SURYALAKSHMI

Precision. Progress. Possibility.

Suryalakshmi Cotton Mills Limited

Annual Report 2025-26

What's Inside?

Disclaimer

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Corporate Information

BOARD OF DIRECTORS

Sri L. N. Agarwal
Chairman and Managing Director

Sri Paritosh Agarwal
Managing Director

Sri R. Surender Reddy
Non-Executive Non-Independent Director

Sri Dhruv Vijai Singh*
Independent Director

Smt Aruna Prasad
Independent Director

Dr. Malapally Chowda Reddy Balaji
Independent Director

Sri Venkata Phani Kiran Kumar Immaneni**
Independent Director

STATUTORY AUDITORS

M/s. Brahmayya & Co.
Chartered Accountants, Hyderabad

INTERNAL AUDITORS

M/s. K. Vijayaraghavan & Associates, LLP
Chartered Accountants, Hyderabad

SECRETARIAL AUDITORS

M/s. K V C Reddy & Associates
Company Secretaries, Hyderabad

COST AUDITORS

M/s. S. Hariharan & Associates
Cost Accountant, Trichy

PRESIDENT (FINANCE)

Sri Sudhir Bhansali

COMPANY SECRETARY

Sri E. V. S. V. Sarma

CHIEF FINANCIAL OFFICER

Sri Santosh Kumar Agarwal

LISTED ON

Bombay Stock Exchange Limited
Scrip code: 521200
National Stock Exchange of India Limited
Symbol: SURYALAXMI

*Ceased to be Independent Director of the Company w.e.f. 27.07.2026
**Appointed as an Independent Director of the Company w.e.f. 27.07.2026

REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited
Selenium Building, Tower-B,
Plot No 31 & 32, Financial District, Nanakramguda,
Serilingampally, Hyderabad, Rangareddy,
Telangana, India - 500 032
Tel.: 040-6716 2222 / 1754

BANKERS

State Bank of India
Industrial Finance Branch, Hyderabad

Union Bank of India
(erstwhile - Andhra Bank),
Somajiguda, Hyderabad

Punjab National Bank
Oxford Plaza, S. D. Road, Secunderabad

REGISTERED OFFICE

105, 6th Floor, Surya Towers,
Sardar Patel Road,
Secunderabad - 500 003,
Telangana
Tel. Nos. (040) 27885200/27819856
E-mail: slcmltd@suryalakshmi.com
Website: www.suryalakshmi.com
CIN: L17120TG1962PLC000923

FACTORIES

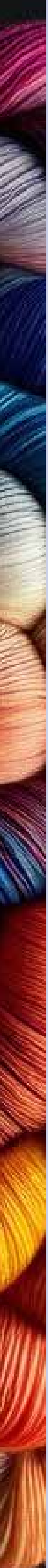
Yarn Divisions

Amangallu Mandal, Amangallu
Ranga Reddy Dist.
Telangana - 509 321

Amravati
Addl. Amravati Indl. Area,
Textile Park, Nandgaon Peth,
Tuljapur Village, Talkhanda,
Dist. Amravati.
Maharashtra - 444 901

Denim Division

Ramtek Mauda Road
Village Nagardhan, Tehsil Ramtek
Nagpur Dist.,
Maharashtra - 440 010



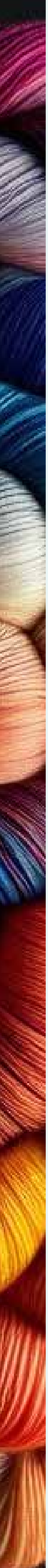
At Suryalakshmi, every milestone in our journey has been shaped by an unwavering commitment to precision — precision in manufacturing, precision in quality and precision in understanding the changing needs of customers and global markets.

Over the decades, this disciplined approach has enabled us to strengthen our integrated capabilities, build enduring relationships and establish a trusted presence across the textile value chain. Today, the textile and denim industry is undergoing a significant transformation, driven by shifting consumer preferences, rising demand for sustainable products, faster fashion cycles and increasing global opportunities. India's textile sector is also benefiting from supportive policy measures, growing domestic consumption and a stronger focus on value-added manufacturing. In this dynamic environment, businesses that combine agility, innovation and operational excellence are better positioned to create long-term value.

Guided by this approach, Suryalakshmi continues to strengthen its foundation through advanced manufacturing technologies, modernised operations, sustainable practices and continuous product development. Our integrated business model, spanning premium yarns and denim fabrics, enables us to respond efficiently to evolving market requirements while maintaining high standards of quality and consistency.

At the same time, we remain focused on expanding our portfolio of differentiated offerings, deepening customer engagement and enhancing our global reach. Through responsible growth, resource-efficient operations and a strong emphasis on innovation, we are building a resilient and future-ready enterprise equipped to navigate changing industry dynamics.

