said Act.
- (xxi) The company does not have consolidated financial statements, hence this para is not applicable to the company.

For A. L. Chechani & Co.
Chartered Accountants
Firm Reg. No. 005341C

Place: Bhilwara
Date: 8th May, 2026

(Rahul Parmanandani)
Partner
M.No. 431503
UDIN : 264315030JGVVC8404



ANNEXURE II TO AUDITOR'S REPORT

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

Opinion

We have audited the internal financial controls over financial reporting of Lagnam Spintex Limited, Bhilwara ("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.

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 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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. 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 Companies Act, 2013.

Auditors' Responsibility

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For A. L. Chechani & Co.
Chartered Accountants
Firm Reg. No. 005341C

Place: Bhilwara
Date: 8th May, 2026

(Rahul Parmanandani)
Partner
M.No. 431503
UDIN : 264315030JGVVC8404

Balance Sheet

as at 31st March 2026

(₹ in Lacs)

Particulars	Note No.	As at 31 st March 2026	As at 31 st March 2025
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2 a	32034.05	33281.76
(b) Right to use assets	2 b	671.64	648.12
(c) Other intangible assets	2 c	87.38	99.07
(d) Capital work-in-progress	2 d	760.75	-
		33553.82	34028.95
(e) Financial assets			
(i) Investments	3	16.23	16.23
(ii) Fixed Deposit with Banks	3	10.13	9.20
		26.36	25.43
(f) Other non-current assets	4	39.21	61.19
2 Current assets			
(a) Inventories	5	11700.91	11820.04
(b) Financial assets			
(i) Trade receivables	6	6893.94	6742.77
(ii) Cash and cash equivalents	7	17.54	4.74
(iii) Bank balances other than (ii) above	8	4.62	4.60
(iv) Other financial assets	9	503.59	397.94
(c) Current tax assets (net)	10	152.96	162.61
(d) Other current assets	11	4266.31	3776.02
		23539.87	22908.72
		57159.26	57024.29
II EQUITY AND LIABILITIES			
A Equity			
(a) Equity share capital	12	1766.90	1766.90
(b) Other equity	13	11767.69	10319.99
		13534.59	12086.89
B Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	17018.34	20164.42
(b) Provisions	15	195.04	181.43
(c) Deferred tax liabilities (net)	16	3577.59	3034.78
		20790.97	23380.63



Lagnam Spintex

Balance Sheet

as at 31st March 2026

(₹ in Lacs)

Particulars	Note No.	As at 31 st March 2026	As at 31 st March 2025
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	18771.40	18685.07
(ii) Trade payables	18		
a Total outstanding dues of micro enterprises and small enterprises;		56.82	25.62
b Total outstanding dues of creditors other than micro enterprises and small enterprises;		1998.92	981.90
(iii) Other financial liabilities	19	1849.63	1731.88
(b) Other current liabilities	20	71.50	69.82
(c) Provisions	21	85.43	62.48
		22833.70	21556.77
		57159.26	57024.29

See accompanying notes forming part of financial statements

As per our report of even date

For A. L. Chechani & Co.

Chartered Accountants
Firm Reg. No. 005341C

Rahul Parmanandani

(Partner)
Membership No. 431503

Date : 8th May, 2026

Place : Bhilwara

For and on behalf of the Board

D. P. Mangal

(Executive Chairman)
(DIN01205208)

Rajeev Parashar

(Company Secretary)

Anand Mangal

(Managing Director)
(DIN 03113542)

D L Mundra

(Chief Financial Officer)

Statement of Profit and Loss

for the year ended 31st March 2026

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 st March 26	Year Ended 31 st March 25
I. Revenue from operations	22	60498.05	60556.46
II. Other Income	23	25.14	23.84
III. Total Revenue (I+II)		60523.19	60580.30
IV. Expenses:			
Cost of material consumed	24	42705.58	44092.69
Change in inventories of finished goods, work-in-progress and stock-in-trade	25	726.54	(271.71)
Employee benefits expense	26	2494.88	2447.58
Finance costs	27	3065.23	3084.91
Depreciation and amortization expense	28	1661.81	1679.24
Other expenses	29	7887.36	7757.46
Total Expenses		58541.40	58790.17
V. Profit before tax (III-IV)		1981.79	1790.13
VI. Tax expense:	30		
Current Tax		315.62	291.70
MAT Credit Entitlement		(315.62)	(291.70)
Deferred Tax		542.81	504.66
VII. Profit (Loss) for the period (V -VI)		1438.98	1285.47
VIII Other comprehensive income	31		
a (i) Items that will not be reclassified to profit or loss		17.63	(5.33)
(ii) Income tax relating to items that will not be reclassified to profit or loss (Net of MAT credit Entitlement)		-	-
b (i) Items that will be reclassified to profit or loss		(8.91)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income		8.72	(5.33)
IX Total Comprehensive Income (VII+VIII)		1447.70	1280.14
Earnings per equity share - Annualized: (Basic & Diluted)		8.14	7.28

See accompanying notes forming part of financial statements

As per our report of even date

For A. L. Chechani & Co.

Chartered Accountants
Firm Reg. No. 005341C

Rahul Parmanandani

(Partner)
Membership No. 431503

For and on behalf of the Board

D. P. Mangal
(Executive Chairman)
(DIN01205208)

Rajeev Parashar
(Company Secretary)

Anand Mangal
(Managing Director)
(DIN 03113542)

D L Mundra
(Chief Financial Officer)

Date : 8th May, 2026

Place : Bhilwara



Statement of Cash Flow

For The Year Ended 31st March, 2026

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
A. Cash Flow From Operating Activities		
a. Net operating profit before tax	1981.79	1790.13
Adjustment for :		
Depreciation and amortisation of Property, Plant and Equipment	1661.81	1679.24
Interest Income	(25.14)	(23.84)
Finance cost	3065.23	3084.91
Amortisation of deferred assets	21.98	19.53
(Profit)/Loss on Sale/Retirement of Property Plant and Equipment (Net)	0.62	15.86
Re-measurement gain / loss on routed through OCI	8.72	(5.33)
Provision for employees benefits	36.56	65.53
b. Operating profit before Working Capital changes	6751.57	6626.03
Adjustment for :		
(Increase) /Decrease in Inventories	119.13	(2679.15)
(Increase) /Decrease in Trade receivables	(151.17)	(1423.81)
(Increase) / Decrease in Other financial assets (Current)	(105.65)	(110.46)
(Increase) /Decrease in Other Current Assets	(174.67)	(539.57)
Increase / (Decrease) in Trade payables	1048.22	843.76
Increase / (Decrease) in Other financial liabilities	117.75	22.58
Increase / (Decrease) in Other Current liabilities	1.68	(15.66)
c. Cash generated from Operations before tax	7606.86	2723.72
d. Net Direct Taxes paid	(305.97)	(316.67)
Net cash from operating activities - (A)	7300.89	2407.05
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment.	(1192.99)	(347.96)
Net Purchase and Sale of Investments	-	(2.05)
Sale of Property, Plant and Equipment.	5.69	-
Fixed Deposit with bank more than 12 months	(0.93)	(1.26)
Interest Income	-	14.49
Net cash flow used in investing activities - (B)	(1188.23)	(336.78)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of non-current borrowings	(3397.36)	(2815.99)
Proceeds from non-current borrowings	556.68	253.98
Proceeds / (repayment) of short-term borrowings (net)	(219.07)	3636.69
Interest Income	25.14	9.35
Dividend Paid	-	(88.35)

Statement of Cash Flow

For The Year Ended 31st March, 2026

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
Finance cost	(3065.23)	(3084.91)
Net cash used in financing activities - (C)	(6099.84)	(2089.23)
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	12.82	(18.96)
Opening cash and cash equivalents	9.34	28.30
Closing cash and cash equivalents	22.16	9.34

As per our report of even date

For A. L. Chechani & Co.

Chartered Accountants
Firm Reg. No. 005341C

Rahul Parmanandani

(Partner)
Membership No. 431503

Date : 8th May, 2026

Place : Bhilwara

For and on behalf of the Board

D. P. Mangal

(Executive Chairman)
(DIN01205208)

Rajeev Parashar

(Company Secretary)

Anand Mangal

(Managing Director)
(DIN 03113542)

D L Mundra

(Chief Financial Officer)



Statement of changes in equity

for the year ended 31st March, 2026

A. Equity share capital

(₹ in Lacs)

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	17669000	1766.90	17669000	1766.90
Balance at the end of the reporting period	17669000	1766.90	17669000	1766.90

B. Other equity

(₹ in Lacs)

Particulars	Reserve and surplus				Total
	Securities premium	Capital reserve	Retained earnings	Other comprehensive income	
Balance as at 31st March, 2024	1655.20	23.00	7450.00	-	9128.20
Profit for the year	-	-	1285.47	-	1285.47
Re-measurement gains / (losses) on defined benefit (Net of tax)	-	-	(5.33)	-	(5.33)
Effective portion of cash flow hedge (Net of tax)	-	-	-	-	-
Total comprehensive income for the year	-	-	1280.14	-	1280.14
Payment of dividend	-	-	88.35	-	88.35
Balance as at 31st March, 2025	1655.20	23.00	8641.79	-	10319.99
Profit for the year	-	-	1438.98	-	1438.98
Re-measurement gains / (losses) on defined benefit (Net of tax)	-	-	17.63	-	17.63
Effective portion of cash flow hedge (Net of tax)	-	-	-	(8.91)	(8.91)
Total comprehensive income for the year	-	-	1456.61	(8.91)	1447.70
Payment of dividend	-	-	-	-	-
Balance at 31st March, 2026	1655.20	23.00	10098.40	(8.91)	11767.69

As per our report of even date

For A. L. Chechani & Co.