Driven by a strong legacy, technical expertise and a progressive outlook, we continue to move forward with confidence and purpose, creating enduring value for customers, stakeholders and communities while shaping a stronger and more sustainable future for the textile industry.



Who Are We?

A Legacy Woven with Purpose

Suryalakshmi Cotton is one of India's leading integrated manufacturers of premium yarn and denim, with a legacy of market leadership spanning several decades.

Our end-to-end manufacturing capabilities—including spinning, dyeing, weaving and finishing— enable us to combine operational excellence with design-driven innovation. This integrated approach delivers agility, faster go-to-market cycles and differentiated textile solutions. We provide quality products for leading private labels, fashion brands and retail chains, including Levi's, Kontoor, Amazon and Walmart, serving customers in more than 29 countries worldwide.

We continue to invest in advanced technologies, sustainable manufacturing and value added products to stay aligned with evolving fashion trends and customer expectations. Anchored in sustainability, quality and people-centric principles, we remain committed to strengthening our role as trusted partner in the global textile value chain.

Vision

To become a global leader and preferred partner in premium yarn and denim fabric manufacturing by leveraging long-term growth opportunities and creating superior value for all stakeholders.

Mission

To be one of the Top Global Players in the specialised denim and premium yarn sector, bringing inspiration and innovation to every fabric and yarn we create.

Values

Innovation led Thinking Design

We exercise the highest levels of professionalism in our work and relationships and are committed to continuous improvement in our pursuit of excellence.

Customer First

We put the needs of our customers first and are focused on delivering value by providing the highest quality products.

Integrity

We are committed to remaining transparent, honest and accountable in our relationships with all stakeholders, both inside and outside.

Responsibility

We pay attention to what we create, how we create it and the way it impacts people and the environment.

People Welfare

We exercise global standards of worker and human resource welfare to create an efficient, healthy, happy and satisfied workforce.

Chairman's Message

Steering Our Shared Future

L. N. Agarwal
Chairman & Managing Director

Dear Shareholders,

FY 2025-26 was a year that tested the resilience of industries across the world, but it also reaffirmed the strength and adaptability of the Indian textile sector. Amid evolving global trade dynamics, changing consumer preferences and a competitive operating environment, Suryalakshmi Cotton Mills moved forward with stability and confidence. Supported by our integrated operations, product development capabilities and focus on quality, we continued to strengthen our presence in the premium yarn and denim segments while creating long-term value for stakeholders.

The Indian textile industry witnessed a mixed operating environment during FY 2025-26. While the international trade remained relatively subdued due to cautious global demand caused by tariff uncertainties and pricing pressures was thrown into further turmoil by the West Asian crisis.

The progress of the India–US trade understanding during the third quarter, along with the advancement of Free Trade Agreements (FTAs) with key markets such as the United Kingdom and the European Union, has provided renewed momentum to the Indian textile sector. These developments are expected to strengthen India's competitiveness in global textile and apparel supply chains and create both near-term and long-term growth opportunities for integrated manufacturers.

In parallel, the ongoing China+1 sourcing strategy adopted by global brands and retailers continues to support India's emergence as a preferred sourcing destination. Strong growth across organised Indian retail and rising domestic consumption further contributed to improving demand trends during the latter part of the year.

Within this evolving landscape, customers are increasingly seeking differentiated products, faster turnaround timelines and responsibly manufactured textile solutions. With our integrated manufacturing ecosystem, strong product development capabilities and long-standing relationships with leading domestic and global brands, we remain well-positioned to respond to these changing market expectations.

Backed by advanced spinning capabilities, design expertise and a deep understanding of market trends, we continue to strengthen our position in the premium denim segment. Our ability to combine flexibility, innovation and speed-to-market remains one of our key strengths in a rapidly evolving industry.

Financial Performance

During the year, we focused on operational consistency, product quality and disciplined execution. Our integrated presence across yarn and denim manufacturing enables us to maintain greater flexibility, improve efficiencies and respond effectively to customer requirements across markets.

For FY 2025-26, the Company reported revenue from operations of ₹795 crores and profit after tax ₹3.12 crores. Both our domestic and international businesses contributed meaningfully to overall performance, supported by stable demand across key customer categories and our continued emphasis on value-added products.

Over the years, our position as an Original Denim Manufacturer (ODM) for leading domestic and global brands has allowed us to build enduring partnerships based on trust, reliability and product excellence. Backed by advanced spinning capabilities, design expertise and a deep understanding of market trends, we continue to strengthen our position in the premium denim segment. Our ability to combine flexibility, innovation and speed-to-market remains one of our key strengths in a rapidly evolving industry.

During FY 2025-26, we initiated a significant modernisation programme across our spinning operations with a focus on enhancing productivity, operational efficiency and backward integration capabilities. As part of this initiative, we replaced older-generation ring frames at our Amravati unit with advanced next-generation systems equipped with linked auto-coners and improved automation capabilities. These upgrades are expected to deliver substantial gains in spindle productivity, operational efficiency, yarn quality and energy optimisation. The new-generation auto-coners provide superior splicing

Over the years, we have strengthened our manufacturing and process capabilities to develop specialised yarns and denim products that meet changing customer preferences and evolving market requirements.

performance and improved consistency, while the modernised spinning infrastructure is expected to significantly enhance operational reliability and reduce power consumption. The initiative also resulted in an increase in spindle capacity at the Amravati facility.

In our Ramtek denim division, we further strengthened spinning capabilities through the installation of a next-generation Autocoro 10 machine. Equipped with individual drive technology and higher rotor speeds, the new system provides significantly improved operational flexibility, faster count changes, higher machine efficiency and enhanced energy efficiency, while supporting a broader range of specialised yarn production.

Innovating Responsibly for the Future

Innovation and responsible growth continue to guide the way we build our business for the future. Over the years, we have strengthened our manufacturing and process capabilities to develop specialised yarns and denim products that meet changing customer preferences and evolving market requirements. Our focus remains on creating products that combine quality, consistency and relevance while responding swiftly to emerging trends across domestic and international markets.

Sustainability continues to remain an important pillar of our long-term growth strategy and operational philosophy. During FY 2025-26, we further strengthened our responsible manufacturing initiatives across product development, resource optimisation and environmentally conscious production processes.

Our sustainability-focused programmes such as Cleankore continued to witness strong momentum during the year, with close to 10 million yards of sustainable dyeing completed under the initiative. We also expanded the use of regenerative cotton and sustainable fibre solutions such as Liva Eco and Tencel across our product portfolio, aligned with evolving customer and global market requirements.

In our denim business, recycled polyester usage has now transitioned to 100% across polyester-based denim products, reflecting our continued commitment towards sustainable raw material adoption and responsible manufacturing practices.

As part of our ongoing environmental commitments, we significantly reduced coal consumption across operations, bringing usage levels close to negligible levels, while continuing to reduce freshwater consumption through initiatives under the Indigood programme. These efforts reflect our focus on cleaner manufacturing practices, resource efficiency and lower environmental impact.

We also strengthened our sustainability measurement and monitoring capabilities through Higg-based carbon footprint assessment frameworks, where our facilities continue to rank amongst the better-performing denim manufacturing facilities across benchmarked categories.

Our seamless manufacturing ecosystem, supported by backward integration and, provides greater operational stability and cost competitiveness. These strengths improve reliability and efficiency while enabling us to consistently deliver value to our customers and create a strong foundation for sustainable growth.

Our People

Our progress would not have been possible without the commitment and dedication of our people. Their expertise, resilience and ability to adapt to a changing business environment remain among our greatest strengths.

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As the industry evolves, we recognise the importance of building a capable and future-ready workforce. We strive to create an environment that encourages learning, teamwork and continuous improvement while enabling our employees to grow alongside the organisation.

Under the guidance of our leadership team and with the support of experienced professionals across functions, we continue to build a culture of accountability, mutual respect and responsible growth. We also remain mindful of the importance of employee well-being, safety and an inclusive workplace culture that empowers our people to perform at their best.

Looking Ahead

The Indian textile and denim industry presents significant long-term opportunities, supported by favourable demographics, rising consumption, policy support and India's growing role in global supply chains. Increasing demand for differentiated and sustainably manufactured products is expected to further strengthen opportunities for established and trusted manufacturers. One remains optimistic of an early and peaceful resolution of the prevailing geopolitical crisis that have disrupted global economic environment with increasing costs of production and spiraling ocean freight rates.

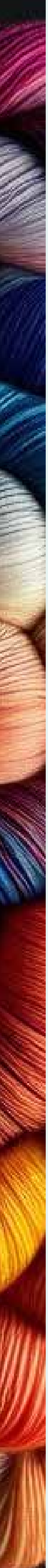
While we fervently hope for an early and peaceful resolution of the geopolitical disturbances across the world we at Suryalakshmi, remain focused on strengthening our business through operational excellence, product development, manufacturing modernisation and deeper customer engagement. Backed by our integrated capabilities, operational strengths and long-standing customer relationships, we are well-positioned to pursue future opportunities with confidence.

On behalf of the Board, I would like to sincerely thank our shareholders for their continued support and encouragement. I also extend my heartfelt appreciation to our employees, customers, business partners and all stakeholders for their invaluable contribution to our journey.

With your support, we look forward to building a stronger, more innovative and more sustainable organisation in the years ahead.

Regards,

L. N. Agarwal
Chairman & Managing Director



Our Business

Threads of Quality. Fabrics of Trust.

As an integrated textile company, we supply high-quality denim, yarns and textile fabrics to customers across global markets. Supported by future-ready automation and precision-led processes, we pursue profitable growth while maintaining strong standards of responsibility and governance.