Chartered Accountants
Firm Reg. No. 005341C

Rahul Parmanandani

(Partner)
Membership No. 431503

For and on behalf of the Board

D. P. Mangal

(Executive Chairman)
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(Company Secretary)

D L Mundra

(Chief Financial Officer)

Date : 8th May, 2026

Place : Bhilwara

Accounting Policies

for the year ended 31st March, 2026

1. Company Overview and Accounting Policies

A. Corporate Information

Lagnam Spintex Limited (the “Company”), incorporated on 11th June, 2010, is a Company domiciled in India and limited by shares (CIN: L17119RJ2010PLC032089). The address of the Company's Registered Office is A 51-53, RIICO Growth Centre, Hamirgarh, Bhilwara – 311001, Rajasthan. The Company is engaged in manufacturing of Cotton Yarn. The Company is listed at National Stock Exchange of India Limited.

B. Significant Accounting Policies

I. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013 (‘the Act’) read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 as amended from time to time and guidelines issued by the Securities and Exchange Board of India (SEBI).

II. Basis of preparation and presentation

The financial statements are prepared on the historical cost basis except for following financial instruments that are measured at fair value:

- Defined benefit plan- Plan assets measured at fair value,
- Certain financial assets and liabilities measured at fair value (including derivative instruments).

➤ Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

➤ Classification of Assets and Liabilities as Current and Non-Current

All assets & liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization 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.

Assets are classified as current when any of following criteria is satisfied:

- i. The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. The Company holds the asset primarily for the purpose of trading;
- iii. The Company expects to realize the asset within twelve months after the reporting period;
- iv. The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria is satisfied:

- i. The Company expects to settle the liability in its normal operating cycle;
- ii. The Company holds the liability primarily for the purpose of trading;
- iii. The liability is due to be settled within twelve months after the reporting period; or
- iv. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

III. Revenue recognition

The company mainly deals in 100% cotton yarn spinning and derives revenues primarily from sale of manufactured goods.

Revenue from Contracts with customers is recognized when the Company satisfies performance obligation by transferring promised goods or services to the customer. Performance obligation is satisfied when the company transfers significant risks and rewards to the customer and ceases its control over the goods.

Revenue from sale of goods is recognized at a point of time when the significant risks and rewards are transferred to the customer and the company ceases to have its control over the goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, price concessions and incentives, if any, as specified in the contract with customers. Revenue excludes taxes collected from customers on behalf of government.

Payments from customers for the goods and services rendered are normally received within the credit terms as per contracts with the customers.

The company recognizes sales return only when the goods are actually returned by the customers.

Other Operating revenue

- a) Export incentives are accounted for in the year of export at net market realizable value.
- b) Interest on bank deposits is recognized on the effective interest rate method basis taking into account the amounts invested and the rate of interest applicable.
- c) Interest from trade receivables and other financial assets are recognized when it is probable that the economic benefit will flow to the entity and the amount can be measured reliably.
- d) Claim lodged with insurance companies is recognized as income on acceptance by the insurance Companies

IV. Government Grant & Government Assistance

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grant/subsidy if relates to an expense item are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognise as expenses the related costs for which the grants are intended to compensate.

V. Inventories

Inventories including goods-in-transit are valued at lower of cost and estimated net realizable value. Cost of inventory includes the cost of purchase (net of taxes whose credit is taken by the company) and all other direct and indirect cost allocated proportionately incurred in bringing the inventories to their present location and condition.

Raw materials and stores & spares:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis in case of raw material and on weighted average basis in case of stores & spares.

Finished goods and work in progress:

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.

Waste:

Valued at net realizable value

Accounting Policies

for the year ended 31st March, 2026 (Contd.)

VI. Property, Plant and Equipment (PPE)

Recognition and measurement

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment (PPE) 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, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Subsequent expenditure

Subsequent expenditure on property plant & equipment after its purchase / completion is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognized in the statement of profit and loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and borrowing cost.

Depreciation

Depreciation is recognised for property, plant and equipment so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets except plant & machinery (excluding solar plant), is provided on straight line method over the useful lives prescribed under Schedule II of Companies Act, 2013.

Depreciation on plant & machinery (Excluding solar plant) is provided on straight line method considering the same as 'Continuous Process Plant' based on technical expert's advice, over the useful life prescribed under the schedule II of the companies Act.2013.

Depreciation on additions to or on disposal of property, plant and equipment is calculated on pro-rata basis i.e. from (up to) the date on which the Property, Plant and Equipment is available for use (disposed off).

De-recognition of PPE

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment) is included in the statement of profit & loss when the



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

property, plant and equipment is derecognized.

VII. Right to use of assets

Recognition and measurement

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the customer the right to control the use of the underlying asset. Arrangements that do not take the legal form of a lease but convey rights to customers/suppliers to use an asset in return for a payment or a series of payments are identified as either finance leases or operating leases.

Accounting for

a. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognised as an expense over the lease term

b. Finance Lease

Leases of Property, Plant and Equipment where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as Property, Plant and Equipment and the related liability is recognised under borrowings. At inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

c. Amortization

Right to use' assets are amortized over the period of right to use available to the company. Amortization is done on the basis of straight line method. Change in 'right to use' period or change in future economic benefit in the assets are considered to modify the amortization period or method, as appropriate, and are treated as change in accounting estimates.

d. Impairment

Right to use' assets are amortised over the period of right available to the company and assessed for impairment whenever there is an indication that the assets may be impaired

e. De-recognition

Right to use' asset is de-recognised on disposal or transfer to rights or when no future economic benefits are expected from use of the assets. Gain or losses arising from de-recognition are recognition in the statement of profit and loss when the assets is de-recognised

VIII. Intangible assets

Recognition and measurement

An intangible asset is recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The cost of a separately acquired intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

Accounting Policies

for the year ended 31st March, 2026 (Contd.)

Amortisation

The useful lives of intangible assets are assessed as either finite or infinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Impairment

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful life of the finite intangible assets is given below:

S. No.	Nature of Assets	Effective Useful Life	Amortisation Method
1.	Computer Software	6 Years	Amortised on Straight line basis over the useful life.
2.	Right to use power line	10 Years	Amortised on Straight line basis over the useful life.

Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of profit and loss when the asset is derecognised.

IX. Foreign currencies

The Company's financial statements are presented in INR. (₹)

Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the rates prevailing at that date.

Exchange differences on translation of monetary items are recognised in Statement of profit and loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in other comprehensive income.

Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Derivative Financial Instruments and Hedge Accounting

The Company uses derivative instruments i.e. forward contracts to hedge its foreign currency risks. The Company designates these forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Company has designated forward instruments on spot to spot basis. The Company recognises the forward points in the statement of profit and loss account.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives is recognised in other comprehensive income and accumulated in the other comprehensive income under other equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in other comprehensive income till the period hedge was effective remains in other comprehensive income until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the other comprehensive income is transferred to the statement of profit and loss upon the occurrence of related forecasted transaction. If the forecasted transactions no longer expected to occur, then the amount accumulated in other comprehensive income is reclassified to net profit in the statement of profit and loss.

X. Employee benefits

Short-term Employee Benefits

Short-term employee benefits obligation is measured on undiscounted basis and is expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan:

The Company makes defined contribution to Employees Provident Fund Organization (EPFO), Pension Fund, Superannuation Fund and Employees State Insurance (ESI), which are accounted on accrual basis as expenses in the statement of profit and loss in the period during which the related services are rendered by employees.

Prepaid contribution is recognized as assets to the extent that a cash refund or reduction in future payments is available.

Defined Benefit Plan:

The Company's liabilities on account of gratuity and earned leave on retirement of employees are determined under defined benefit plans.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year.

Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Accounting Policies

for the year ended 31st March, 2026 (Contd.)

XI. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

➤ Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the 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.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intends to settle the asset and liability on a net basis.

➤ Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 utilized.

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 all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability will be settled or the asset will be realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

XII. Provisions, Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation,



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

XIII. Dividends

Dividends and Interim dividends payable to a Company's shareholders are recognised as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

XIV. Segment reporting

The dominant source of income of the company is from the manufacturing of Yarn of various quality which do not materially differ in respect of risk perception and the return realized/to be realized. Even the geographical environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area. So, the disclosure requirements pursuant to Ind AS 108 Segment Reporting is not applicable to the company.

XV. Earnings per share

Basic earnings per share are computed by dividing the profit/loss for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

XVI. Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

XVII. Borrowing Costs

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 the 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 capitalization.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

Accounting Policies

for the year ended 31st March, 2026 (Contd.)

XVIII. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (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 & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

XIX. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

XX. Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

loss (FVTPL) are recognized immediately in the statement of profit and loss.

Financial assets

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets carried at amortized cost.
- Financial asset at fair value through other comprehensive income.
- Financial asset at fair value through profit or loss.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the "Reserve for equity instruments through other comprehensive income". The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. So far, the Company has not elected to present subsequent changes in fair value of any investment in OCI.

Financial assets at fair value through profit or loss ('FVTPL')

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in Statement of profit or loss.

Impairment of financial assets (other than at fair value)

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized up to one year from the date of the invoice, loss for the time value of money is not recognized, since the same is not considered to be material.

De-recognition of financial assets

The Company derecognized a financial asset when the contractual right to the cash flow from the asset expires or when it transfers the financial asset and substantially all risk and reward of ownership of the asset to other party. If the Company neither transfers nor retains substantially all the risk and reward of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associate liability for an amount it has to pay. If the Company retains substantially all the risks and reward

Accounting Policies

for the year ended 31st March, 2026 (Contd.)

of ownership of a transferred financial asset, the company continues to recognize the financial asset and also a collateralized borrowing for the proceeds received.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method.

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other Payables

These amounts represent liabilities for goods & services provided to the Company prior to the end of the financial year which are unpaid. These are recognized initially at fair value and subsequently measured at amortized cost using effective interest method. Where the maturity period is within one year from balance sheet date, the carrying amount approximate the fair value at initial recognition due to short maturity of these instruments.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the statement of profit and loss.

Reclassification of financial assets and financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

XXI. Impairment of Non-Financial assets

The non-financial assets, other than biological assets, inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from the business combination is allocated to CGUs or groups of CGUs that are expected to benefits from the synergies of the combination.

The recoverable amount of the CGU (or an individual asset) is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risks specifics to the CGU (or the asset).

The corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The impairment loss is recognized if the carrying amount of the asset or the CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit & loss. Impairment loss recognized in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

XXII. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and current and / or future periods are affected.

XXIII. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

➤ Critical accounting judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the

Accounting Policies

for the year ended 31st March, 2026 (Contd.)

determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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 DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Contingencies

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

Insurance claims

Insurance claims are recognized when the Company has reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

XXIV. Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets and is as per schedule II to the Companies Act 2013. Further useful lives of manufacturing machines are recognized treating the same as 'Continuous Process Plant'. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years.



Accounting Policies

for the year ended 31st March, 2026 (Contd.)

Impairment of property plant and equipment

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use, it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss.

Valuation of deferred tax assets

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets.

Provisions and contingencies

A provision is recognized 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. Contingent

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To the Financial Statements

2 a Property, Plant and Equipment

(₹ in Lacs)

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment's	Electric Fitting and Water Supply Installations	Total
Gross carrying value							
As at 31st March, 2024	5340.04	30805.11	147.65	103.57	124.79	1213.00	37734.16
Additions	-	304.99	5.11	24.69	11.29	0.99	347.07
Disposals	-	53.56	10.75	-	8.33	84.99	157.63
As at 31st March, 2025	5340.04	31056.54	142.01	128.26	127.75	1129.00	37923.60
Additions	-	378.01	1.45	7.79	13.50	-	400.75
Disposals	-	-	-	13.27	0.44	-	13.71
As at 31st March, 2026	5340.04	31434.55	143.46	122.78	140.81	1129.00	38310.64
Depreciation							
As at 31st March, 2024	361.52	2428.80	37.36	40.54	17.22	241.59	3127.03
Depreciation for the year	185.20	1299.05	17.10	15.43	21.42	121.38	1659.58
Disposals	-	49.90	8.52	-	7.05	79.30	144.77
As at 31st March, 2025	546.72	3677.95	45.94	55.97	31.59	283.67	4641.84
Depreciation for the year	182.13	1294.27	12.27	13.10	21.95	118.43	1642.15
Disposals	-	-	-	6.98	0.42	-	7.40
As at 31st March, 2026	728.85	4972.22	58.21	62.09	53.12	402.10	6276.59
Net carrying value							
As at 31st March, 2025	4793.32	27378.59	96.07	72.29	96.16	845.33	33281.76
As at 31st March, 2026	4611.19	26462.33	85.25	60.69	87.69	726.90	32034.05



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To the Financial Statements

2 b Right to use assets

(₹ in Lacs)

Particulars	Amount
Gross carrying value	
As at 31st March, 2024	687.10
Additions	0.89
Disposals	-
As at 31st March, 2025	687.99
Additions	31.49
Disposals	-
As at 31st March, 2026	719.48
Depreciation	
As at 31st March, 2024	31.90
Depreciation for the year	7.97
Disposals	-
As at 31st March, 2025	39.87
Depreciation for the year	7.97
Disposals	-
As at 31st March, 2026	47.84
Net carrying value	
As at 31st March, 2025	648.12
As at 31st March, 2026	671.64

2 c Other Intangible Assets

(₹ in Lacs)

Particulars	Right to use power line	Computer Software	Total
Gross carrying value			
As at 31st March, 2024	106.14	18.37	124.51
Additions	-	-	-
Disposals	-	8.24	8.24
As at 31st March, 2025	106.14	10.13	116.27
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2026	106.14	10.13	116.27
Depreciation			
As at 31st March, 2024	1.77	8.97	10.74
Depreciation for the year	6.50	5.19	11.69
Disposals	-	5.23	5.23
As at 31st March, 2025	8.27	8.93	17.20
Depreciation for the year	11.45	0.24	11.69
Disposals	-	-	-
As at 31st March, 2026	19.72	9.17	28.89
Net carrying value			
As at 31st March, 2025	97.87	1.20	99.07
As at 31st March, 2026	86.42	0.96	87.38

2 d Capital work-in progress

(₹ in Lacs)

Particulars	Amount
Gross carrying value	
As at 31st March, 2024	-
Additions	-
Disposals	-
As at 31st March, 2025	-
Additions	760.75
Disposals	-
As at 31st March, 2026	760.75
Depreciation	
As at 31st March, 2024	-
Depreciation for the year	-
Disposals	-
As at 31st March, 2025	-
Depreciation for the year	-
Disposals	-
As at 31st March, 2026	-
Net carrying value	
As at 31st March, 2025	-
As at 31st March, 2026	760.75

Explanatory Notes:

- All Property, Plant and Equipment's mentioned above are held as security towards Borrowings as specified in Note 14 & 17
- Depreciation on plant & Machinery is charged considering the same 'Continuous Process Plant' based on technical expert's advice.
- Capital work-in progress age wise as under.

Particulars		0-1 year	1-2 year	Total
Solar Project	As at 31st March, 2025	-	-	-
Solar Project	As at 31st March, 2026	760.75	-	760.75

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To the Financial Statements

3 Financial assets

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Non-current investment		
Investment - Unquoted Non-Trade		
(a) BOB Unit Link Insurance Co	14.14	14.14
(b) PNB MetLife India Insurance Co Ltd.	2.09	2.09
	16.23	16.23
Fixed Deposit		
(a) Fixed deposits with banks due more than 12 months	10.13	9.20
	10.13	9.20
	26.36	25.43

4 Other non-current assets

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
(a) Deferred Assets	39.21	61.19
	39.21	61.19

5 Inventories

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Raw Material	9048.02	8405.58
Work in Progress	1042.26	1004.00
Finished Goods	1386.08	2150.88
Stores, Spares & Packing Material	224.55	259.58
	11700.91	11820.04

Note 1 For basis of valuation of inventories refer note no.1 (B) (V)

2 For inventories held as security against borrowings refer note no. 14 & 17

6 Trade receivables

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Undisputed trade receivables - considered good	6893.94	6742.77
	6893.94	6742.77



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To the Financial Statements

Trade receivable aging schedule as at 31st March 2026

Particulars	Not past due	1-180 days past due	181-365 days past due	More than one year	Total
i. Undisputed trade receivable considered good	6888.90	-	-	5.04	6893.94
ii. Undisputed trade receivable considered doubtful	-	-	-	-	-
iii. Disputed trade receivable considered Good	-	-	-	-	-
iv. Disputed trade receivable considered doubtful	-	-	-	-	-
Total	6888.90	-	-	5.04	6893.94

Trade receivable aging schedule as at 31st March 2025

i. Undisputed trade receivable considered good	6737.59	5.18	-	-	6742.77
ii. Undisputed trade receivable considered doubtful	-	-	-	-	-
iii. Disputed trade receivable considered Good	-	-	-	-	-
iv. Disputed trade receivable considered doubtful	-	-	-	-	-
Total	6737.59	5.18	-	-	6742.77

7 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
(a) Balance with banks		
(i) Current accounts	14.14	1.64
(b) Cash-in hand	1.91	1.60
(c) Fixed deposits with banks due within 3 months	1.49	1.50
	17.54	4.74

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To the Financial Statements

8 Bank balances other than cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
(a) Unclaimed Dividend Account	1.32	1.32
(b) Fixed deposits with banks due within 3 to 12 months	3.30	3.28
	4.62	4.60

9 Other financial assets

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Others (Unsecured considered good)		
(a) Security Deposit	493.59	397.94
(b) Other Receivables	10.00	-
	503.59	397.94

10 Current tax asset (net)

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Advance income tax paid	468.58	454.31
Less Provision for income tax	315.62	291.70
Current tax asset (net)	152.96	162.61

11 Other current assets

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Considered good, unless otherwise stated		
(a) Duties, Claims and balances with Govt. Authorities	2092.13	1933.14
(b) Prepaid Expenses	117.97	118.62
(c) Advance to Suppliers	400.12	261.68
(d) Subsidies Receivable	736.34	562.68
(e) Incentives Receivables	855.77	684.16
(f) Others receivables	63.98	215.74
	4266.31	3776.02



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To the Financial Statements

12 Equity Share Capital

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Authorised		
2,25,00,000 (Previous Year 2,25,00,000) Equity Shares of ₹ 10/- each	2250.00	2250.00
	2250.00	2250.00
Issued		
1,76,69,000 (Previous Year 1,76,69,000) Equity Shares of ₹ 10/- each	1766.90	1766.90
Subscribed & Fully Paid Up		
1,76,69,000 (Previous year 1,76,69,000) Equity Shares of ₹ 10/- each	1766.90	1766.90
	1766.90	1766.90

1 Term/Right attached to the Equity share

The company has only one class of Equity Share having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

2 Details of Shares held by Shareholders holding more than 5 % shares of the company

Name of Shareholder	As at 31 st March 2026		As at 31 st March 2025	
	Number of Shares	%	Number of Shares	%
Lagnam Infotech Solutions Pvt. Ltd	5034000	28.49%	5034000	28.49%
Mr. D P Mangal	2946250	16.67%	2946250	16.67%
Mr. Shubh Mangal	1395000	7.90%	1395000	7.90%
Mr. Anand Mangal	2222750	12.58%	2222750	12.58%