Our vertically integrated operations across the textile value chain enable greater control over quality, improved operational efficiency and faster turnaround timelines, allowing us to respond effectively to dynamic market requirements. Driven by a commitment to innovation and operational excellence, we continue to create enduring value for stakeholders across the ecosystem.

Key Strengths

- Value added and speciality yarn portfolio
- Advanced spinning infrastructure
- Prioritise sustainable and blended yarns
- Long-standing customer relationships
- Strong product customisation capabilities

Portfolio

YARN BUSINESS

- 100% Spun Polyester Yarns
- Polyester Cotton Combed / Carded blends
- Polyester Viscose Yarn blend
- 100% cotton OE and Ring Spun Yarns
- Slub and Fancy yarns
- Core spun Elastane
- 2 fold yarns, Eli-twisted
- Compact Yarns

Our Yarn business focuses on specialised, premium and value added yarns for various fashion and functional applications. We produce a wide variety of yarns across multiple blends, counts or specification to meet evolving customer requirements related to quality, performance and sustainability. Our portfolio includes cotton blends, polyester blends, recycled fibre blends and speciality yarns such as slub, compact and core spun yarns.

DENIM BUSINESS

With decades of experience in the denim industry, we deliver innovative fabric solutions tailored to the evolving needs of the global fashion and lifestyle market. Our diverse portfolio includes rigid, stretch, coated and yarn-dyed denim fabrics available in a wide range of weights, finishes and aesthetic treatments. Through continued investments in modern looms, finishing technologies and sustainable processes, we develop differentiated denim solutions that combine comfort, durability, performance and style.

Key Strengths

- Integrated denim manufacturing eco-system
- Advanced techniques in dyeing and finishing
- A wide range of styles in both fashion and functional denims
- Promote high quality, new-fabric development
- Sustainable and resource efficient manufacturing process

Portfolio

- Mercerized Denims - Stretch and Rigid
- Coated Denims - Stretch and Rigid
- Normal finish - Stretch and Rigid
- Cotton / Polyester - Stretch and Rigid
- Colour Denims - Yarn Dyed / Over Dyed Stretch & Rigid
- Mill washed Denim - Stretch and Rigid
- Denim Fabrics with Different Blends

Industry Landscape and Our Approach

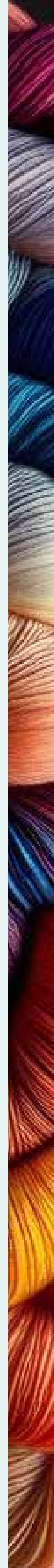
Shaping Growth through Strategy and Agility

The textile industry witnessed steady progress during FY 2026, supported by rising demand for value-added textiles, sustained export momentum and continued policy initiatives aimed at strengthening India's manufacturing competitiveness tempered of-course by geo-political disturbances. Growing emphasis on technical textiles and sustainability-led growth further reinforced the sector's long-term potential.

As the sector evolves, it is creating significant opportunities for integrated and innovation-orientated manufacturers. Increasing demand for sustainable fabrics, faster turnaround timelines and premium-quality denim and specialised yarns is accelerating the shift towards agile manufacturing and differentiated product offerings. In this environment, companies with integrated operations and good product development capabilities are positioned to capitalise on these opportunities.

Against this backdrop, Suryalakshmi remains focused on building a future-oriented textile enterprise anchored in innovative, operational efficiency and responsible growth. By combining manufacturing expertise with strategic investments, we aim to provide differentiated solutions that align with evolving industry requirements.

At the same time, we continue to strengthen our portfolio of premium yarns and denim fabrics while further reinforcing our position as a trusted partner to leading brands across global markets.



Manufacturing Capabilities

The Power Behind Our Performance

Our manufacturing strength is anchored in our integrated operations, enabling us to deliver quality, flexibility and efficiency across the textile value chain. With capabilities spanning spinning, dyeing, weaving and finishing, we are well positioned to address evolving customer requirements.

Our facilities are supported by state-of-the-art machinery, advanced processing technologies and a strong focus on continuous improvement, enhancing productivity, product quality and speed-to-market. Through sustained investment in modernisation and sustainable manufacturing practices, we continue to optimise resource utilisation across our processes.

State of Art Machineries

- **Core Spun from Germany**
- **Amsler Slub from Switzerland**
- **Eli Twist for Compact from Germany**

With over 87,000 spindles in our yarn division, we are equipped to manufacture specialised and value-added yarns across a wide range of blends and applications. Our denim business is supported by advanced weaving, dyeing and finishing infrastructure, with an annual manufacturing capacity of 40 million metres.

QUALITY ASSURANCE

Quality assurance is embedded across every stage of our manufacturing process, from raw material sourcing to fabric production and delivery. Our integrated operations and advanced manufacturing capabilities enable us to maintain consistency, precision and reliability across our yarn and denim portfolio.

To ensure that our products meet the highest standards of quality and customer expectations, we follow quality control procedures supported by advanced testing and monitoring systems. Continuous process improvements, technology-led manufacturing and regular audits further strengthen operational excellence and product integrity. Our manufacturing facilities are certified to internationally recognised quality, environmental and sustainability standards, reflecting our commitment to responsible manufacturing practices and customer confidence.

Our Certifications

- Better cotton chain of custody standard V1.0 Single Site Certification
- Sedex (SMETA) Version 7
- ISO 14001:2015
- ISO 9001:2015
- Global Organic Textile Standard (GOTS) Version 7.0
- Global Recycled Standard (GRS Version 4.0)
- Organic Content Standard (OCS Version 3.0)
- Recycled Claim Standard (RCS Version 2.0)
- Oeko-Tex Standard 100
- Regenagri Chain of Custody Criteria – Textiles Version 1.2

INNOVATION

Innovation remains central to our growth journey, supported by continuous investments in advanced manufacturing technologies, modern finishing processes and product development capabilities. Our focus on sustainable fibre blends, specialised yarns, innovative fabric constructions and resource-efficient manufacturing enables us to combine performance, functionality and sustainability across our portfolio. By integrating technology, design and process excellence, we continue to create value-added textile solutions for a dynamic global marketplace.

Strategic Direction

Our Roadmap to Sustainable Growth

As the domestic and global textile landscape continues to evolve, we continue to strengthen our integrated manufacturing capabilities while expanding our portfolio of value-added products to drive long-term growth and enhance market competitiveness. Supported by seamless forward and backward integration, along with best-in-class quality assurance systems, we have established one of the highest per-metre sales realisations in both yarn and denim fabrics across the industry.

Guided by a deep-rooted legacy and strengthened by global relationships, innovation-led capabilities and a future-focused mindset, Suryalakshmi continues to move ahead with confidence and purpose. Our enduring commitment to sustainability, operational excellence and continuous advancement reinforces our position as a trusted and progressive leader in the textile sector.

INTEGRATED MANUFACTURING

We continue to invest in advanced manufacturing technologies, modernisation initiatives and sustainable production practices to enhance efficiency, maximise resource usage to provide differentiated products. Our growing portfolio of specialty yarns, premium denim fabrics and advanced blends further expands our presence across high-value and emerging product categories.

PRODUCT STRATEGY

As we strengthen our manufacturing base, we strive to deepen our market footprint through deeper customer engagement, continuous product innovation and diversification across geographies and applications. Supported by integrated operations, technical expertise and a strong commitment to sustainability, we are building a resilient and future-ready business.

Responsible Manufacturing

Shaping a More Sustainable Tomorrow

At Suryalakshmi, we believe that long-term profitability and sustainable growth are intrinsically connected. Guided by this philosophy, we strive to create meaningful value across the textile value chain through responsible business practices, innovation and operational excellence. Strengthened by visionary leadership, global market presence and a progressive outlook, we continue to align our operations with evolving international standards and stakeholder expectations. Sustainability remains deeply embedded within our decision-making framework, shaping both strategic priorities and day-to-day operations.

ENVIRONMENTAL STEWARDSHIP

Our focus is centred on reducing environmental impact through efficient water management, waste reduction, cleaner production technologies and optimised energy utilisation. Through continuous process improvement and sustainable manufacturing initiatives, we aim to enhance operational efficiency and increase environmentally responsible growth.

3R Framework

- REDUCE use of water and minimise chemical waste

- REPLACE hazadous waste with eco friendly alternatives
- RECYCLE all possible resources like water and chemicals

Climate Responsibility

Addressing climate change remains a core part of our business strategy. We are committed to reducing our carbon footprint through lower greenhouse gas emissions, improved energy efficiency and the adoption of cleaner and more sustainable technologies across our operations.

Water Management

Efficient water management remains central to our manufacturing approach. By adopting water-efficient manufacturing processes and responsible usage practices, we continue to reduce consumption while maintaining high standards of operational and product excellence.

Waste Management

We continue to strengthen our waste management practices through advanced effluent management systems and responsible manufacturing processes aimed at minimising waste generation and preventing the release of harmful substances into the environment. Guided by a long-term vision of zero-waste denim manufacturing, we remain focused on building cleaner and more sustainable operations.

Our People

A Culture Built on Respect and Growth

Our success is a reflection of the dedication, commitment and collective efforts of our employees, who continue to be the driving force behind our success. We recognise our workforce as our greatest strength and remain focused on nurturing a workplace culture built on respect, fairness and equal opportunity. At the same time, we are committed to fostering diversity, inclusion and gender equality while maintaining a safe, supportive and engaging work environment where employee health, well-being and professional growth remain key priorities.