3 Reconciliation of number of shares nos.

Particulars	As at 31 st March 2026	As at 31 st March 2025
Shares at beginning	17669000	17669000
Add : Issued during the year	-	-
Shares at closing	17669000	17669000

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To the Financial Statements

4 Promoter Shareholding

Name of Shareholder	As at 31 st March 2026		As at 31 st March 2025	
	Number of Shares	%	Number of Shares	%
Lagnam Infotech Solutions Pvt. Ltd	5034000	28.49%	5034000	28.49%
Mr. D P Mangal	2946250	16.67%	2946250	16.67%
Mr. Shubh Mangal	1395000	7.90%	1395000	7.90%
Mr. Anand Mangal	2222750	12.58%	2222750	12.58%
Mrs. Kavita Mangal	335000	1.90%	335000	1.90%
Dwarka Prasad Mangal (HUF) [Karta- D.P. Mangal]	170000	0.96%	170000	0.96%

13 Other Equity

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
(a) Securities premium reserve		
Balance at the beginning of the year	1655.20	1655.20
Balance at the end of the year	1655.20	1655.20
(b) Capital Reserve		
Balance at the beginning of the year	23.00	23.00
Balance at the end of the year	23.00	23.00
(c) Retained earnings		
Balance at the beginning of the year	8641.79	7450.00
Add : Profit for the year	1438.98	1285.47
Add : Re-measurement gains / (losses) on defined benefit (Net of tax)	17.63	(5.33)
Less : Dividend Paid	-	88.35
Retained earnings	10098.40	8641.79
(d) Other comprehensive income / (Loss) for the year		
(i) Adjustment for effective portion of cash flow hedge (Net of tax)		
Balance at the beginning of the financial year	-	-
Addition during the financial year	(8.91)	-
Other comprehensive income	(8.91)	-
Balance at the end of the year	10089.49	8641.79
Total Reserves & Surplus	11767.69	10319.99



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To the Financial Statements

14 Borrowings (Non-current)

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Secured measured at amortised cost		
(a) Term Loans - From Banks	19877.59	21689.33
(b) Vehicle Loan - From Banks	29.36	35.58
	19906.95	21724.91
(c) ECLGS 2.0	836.63	1859.35
	20743.58	23584.26
Less : Current maturities of long-term borrowings	3725.24	3419.84
	17018.34	20164.42

Secured

Conditions of Term Loans are summarised below:

Nature of Security

- 1 a. Term Loan of ₹ 2602.06 Lacs (₹ 3965.05 Lacs as at 31st March, 2025) are secured by first pari passu charge on all fixed assets (present & future) including equitable mortgage of factory land and building of the company. Second pari passu charge on all the current assets of company both present & future. The loans are further secured by personal guarantee and equitable mortgage of Residential House of Mr.D.P. Mangal , Land of Mr. Anand Mangal & Mr. Shubh Mangal and corporate guarantee of M/s Lagnam Infotech Solutions Private Limited.
- b. Term Loan of ₹15483.16 Lacs (₹ 16299.73 Lacs as at 31st March, 2025) are secured by first pari passu charge on all fixed assets (present & future) including equitable mortgage of factory land and building of the company. Second pari passu charge on all the current assets of company both present & future. The loans are further secured by personal guarantee of Mr.D.P. Mangal , Land of Mr. Anand Mangal & Mr. Shubh Mangal.
- c. Term Loan of ₹ 1235.69 Lacs (₹ 1424.55 Lacs as at 31st March, 2025) are secured by hypothecation of proposed plant and machinery in form of solar panel and other ancillary
- d. Term Loan of ₹ 556.68 Lacs (₹ Nil Lacs as at 31st March, 2025) are secured by first pari passu charge on all fixed assets (present & future) including plant and machinery created through solar loan.
- e. Vehicle loan of ₹ 29.36 Lacs (₹ 35.58 Lacs as at 31st March, 2025) are secured against respective vehicles.
- f. Term Loan of ₹ 836.63 Lacs (₹ 1859.35 Lacs as at 31st March, 2025) are secured by second charge on all fixed and current assets (present & future). The loans are further secured by equitable mortgage of Residential House of Mr. D.P.Mangal , Land of Mr. Anand Mangal & Mr. Shubh Mangal.

Terms of Repayment of Secured Borrowing

2. a Secured term loans from banks are repayable in quarterly / monthly installment and having floating interest rate ranging from MCLR+ spread 0.15% to 0.70% and Repo Link spread ranging from 2.25 to 2.60 as at 31st March 2026 (Previous Year MCLR+ spread 0.50% to 1.40% and 3M T-Bill as at 31st March 2025)
- b Vehicle loans are repayable in monthly installments and having fixed interest rates at 8.50% and having 2.25% Spread over Repo rate. (Previous Year 8.50% and 2.25% Spread over Repo rate)
- c Term loans under ECLGS from banks are repayable in monthly installment and having floating interest rate MCLR+ spread 1.00% and Repo + spread at 3.22 with cap of 9.25% as at 31st March 2026 (Previous Year MCLR+ spread 1% and EBLR with cap of 9.25% as at 31st March 2025) Period of maturity and installments outstanding are as under-

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To the Financial Statements

(₹ in Lacs)

Date of Maturity		Outstanding as at 31 st March, 2026			
		Total Outstanding	Long term Borrowings	Current maturity	Number of Installment due after 31 st March 2026
A Term Loan					
	31.12.2027	1228.43	533.12	695.31	7
	31.12.2027	1373.63	600.19	773.44	7
	31.10.2032	6934.96	6204.96	730.00	28
	31.12.2032	8548.20	7649.26	898.94	28
	31.07.2031	708.32	598.57	109.75	64
	07.10.2030	345.46	279.08	66.38	55
	07.01.2031	181.91	149.03	32.88	58
	07.04.2034	556.68	556.68	-	28
		19877.59	16570.89	3306.70	
B Vehicle Loan					
	07.12.2028	8.58	3.83	4.75	21
	30.04.2034	20.78	18.92	1.86	97
		29.36	22.75	6.61	
		19906.95	16593.64	3313.31	
C ECLGS					
	27.03.2028	373.00	183.50	189.50	24
	29.03.2028	213.23	101.98	111.25	23
	30.03.2028	95.75	45.75	50.00	23
	07.08.2028	154.65	93.47	61.18	29
		836.63	424.70	411.93	
Total		20743.58	17018.34	3725.24	



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To the Financial Statements

Date of Maturity		Outstanding as at 31 st March, 2025			
		Total Outstanding	Long term Borrowings	Current maturity	Number of Installment due after 31 st March 2025
A Term Loan					
	31.12.2027	1873.68	1228.43	645.25	11
	31.12.2027	2091.38	1373.63	717.75	11
	31.12.2032	16299.73	15455.15	844.58	32
	31.07.2031	807.69	707.65	100.04	76
	31.03.2031	405.27	349.01	56.26	70
	07.04.2031	211.59	183.76	27.83	73
		21689.34	19297.63	2391.71	
B Vehicle Loan					
	07.12.2028	12.94	8.58	4.36	33
	30.04.2034	22.64	20.98	1.66	112
		35.58	29.56	6.02	
		21724.92	19327.19	2397.73	
C ECLGS					
	31.12.2025	148.32	-	148.32	8
	06.01.2026	76.14	-	76.14	9
	01.02.2026	252.16	-	252.16	9
	07.02.2026	139.93	-	139.93	11
	27.03.2028	562.50	373.00	189.50	36
	29.03.2028	324.47	213.21	111.26	35
	30.03.2028	145.79	95.78	50.01	35
	07.07.2028	210.03	155.24	54.79	36
		1859.34	837.23	1022.11	
Total		23584.26	20164.42	3419.84	

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15 Provision (Non-current)

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Provision for employee benefits	195.04	181.43
	195.04	181.43

16 Deferred Tax Liability (net)

(₹ in Lacs)

Particulars	As at 31 st March 2024	Recognised in P & L/OCI	As at 31 st March 2025	Recognised in P & L/OCI	As at 31 st March 2026
Deferred tax liabilities / assets are attributable to the following items;					
(a) Deferred Tax Liability					
Depreciation on fixed assets	3220.22	627.81	3848.03	809.32	4657.35
(b) Deferred Tax Assets					
Unabsorbed Depreciation	618.30	93.44	711.74	256.88	968.62
43B Disallowance	71.80	29.71	101.51	9.63	111.14
(c) Net Deferred Tax Liability (a-b)	2530.12	504.66	3034.78	542.81	3577.59

Note : Deferred tax assets and deferred tax liability have been offset as they relate to the same governing taxation laws.

17 Borrowings (current)

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Secured		
Loans repayable on demand		
From banks		
Rupee Loan	12088.96	10121.98
Foreign Currency Loan	2957.20	5143.25
	15046.16	15265.23
Current maturities of long-term borrowings (refer note 14)	3725.24	3419.84
	18771.40	18685.07

Conditions of Working Capital Loan are summarised below:

Security - Hypothecation of stocks, book debts and other current assets of the company and second charge on fixed assets of the company on pari passu basis. Further Personal Guarantee and collateral security of equitable mortgage of Residential House of D.P.Mangal, Land of Anand Mangal & Shubh Mangal and corporate guarantee of M/s Lagnam Infotech Solutions Private Limited is given.

Floating Rate - Rupee loan for Domestic carrying floating interest rate ranging from MCLR+ spread Nil to 0.80%, Repo + 2.25% and for Export Repo +1.65 to 2.60, 3 M T-bill +1.15, as at 31st March 2026 (Previous Year for Domestic MCLR to MCLR +1.40%, Repo +1.50% and 3M T-bill) and foreign currency loan carrying interest rate of SOFR + 75bps to 150bps (previous year SOFR +75bps to 150bps)



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To the Financial Statements

18 Trade Payable

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Outstanding dues of micro enterprises and small enterprises	56.82	25.62
Outstanding dues other than micro enterprises and small enterprises	1998.92	981.90
	2055.74	1007.52

There are no Micro, small and medium enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2026. This information as required to be disclosed under the Micro-small and medium enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade payable aging schedule		
MSME		
Less than one year	56.82	25.62
More than one year	-	-
Total	56.82	25.62
Others		
Less than one year	1998.92	981.90
More than one year	-	-
Total	1998.92	981.90

19 Other financial liabilities

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Payable to employees	367.49	317.00
Unclaimed Dividend	1.32	1.32
Security Deposits	7.80	7.80
Other Payables	1473.02	1405.76
	1849.63	1731.88

20 Other current liabilities

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Government dues	61.74	53.44
Advance from customers	0.85	12.03
Forward cover payable	8.91	-
Others	-	4.35
	71.50	69.82

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To the Financial Statements

21 Provisions (Current)

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Provision for employee benefits	85.43	62.48
	85.43	62.48

22 Revenue From Operations

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
(a) Sales of Products		
Domestic Sales	34246.79	32323.48
Export Sales	24623.85	26583.37
(b) Other Operating Revenue		
(i) Turnover Link Incentive (RIPS)	351.08	218.98
(ii) Export Incentive	1276.33	1430.63
	60498.05	60556.46

23 Other income

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
(a) Interest Income	25.14	23.84
	25.14	23.84

24 Cost of materials consumed

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
Opening Inventory	8405.58	6070.76
Add: Purchases	43952.29	48068.32
	52357.87	54139.08
Less: Sales, Returns and Adjustments	604.27	1640.81
	51753.60	52498.27
Less: Inventory at the year end	9048.02	8405.58
	42705.58	44092.69



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To the Financial Statements

25 Change in inventories of finished goods and stock in process

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
Inventories at the end of the year		
(a) Finished Goods	1386.08	2150.88
(b) Stock in Process	1042.26	1,004.00
	2428.34	3154.88
Inventories at the beginning of the year		
(a) Finished Goods	2150.88	2,168.62
(b) Stock in Process	1004.00	714.55
	3154.88	2883.17
(Increase)/Decrease in Inventory	726.54	(271.71)

26 Employee benefits expenses

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
(a) Salaries, wages and bonus	2235.51	2182.14
(b) Contribution to provident and other funds	227.65	232.75
(c) Workmen and staff welfare	31.72	32.69
	2494.88	2447.58

27 Financial cost

(Rs. in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
(a) Interest expenses	2782.05	2859.61
(b) Other borrowing cost	283.18	225.30
	3065.23	3084.91

28 Depreciation And Amortisation Expenses

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
(a) Tangible Assets	1642.15	1659.58
(b) Right to use Assets	7.97	7.97
(c) Intangible Assets	11.69	11.69
	1661.81	1679.24

Depreciation on plant and machinery provided on the basis of Continuous Process Plant as per technical expert's advice, Refer Note 1 (B) (VI to VIII) and 2a to 2c

NOTES

To the Financial Statements

29 Other Expenses

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
Manufacturing Expenses		
(a) Stores and Spare parts Consumed	799.85	602.25
(b) Power and Fuel	3890.11	3552.63
(c) Packing Expenses	784.91	781.03
(d) Repairs to Building	0.46	-
(e) Repairs to Machinery	214.27	198.66
(f) House Keeping Expenses	82.45	72.27
	5772.05	5206.84
Administrative Expenses		
(a) Rent	20.30	16.50
(b) Insurance Expenses	122.72	113.94
(c) Directors' Sitting Fees	7.85	6.91
(d) Directors' Travelling	27.85	52.69
(e) CSR Expenses	34.30	49.65
(f) Payment to Auditor as :		
Audit fee	2.00	2.00
Limited review report	0.45	0.35
Other Capacity	0.17	0.08
(g) Legal & Professional	65.39	55.65
(h) Postage & Telegram	8.27	9.94
(i) Printing & Stationery	6.99	5.27
(j) Other miscellaneous expenses	171.58	162.85
	467.87	475.83
Selling Expenses		
(a) Commission	278.96	296.83
(b) Incentives and Discounts	1.25	1.09
(c) Freight, Forwarding and Octroi	249.21	263.33
(d) Expenses on Export Sales:		
(i) Ocean Freight	344.21	579.78
(ii) Commission	374.86	419.55
(iii) Inland Freight & Other expenses	398.33	498.35
	1646.82	2058.93
(a) Loss on discard of Fixed Assets	-	15.86
(b) Loss on sale of property, plant and equipment	0.62	-
	7887.36	7757.46



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30 Income tax

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
(a) Income tax recognized in profit or loss		
Current tax expense (Net of MAT credit entitlement)	-	-
Deferred tax expense		
Origination and reversal of temporary differences	542.81	504.66
Total tax expenses	542.81	504.66
(b) Reconciliation of effective tax		
Profit before tax	1981.79	1790.13
Domestic tax rate	31.20%	29.12%
Tax using the Company's domestic tax rate	618.32	521.29
Increase / reduction in Taxes on account of		
Deduction / exemptions in taxable income	(57.65)	(31.27)
Other non deductible expenses	(17.86)	14.64
Income tax expenses charged to statement of profit and loss	542.81	504.66

31 Other comprehensive income

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
A Items that will not be reclassified to profit or loss (Net of Tax)		
Re-measurements of the defined benefit plans	17.63	(5.33)
Related to re-measurements of the defined benefit plans	-	-
B Items that will be reclassified to profit or loss (Net of Tax)		
Net Loss on Foreign Currency Transaction	(8.91)	-
Related to net Loss on Foreign Currency Transaction	-	-
	8.72	(5.33)

32 Employment Benefit Plans

a. Defined Contribution Plan

The Company makes contributions towards Employees Provident Fund and Family Pension Fund for qualifying employees. The Fund is operated by the Regional Provident Fund Commissioner. The amount of contribution is recognised as expense for defined contribution plans.

Total contribution made by the employer to the Fund during the year is ₹ 121.29 Lacs (Previous Year ₹132.20 Lacs).

b. Defined Benefit Plan & Other Long Term Benefits

i Gratuity

The Company makes payment to vested employees as per provisions of Payment of Gratuity Act, 1972. The provision of Gratuity liability as on the Balance Sheet date is done on actuarial valuation basis for qualifying employees, however the same is not funded to any trust or scheme.

The present value of the Defined Benefits obligation and the related current service cost is measured using the Projected Unit Credit Actuarial Method at the end of Balance Sheet date by the Actuary.

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ii Leave Encashment

The Company provides benefit of leave encashment to its employees as per defined rules. The provision for liability for leave encashment as on date of Balance Sheet is recognised on the basis of Actuarial certificate

iii The following table set out the status of Gratuity and Leave encashment plans as required under Ind AS-19

a. Changes in Defined Benefit Obligations :

(₹ in Lacs)

Particulars	Year Ended 31 st March 26		Year Ended 31 st March 25	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
(a) Defined Benefit obligation at the beginning of the year	175.13	68.78	121.80	56.58
(b) Interest cost	12.70	4.98	8.79	4.09
(c) Current service cost	42.87	19.12	44.20	23.05
(d) Past Service Cost Including Curtailment Gains / Losses	10.95	4.05		
(e) Benefits paid	(16.00)	(7.31)	(4.99)	(3.59)
(f) Actuarial (Gain)/Loss on obligation	(17.63)	(17.17)	5.33	(11.35)
(g) Present value of obligation at the end of year	208.02	72.45	175.13	68.78

b. Net Defined Benefit Cost/(Income) included in the :

1 Statement of profit and loss account

(₹ in Lacs)

Particulars	Year Ended 31 st March 26		Year Ended 31 st March 25	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
(a) Current service cost	42.87	19.12	44.20	23.05
(b) Interest cost	12.70	4.98	8.79	4.09
(c) Net actuarial (gain) / loss recognized in the period	-	(17.17)	-	(11.35)
(d) Past Service Cost Including Curtailment Gains / Losses	10.95	4.05	-	-
(e) Expenses recognised in the Profit & Loss statement	66.52	10.98	52.99	15.79

2 Other Comprehensive Income :-

(₹ in Lacs)

Particulars	Gratuity	
	Year Ended 31 st March 26	Year Ended 31 st March 25
Actuarial (Gain)/Loss for the year on Projected Benefit Obligations	(17.63)	5.33
Unrecognised actuarial (Gain)/Loss at the end of the year	(17.63)	5.33

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To the Financial Statements

c Reconciliation of the Present value of Defined Obligation and the fair value of the plan assets :

(₹ in Lacs)

Particulars	Year Ended 31 st March 26		Year Ended 31 st March 25	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of obligation as at the end of year	208.02	72.45	175.13	68.78
Fair value of Plan Assets	-	-	-	-
Liability Recognised in Balance Sheet	208.02	72.45	175.13	68.78

d The assumptions used in Actuarial Valuation :

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
Financial Assumptions used to determine the Profit & Loss Charge		
a) Discounting Rate	7.90% per annum	7.25% per annum
b) Salary Escalation Rate	6.50% per annum	6.50% per annum
c) Expected rate of Return on Assets	0%	0%
Demographic Assumptions Used to determine the Defined Benefit		
a) Retirement Age	60	60
b) Mortality Table		IALM (2012-14)
c) Employee Turnover/Attrition Rate		
18 To 30 Years	3%	3%
31 to 44 Years	2%	2%
Above 44 Years	1%	1%

e. Sensitivity Analysis as at 31st March, 2026 :-

(₹ in Lacs)

Particulars	Gratuity	Leave Encashment
Defined benefit Obligation - Discount Rate+50 Basis points	(10.35)	(3.51)
Defined benefit Obligation - Discount Rate-50 Basis points	11.45	3.88
Defined benefit Obligation – Salary Escalation Rate+50 Basis points	11.55	3.91
Defined benefit Obligation – Salary Escalation Rate-50 Basis points	(10.53)	(3.57)

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f Expected Cash Flows for coming years as at 31st March, 2026 :-

(₹ in Lacs)

Particulars	Gratuity	Leave Encashment
Within 1 Year	63.34	22.09
1-5 Years	11.54	4.57
Beyond 5 Years	133.14	45.79
Total Expected Payments	208.02	72.45

- g** The estimates of future salary increase; considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

Expected contribution for the next Annual reporting period.