We support workforce engagement and preparedness through regular training programmes, wellness initiatives and capability building. By creating opportunities for employee development and fostering a culture of collaboration, accountability and mutual respect, we aim to build a motivated and future-ready workforce.

Employee Welfare Initiatives

- Programs for health and hygiene
- Learning and development
- Employee transportation
- Accommodation for women employee

Employee Safety Measures

- Providing a workplace that is healthy and safe
- Providing protective gear
- Fire safety management
- Protection from hazardous processes

Employee Well-being

We actively promote the physical and mental well-being of our employees through a range of initiatives, including yoga camps that encourage relaxation and rejuvenation. We also encourage participation in district- and state-level sports events, providing opportunities for personal development, engagement and achievement across the workforce.

Gender Equality

We are committed to fostering a more inclusive and equitable workplace by creating opportunities for women across the organisation, including in traditionally male-dominated roles. Through focused training, skill development and supportive workplace practices, we aim to break barriers, encourage greater participation and build a more diverse workforce.

Training and Development

We offer a comprehensive range of training programmes focused on strengthening the technical, operational and leadership capabilities of our workforce. These initiatives enables employees to adapt to evolving industry requirements while fostering continuous learning, professional development and long-term career growth.

DIRECTORS' REPORT

To
The Members

Your Directors are pleased to present their Sixty-Third Annual Report on the business and operations of the Company and the financial results for the year ended 31 March, 2026.

FINANCIAL HIGHLIGHTS

The Summary of the Company's financial results for the financial year 2025-26 as compared to the previous financial year 2024-25 is given below:

(₹ in Lakhs)

Particulars	2025-2026		2024-2025	
Gross Profit before Interest & Depreciation		5,412.16		5,743.04
Less: Interest	2,989.13		3,424.33	
: Depreciation & Amortisation expense	1,966.75	4,955.88	1,820.33	5,244.66
Profit / (Loss) before prior year Adjustment		456.28		498.38
Exceptional Items		26.17		53.86
Profit / (Loss) before tax for the year		482.45		552.24
Less: Current Tax		85.75		105.50
Less: Deferred tax liability		85.16		83.42
Profit / (Loss) after tax from continuing operations		311.54		363.32
Profit / (Loss) for the period		311.54		363.32
Other Comprehensive Income		(26.88)		0.23
Total Comprehensive Income for the period		**284.66**		**363.55**
Add: Opening other Equity		24,910.92		24,547.37
Sub Total		**25,195.58**		**24,910.92**
Less: Dividend on Equity share capital		-		-
Less: Transferred to General Reserve		-		-
Profit transferred to balance sheet		25,195.58		24,910.92

Note: Previous year figures are regrouped wherever necessary.

STATE OF AFFAIRS AND COMPANY'S PERFORMANCE

The income from operations for the financial year 2025–26 of ₹ 794.72 crores resulted in a profit before tax of ₹ 4.82 crores and a net profit after tax of ₹ 3.12 crores. The production of yarn and fabric was maintained broadly at the previous year's levels. The operating environment during the year continued to remain challenging due to prevailing international scenarios, disturbances in Bangladesh, changing market dynamics and uncertainties posed by the tariff policies pursued by USA etc in the global business environment.

DIVIDEND

Your Company proposes to further modernize its machinery and production processes to keep pace with the evolving global trends in the industry. The Board, with a view to conserve resources has not recommended any dividend for the year under review.

CAPITAL EXPENDITURE

During the year under review the Company incurred capital expenditure of ₹ 3,097.03 lakhs.

EXPORTS

During the year, the export business operated in a challenging global environment. The US tariff-related issues adversely impacted the business, as several US brands adopted a cautious approach by reducing order volumes and postponing buying decisions. Further, geopolitical developments and the West Asia conflict from late February, 2026 onwards also affected global market sentiment and created uncertainties in international trade which are still not resolved.

Despite these challenges, the Company continues to strengthen its relationships with key customers and secure continued business from existing global brands such as Walmart, Levi's, Wrangler, Lee and Kontoor. The Company also made focused efforts towards market diversification and expanded its presence in South American markets, while continuing to strengthen its foothold in other international regions.

FUTURE OUTLOOK

Considering the evolving global scenario and continued uncertainties in international markets, the Company remains focused on strengthening and diversifying its export business. The Company proposes to further expand its presence in markets such as the United Kingdom, Spain, Turkey, Vietnam and Egypt, while continuing efforts to increase business with existing global customers.

The Company continues to pursue its sustainability initiatives, which have received encouraging response from international customers. Further, product innovation remains a key area of focus and the Company continues to develop new fabric blends, finishes and weaves to offer a differentiated product mix and strengthen its market position.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

CHANGES IN DIRECTORS AND KMPS DURING THE YEAR:

Upon completion of the term of appointment, Sri Paritosh Agarwal was re-appointed as Managing Director by the Board of Directors with effect from 21 June, 2025 and the said re-appointment has been duly approved by the Members at the 62nd Annual General Meeting.