(₹ in Lacs)

Particulars	Gratuity	Leave Encashment
Expected Expense for the next annual reporting period	71.87	31.17

(₹ in Lacs)

Particulars	Year Ended 31 st March 26		Year Ended 31 st March 25	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Experience Adjustment				
(a) Defined Benefit Obligation	208.02	72.45	175.13	68.78
(b) Plan Assets				
(c) Surplus/(deficits)	(208.02)	(72.45)	(175.13)	(68.78)
(d) Experience Adjustment on Plan Liabilities (loss)/gain	(3.69)	(12.05)	(5.89)	11.11
(e) Experience Adjustment on Plan Assets (loss)/gain	-	-	-	-

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.



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To the Financial Statements

- 33** The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes, collectively referred to as the "New Labour Codes," which were notified with effect from 21 November 2025. Based on the actuarial valuation, the Company has recognised an incremental financial impact of Rs.14.99 lakhs as past service cost on post-employment defined benefits for its employees, and the same has been accounted for under "Employee Benefit Expenses."

34 Related party transactions

1 List of Related Parties as per Ind As 24

a. Key Managerial Personnel :-

Name of Person	Relationship
1 Mr. D. P. Mangal	Executive Chairman
2 Mr. Anand Mangal	Managing Director
3 Mr. Shubh Mangal	Executive Director
4 Mr. V S Bapna	Independent Director
5 Mr. J C Laddha	Independent Director
6 Mr. Anil Shah	Independent Director
7 Ms. Dipali Mathur	Independent Director
8 Mr. D.L.Mundra	Chief Financial Officer
9 Mr. Rajeev Parashar	Company Secretary & Compliance officer

b. Relatives :-

Name of Person	Relationship
1 Mrs. Kavita Mangal	Wife of Mr. Shubh Mangal

c. Related Companies:-

Name of Company	Relationship
1 Lagnam Infotech Solutions Pvt. Ltd.	Key managerial personal is director in company

2 Details of Transactions with Key managerial personnel :-

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
a Rent Paid	15.00	15.00
b Remuneration to Key Managerial Person	279.84	243.24
c Directors sitting fees	7.85	6.91

NOTES

To the Financial Statements

3 Details of transaction with Key Managerial Personnel and related company (₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Personal guarantee of the director and corporate guarantee of M/s Lagnam Infotech Solutions Private Limited against borrowings.	17648.21	19230.28
Personal guarantee of the director against borrowings.	15483.16	16299.73

35 Earnings Per Share

The basic and diluted earnings per share have been calculated as per Ind AS-33 by dividing net profit for the year attributable to equity shareholder by the weighted average number of equity share as under:

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share		
A Issued equity shares	17669000	17669000
B Weighted average equity shares outstanding - Basic and Diluted	17669000	17669000
C Net Profit after tax (₹ in Lacs)	1438.98	1285.47
Net profit available to equity holders of the Company used in the basic and diluted earnings per equity share (₹ in Lacs)	1438.98	1285.47
Basic and Dilutive earning per share (In Rupees)	8.14	7.28

36 Expenditure incurred on Corporate Social Responsibility

As per section 135 of Companies Act the company is required to spend in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial year in accordance with its CSR policy

(₹ in Lacs)

Particulars	Year Ended 31 st March 26	Year Ended 31 st March 25
A Gross amount required to be spent by the Company during the year	34.30	49.65
B Amount spent during the year		
i Construction/ acquisition of asset		
ii On purpose other than (i) above –		
(a) Project “Shiksha	15.30	35.00
(b) Social Health Care Project	0.75	-
(c) Step against hunger & poverty	3.42	2.51
(d) Rural Development	0.74	3.50
(e) Education Empowerment Specially abled children	2.00	3.00
(f) Animals Welfare	4.52	2.01
(g) Safe Drinking Water	2.44	2.62
(h) Education & Learning	3.00	-



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To the Financial Statements

(i) Others	1.01	1.01
(j) Excess incurred in previous year	1.12	-
	34.30	49.65

37 Contingent Liabilities and Contingent Assets

1 Contingent Liabilities not provided for in respect of:

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
I Guarantees		
a Outstanding bank guarantee	8.01	8.01
II Other contingent liabilities		
a Export Bills Discounted/Collection	5,891.29	5,895.62
b Income Tax Demand	79.46	79.46
c GST Demand	105.57	105.57

2 Commitments

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) Rs.4324.25 Lacs (Previous Year Rs.Nil Lacs)

38 Dividend on Equity Shares

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
i Dividend declared and paid during the year		
Final dividend Rs 0.50 per fully paid shares i.e. 5%	-	88.35
Total	-	88.35

ii Events occurring after the Balance sheet date

The Company's Board of Directors have recommended final dividend of Rs.Nil per equity share (previous year Nil /- per equity share) for the financial year 2025-26.

39 Financial instrument

Fair value of financial assets and liabilities

The fair value of the financial assets and liabilities are 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. Comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements are set out below.

NOTES

To the Financial Statements

The carrying value and fair value of financial instruments by categories as of 31st March 2026 were as follows:

(₹ in Lacs)

Particulars	Amortised Cost	Fair value *	Total carrying value	Total fair value
Assets				
(i) Non-current Investments	16.23		16.23	16.23
(ii) Trade receivables	6788.79	105.15	6893.94	6893.94
(iii) Cash and cash equivalents	17.54		17.54	17.54
(iv) Bank balances other than (iii) above	4.62		4.62	4.62
(v) Other financial assets	503.59		503.59	503.59
Total	7330.77	105.15	7435.92	7435.92
Liabilities				
(i) Non-Current Borrowings	17018.34		17018.34	17018.34
(ii) Borrowings	18686.01	85.39	18771.40	18771.40
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises;	56.82		56.82	56.82
Total outstanding dues of creditors other than micro enterprises and small enterprises;	1998.92		1998.92	1998.92
(iv) Other financial liabilities	1849.63		1849.63	1849.63
Total	39609.72	85.39	39695.11	39695.11

* Amount carried at forward contract rate / prevailing exchange rate at year end

The carrying value and fair value of financial instruments by categories as of 31st March 2025 were as follows:

(₹ in Lacs)

Particulars	Amortised Cost	Fair value *	Total carrying value	Total fair value
Assets				
(i) Non-current Investments	16.23		16.23	16.23
(ii) Trade receivables	6765.27	-22.50	6742.77	6742.77
(iii) Cash and cash equivalents	4.74		4.74	4.74
(iv) Bank balances other than (iii) above	4.60		4.60	4.60
(v) Other financial assets	397.94		397.94	397.94
Total	7188.78	-22.50	7166.28	7166.28



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To the Financial Statements

Liabilities				
(i) Non-Current Borrowings	20164.42		20164.42	20164.42
(ii) Borrowings	18702.57	-17.50	18685.07	18685.07
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises;	25.62		25.62	25.62
Total outstanding dues of creditors other than micro enterprises and small enterprises;	981.90		981.90	981.90
(iv) Other financial liabilities	1731.88		1731.88	1731.88
Total	41606.39	-17.50	41588.89	41588.89

* Amount carried at forward contract rate / prevailing exchange rate at year end

The fair value hierarchy is based on inputs to valuation techniques that are use to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

40 Financial risk management Objectives and Policies

i Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders.

The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is calculated by dividing Net Debt from the Equity.

The Company includes within Net Debt, interest bearing loans and borrowings less cash and cash equivalents and under Equity, the Equity Share Capital plus other Equity is considered.

(₹ in Lacs)

Particulars	As at 31st March 2026	As at 31st March 2025
Gross Debts	35789.74	38849.49
Less: Cash and cash equivalents	17.54	4.74
Net Debt	35772.20	38844.75
Equity	13534.59	12086.89
Gearing ratio	2.64	3.21

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To the Financial Statements

ii Financial Risk Management

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board

Company is exposed to following risk from the use of its financial instrument:

- a. Credit Risk
- b. Liquidity Risk
- c. Market Risk

a. Credit Risk

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categories a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss

Provision for Expected Credit or Loss

i Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised

ii Financial assets for which loss allowance is measured using life time expected credit losses

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

b. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's finance 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. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payment

(₹ in Lacs)

Particulars	Less than 1 year	Above 1 year	Total
As at 31st March 2026			
Non-Current Borrowings	3725.24	17018.34	20743.58
Current Borrowings	15046.16		15046.16
Trade payables	2055.74		2055.74
Other financial liabilities	1849.63		1849.63
Total	22676.77	17018.34	39695.11
As at 31st March 2025			
Non-Current Borrowings	3419.84	20164.42	23584.26
Current Borrowings	15265.23		15265.23
Trade payables	1007.52		1007.52
Other financial liabilities	1731.88		1731.88
Total	21424.47	20164.42	41588.89



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To the Financial Statements

c. Market Risk

Considering the Company's existing foothold/experience in the Textile sector, established & diversified client base, association with various international/domestic agents, it's competent sales team and an established marketing setup in India and International Market, it does not foresee any problem in marketing its production. "Market Risk is the risk of loss of future earnings, fair values of future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchanges rates, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, and other market changes. The Company manages market risk through a finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies".

i Interest Rate Risk

It is the risk where changes in market interest rates might adversely affect the Company's financial condition. The short term/immediate impact of changes in interest rates are on the Company's net interest income/expenses. On a longer term, change in interest rate impact the cash flows on the assets, liabilities and off-balance sheet items, giving rise to a risk to the net worth of the Company arising out of all reprising mismatches and other interest rate sensitive positions. 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 rate. In order to optimise the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows.