There were no changes in the Directors and Key Managerial Personnel of the Company during the year under review.

Subsequent to the close of the financial year, the Board of Directors, at its meeting held on 25 May, 2026, took note of the completion of the second and final consecutive term of Sri Dhruv Vijai Singh (DIN: 07180749) as an Independent Director with effect from the close of business hours on 27 July, 2026 and placed on record its appreciation for his valuable guidance and services to the Company.

At the same meeting, based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Sri Venkata Phani Kiran Kumar Immaneni (DIN: 11737207) as an Additional Director (Non-Executive & Independent) with effect from 27 July, 2026, for a first term of five consecutive years, subject to the approval of the Members. The requisite resolution forms part of the Notice of the ensuing Annual General Meeting. He is not debarred from holding the office of Director by virtue of any order of SEBI or any other statutory authority.

Further details about the above directors are given in the Corporate Governance Report.

EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and as per the latest Listing Regulations, the annual performance evaluation of the Board, its Committees and of Individual Directors was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has formulated a familiarisation program for the Independent Directors to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The details of such program are available in the Company's website at http://www.suryalakshmi.com/investor-corporate-governance.aspx.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has obtained the declaration from the Independent Directors confirming that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013. The Independent Directors appointed by the Company possess integrity, expertise and experience in their respective fields.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held under the Chairmanship of Sri Dhruv Vijai Singh, Independent Director on 11 February, 2026, inter-alia to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees.

The policy also provides the criteria for determining qualifications, positive attributes and Independence of Directors and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at http://www.suryalakshmi.com/investor-corporate-governance.aspx.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

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

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

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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

DISCLOSURES UNDER THE COMPANIES ACT, 2013

i) **Annual Return:**

The Company's Annual Return has been hosted on Company's website and can be accessed at the weblink www.suryalakshmi.com. Therefore, the extract of Annual Return as per the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 has not been annexed to this Board's Report.

ii) **Number of Board Meetings:**

The Board of Directors met five times during the Financial year 2025-26. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

iii) **Committees of the Board:**

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance of these Committees during the year have been enumerated in Corporate Governance Report and CSR Report which forms part of the Annual Report.

iv) **Related Party Transactions:**

All the related party transactions are entered into on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large. Thus disclosure in Form AOC-2 is not required to be made. All Related Party Transactions are disclosed to the Audit Committee and the Board.

Omnibus approval is obtained for the transactions which are foreseeable and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of the transactions for its review. The Related Party Transactions Policy as approved by the Board is uploaded on the company's website at the web link: http://www.suryalakshmi.com/investor.corporate.governance.aspx.

v) **Reporting Of Frauds**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

vi) No Loans / Guarantees / Investments under Section 186 of the Companies Act, 2013 have been made during the year.

vii) There were no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

CORPORATE GOVERNANCE

As per the Listing Regulations, Management Discussion and Analysis Report forms part of the Corporate Governance in the Annual Report (**ANNEXURE-V**). The Company has complied with the corporate governance requirements under the Companies Act, 2013 as stipulated under the Listing Regulations. A separate section on corporate governance under the Listing Regulations, along with a certificate from a Practising Company Secretary confirming the compliance, is annexed and forms part of the Annual Report (**ANNEXURE-I**).

CORPORATE SOCIAL RESPONSIBILITY POLICY

At Suryalakshmi a major concern has been, the sincere effort by the Company to recognize the role played by the Society at large, the environment and its human resources in its sustainability and growth and to strive to discharge its social responsibility as a corporate citizen. To this end, the Company has always tried to strike a fine balance of economic, environmental and social commitments. The sustainable stewardship mantra is not limited to philanthropy, but encompasses holistic community development and other initiatives to strengthen business sustainability. The core areas for Suryalakshmi's Corporate Social Responsibility (CSR) Programmes for this year have been health care, environment and education. Details of the projects / activities implemented by the Company are furnished in a separate **ANNEXURE-II** to this report. The Company constituted a Committee of CSR consisting of Sri L.N. Agarwal, Sri Paritosh Agarwal and Sri Dhruv Vijai Singh, with Sri Dhruv Vijai Singh as Chairman.

RISK MANAGEMENT POLICY

The Company has instituted a proper mechanism for identifying and establishing controls to effectively manage different kinds of risks viz., Trend Related Risks, Raw Material Risks, Brand / Technology Risks, Operational Quality Risks, Human Resources Risks, Regulatory Risks and Financial Risks. A Committee headed by Sri Paritosh Agarwal, Managing Director reviews the risks and takes steps to mitigate identified risks.