Detail of financial instrument bearing interest rate risk

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value.

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Variable rate instruments		
Long Term Borrowings (Including Current Maturities of Long Term Debts)	20743.58	23584.26
Short-Term Borrowings	15046.16	15265.23
Total	35789.74	38849.49

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows

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To the Financial Statements

(₹ in Lacs)

Particulars	Effect on profit before tax	
	Decrease by 50 basis point	Increase by 50 basis point
As at 31st March 2026		
Long Term Borrowings (Including Current Maturities of Long Term Debts)	103.72	(103.72)
Short-Term Borrowings	75.23	(75.23)
	178.95	(178.95)
As at 31st March 2025		
Long Term Borrowings (Including Current Maturities of Long Term Debts)	117.92	(117.92)
Short-Term Borrowings	76.33	(76.33)
	194.25	(194.25)

ii Foreign Exchange Risk

- The Company hedges its export realizations and import payables through Foreign Exchange Hedge Contracts in the normal course of business so as to reduce the risk of exchange fluctuations. No Foreign Exchange Hedge Contracts are taken /used for trading or speculative purpose.
- The Company has following gross forward contract exposure outstanding as on balance sheet date which have been designated as cash flow hedge to its exposure to movements in foreign exchange rates :

Particulars	No of Outstanding Contracts		Amount in FC in lacs		Carrying Value (Rs.in Lacs)	
	31 st March 2026	31 st March 2025	31 st March 2026	31 st March 2025	31 st March 2026	31 st March 2025
Forward Contracts						
1. Sell –USD	2.00	Nil	3.50	Nil	323.02	Nil

Weighted average rate for above 2 contracts is Rs.92.29

- The periods during which the cash flows from the cash flow hedges outstanding as at March 31, 2026 are expected to occur and affect the statement of Profit & Loss are disclosed as under:-

(₹ in Lacs)

Period During which Cash Flows are expected to Occur and affect Profit and Loss	Fair Value in Booking Currency For the year ended			
	31 st March 2026		31 st March 2025	
	Sell USD	Sell EURO	Sell USD	Sell EURO
Quarter ending June 30, 2026	(9.65)	-	-	-
Quarter ending September 30, 2026	0.74	-	-	-
Total	(8.91)	-	-	-

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To the Financial Statements

- d. The movement in OCI during the year ended 31.03.2026 for forward contract designated as cash flow hedge is as follows:

(₹ in Lacs)

Particulars	For the year ended	
	31 st March 2026	31 st March 2025
Balance at the beginning of the year	-	-
Additions on account of Changes in the fair value of effective portion cash flow hedge	8.91	-
Balance at the end of the year	8.91	-

The Following significant exchange rates have been applied at year end:-

Spot rate (INR)	31 st March 2026	31 st March 2025
USD	94.84	85.47

Sensitivity Analysis

The Company has two forward contract exposure (previous year Rs.Nil) outstanding as on balance sheet date

41 Operating Segments

The company's operation predominantly related to textile. Hence primary reportable segment is textile only. Further the geographical segment have been considered as secondary segment and bifurcated into Domestic and Export segments.

A Geographical Segment

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Segment Revenue		
Within India (Domestic Sales - Including Incentives)	34597.87	32542.46
Outside India (Exports - Including Export Incentives)	25900.18	28014.00
Total	60498.05	60556.46
Segment Assets (Based on location of the assets)		
Within India	4264.95	3507.56
Outside India	2628.99	3235.21
Total	6893.94	6742.77
Capital Expenditure Incurred during the year	1192.99	347.96

B There are no non-current assets outside India.

NOTES

To the Financial Statements

42 Details Of Unclaimed Dividend

The year wise details of Unclaimed dividend lying in separate bank account is as under

(₹ in Lacs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Year 2020-21	0.22	0.22
Year 2021-22 (Interim)	0.43	0.43
Year 2021-22	0.46	0.46
Year 2023-24	0.21	0.21
Total	1.32	1.32

43 Additional regulatory information's

- During the year the company has taken term loan of Rs.556.68 lacs for Solar power project of 12 MW and it has been utilized for the same purpose only.
- The Company has borrowings of Rs.15046.10 lacs from banks on the basis of security of current assets. All the quarterly returns or statements of current assets filed by the company during the year with banks are in agreement with books of accounts.
- The Company has not been declared willful defaulter by any banks or other lender during the year.

Ratios		31 st March 2026	31 st March 2025
Current Ratio	Current assets / Current liabilities	1.03	1.06
Debt-Equity Ratio,	Total debt / Shareholders Equity	2.64	3.21
Debt Service Coverage Ratio,	Earning available for debt service / debt service	1.05	1.16
Return on Equity Ratio,	Profit after tax / Shareholders Equity	10.63	10.64
Inventory turnover ratio,	Turnover / average inventory	5.14	5.78
Trade Receivables turnover ratio	Turnover / Average Receivable	8.87	10.04
Trade payables turnover ratio,	Total Purchases / Average Payable	29.31	81.76
Net capital turnover ratio,	Turnover / Working capital	85.67	44.79
Net profit ratio	PAT/ Turnover	2.38	2.12
Return on Capital employed,	PBIT / Capital Employed	9.54	9.03
Return on investment.		N.A.	N.A.

The explanations for the ratios having movement more than 25% are as follows:

- Net Capital turnover ratio-** The net capital turnover ratio increased by 91%, reflecting improved efficiency in net capital management, even as accumulated profits were deployed toward expansion and the solar project.
 - Trade Payable turnover ratio-** The trade payable turnover ratio has declined as the company increased its utilization of M-1 exchange unsecured credit to take advantage of lower interest rates.
- f The company has not advance for loans or invested funds to any other person or entity including foreign entity during the year with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.



NOTES

To the Financial Statements

- g The company has not received any fund from any person or entity including foreign entity (funding party) during the year with the understanding that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- h The Company has not surrendered or disclosed any transaction not recorded in the books of accounts as income during the year in the tax assessment under the Income Tax Act. 1961
- i The company has not made any transaction in crypto currency or virtual currency during the year

As per our report of even date

For A. L. Chechani & Co.

Chartered Accountants
Firm Reg. No. 005341C

Rahul Parmanandani

(Partner)
Membership No. 431503

For and on behalf of the Board

D. P. Mangal

(Executive Chairman)
(DIN01205208)

Anand Mangal

(Managing Director)
(DIN 03113542)

Rajeev Parashar

(Company Secretary)

D L Mundra

(Chief Financial Officer)

Date : 8th May, 2026

Place : Bhilwara

BEGINNING THE YEAR WITH UNITY



REPUBLIC DAY-2026 CELEBRATION



SOCIAL WORK INVOLVEMENT



Contribution for Construction of Educational Building



Distribution of School Bags in Government School



Distribution of books in Government School

ANIMAL WELFARE



We begin every financial year by serving and caring for Gau Mata at Ramanand Gaushala, Ladnun



VOLUNTARY BLOOD DONATION DRIVE



BANKERS' VISIT & BUSINESS REVIEW

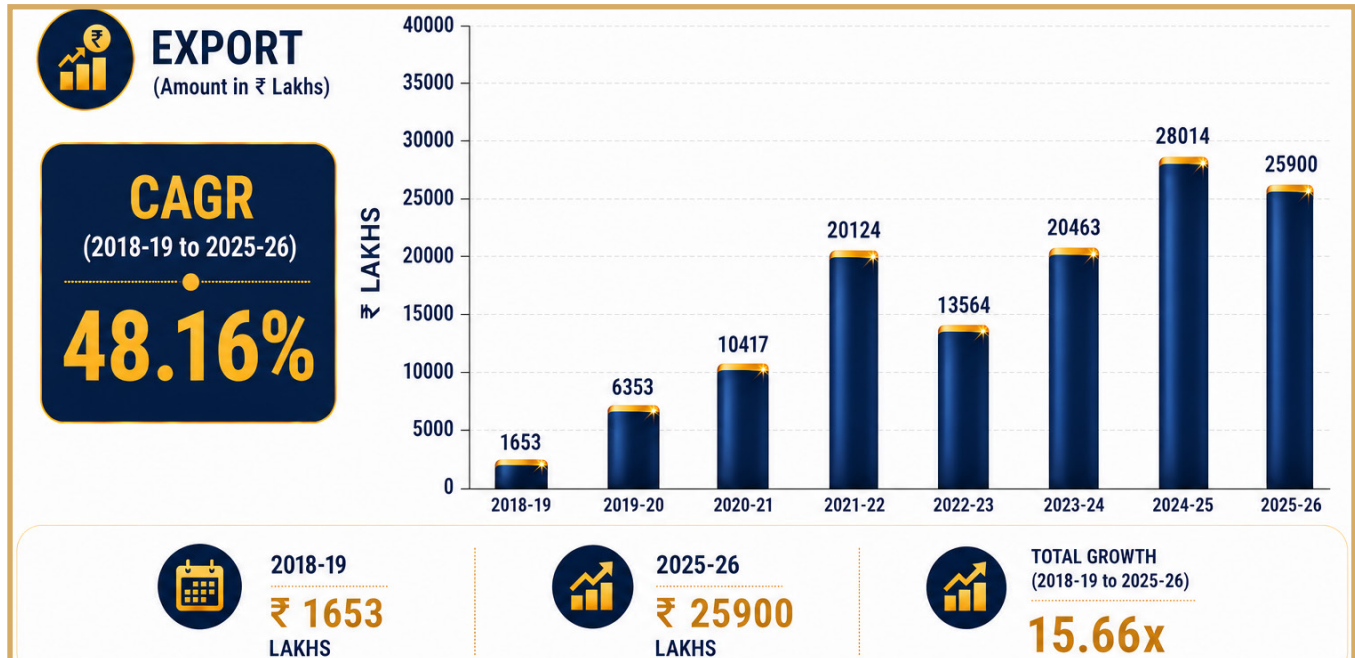
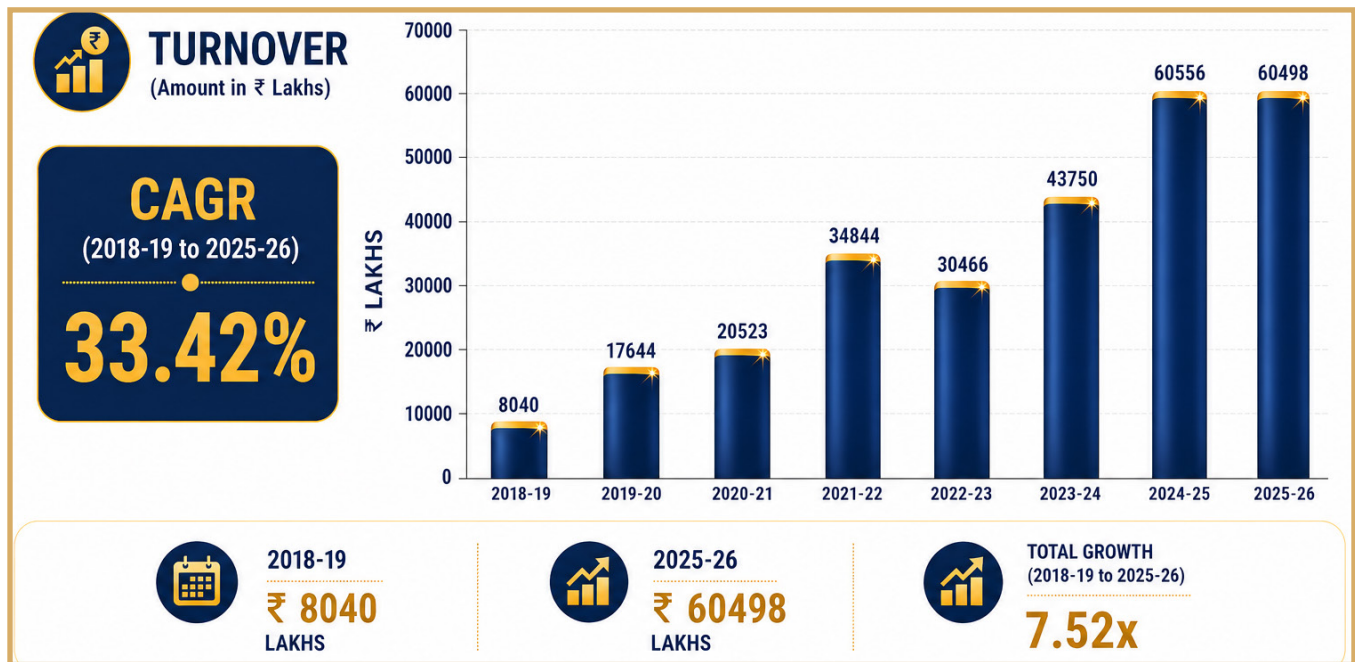


Visit by Mr. Satish Kumar- CGM Corporate Credit- Indian Bank & Team

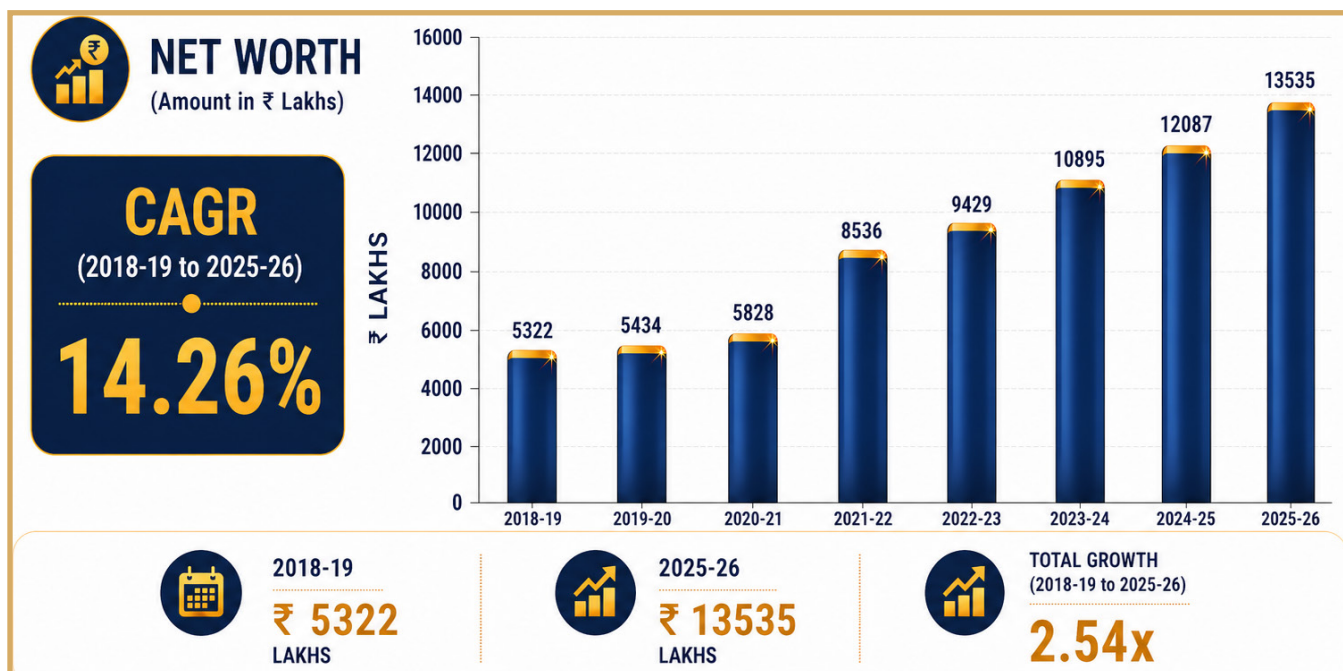
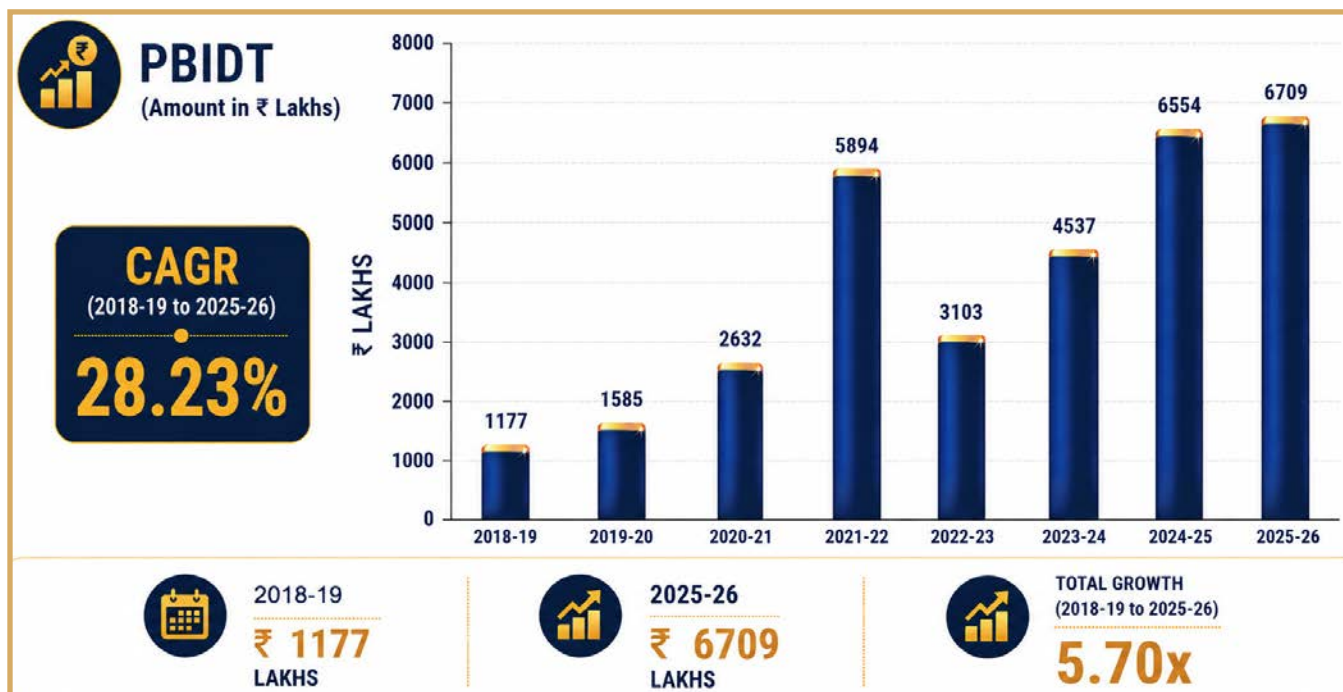


Visit by Mr. Balasubramanyam Lanka - GM- Bank of Baroda & Team

FINANCIAL PERFORMANCE



FINANCIAL PERFORMANCE





Lagnam Spintex



LAGNAM SPINTEX LIMITED

(CIN: L17119RJ2010PLC032089)



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A 51-53, RIICO Growth Centre,
Hamirgarh, Bhilwara – 311001,
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