WHISTLE BLOWER POLICY

The Company has in place a Whistle Blower policy for vigil mechanism for Directors and employees to report to the management about unethical behaviour, fraud, violation of Company's Code of Conduct, which also ensures and safeguards against victimization of those employees who seek to make use of the free access to the Audit Committee for this purpose. None of the Personnel has been denied access to the audit committee. The Whistle Blower Policy has been posted on the website of the Company at www.suryalakshmi.com/investor-corporate-governance.aspx.

DECLARATION ABOUT COMPLIANCE WITH THE CODE OF CONDUCT BY MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNEL

The Company has complied with the requirements of Code of Conduct for Board members and Senior Management Personnel.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trained) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed of during each Calendar Year:

a) No. of Complaints received - NIL

b) No. of Complaints disposed off during the year - NIL

c) No. of cases pending as at end of the Year- NIL

AUDITORS

I. **Statutory Auditors and their Report:-**

M/s. Brahmayya & Co, Chartered Accountants, Hyderabad (ICAI Firm Regn No. 000513S) were appointed as auditors for a period of 5 years in the 59th AGM on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

The Company has received the prescribed certificate from the Auditors regarding the appointment and the necessary consent for his appointment as Auditors. The Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation or adverse remark.

II. Cost Auditor and Cost Audit Report

As per the requirement of Central Government and pursuant to Section 148 of the Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company was required to maintain cost records and accordingly, such accounts are made and records have been maintained relating to Textile Divisions every year.

Pursuant to Section 148 of the Companies Act, 2013 the Board of Directors on the recommendation of the Audit Committee, has appointed M/s. S. Hariharan & Associates, Cost Accountants (Firm Registration No. 100486) as the Cost Auditors for the Financial Year 2026-27 and has recommended their remuneration to the shareholders for their ratification at the ensuing Annual General Meeting. M/s. S. Hariharan & Associates, Cost Accountants have confirmed their appointment is within the prescribed limits and also certified that they are free from any disqualification.

III. Secretarial Auditor and Secretarial Audit Report

Pursuant to the amended provisions of the SEBI LODR Regulations, 2015, M/s. K V C Reddy & Associates, Practising Company Secretaries (M. No. F9268), were appointed as Secretarial Auditors of the Company for a period of five years at the 62nd Annual General Meeting, on such terms as may be mutually agreed upon between the Board of Directors and the Secretarial Auditors, to conduct the Secretarial Audit in accordance with Section 204 of the Companies Act, 2013.

The report of the Secretarial Auditor for the financial year 2025-26 does not contain any qualifications, reservation or adverse remarks and is annexed to this report as **ANNEXURE-III.**

IV. Internal Auditor

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. K. Vijayaraghavan & Associates, LLP, a reputed firm of Chartered Accountants, as Internal Auditors of the Company.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Company has effective and adequate internal control systems in place commensurate with the size and complexity of the organisation. Internal and operational audit is carried by M/s. K. Vijayaraghavan & Associates LLP, a reputed firm of Chartered Accountants. The Internal Audit system is designed to meet the statutory requirements as well as ensure proper implementation of management and accounting controls. The internal auditors submit their report to the Managing Director and also to the Audit Committee, which reviews the report and ensures that the Audit observations are attended to by the Management.

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

Information on conservation of energy, technology absorption, foreign exchange earnings and out go, as required to be given pursuant to provision of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is annexed here to marked **ANNEXURE-IV** and forms part of this report.

DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

LISTING AND CUSTODIAN FEES

The equity shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited. The applicable annual listing fees were paid before the due date. The annual custodian fees have also been paid to the depositories.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

EMPLOYEES

Periodic Training programmes for developing a skilled workforce, personality development programmes, yoga camps, etc., encouragement of employee participation in district / state level sports events are regularly undertaken. An integrated woman focused program trains unskilled women to undertake skilled jobs at its units.

Disclosure pertaining to the remuneration and other details as required under Section 134 & 197(12) of the Act, and the Rules framed thereunder is enclosed as **ANNEXURE-VI** to the Board's Report.

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 & CHANGE IN NATURE OF BUSINESS, IF ANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report other than those disclosed in this Report and there has been no change in the nature of business of the Company.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the year under review no Company has become its subsidiary, joint venture or associate Company.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the year under review, there were no applications filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website.

MATERNITY BENEFIT

The Company has duly complied with all provisions of the Maternity Benefit Act, 1961 to the extent applicable.

ACKNOWLEDGEMENTS

The Board of Directors are pleased to place on record their appreciation of the cooperation and support extended by Banks and various State and Central Government Agencies. The Board also wishes to place on record its appreciation of the valuable services rendered by the employees of the Company.

For and on behalf of the Board of Directors
Suryalakshmi Cotton Mills Limited

L.N. AGARWAL
Chairman & Managing Director
(DIN - 00008721)

Place: Secunderabad
Date: 25 May, 2026

ANNEXURE – I

CORPORATE GOVERNANCE REPORT

The disclosures contained in this Corporate Governance Report are based on the position as at 31 March, 2026, unless otherwise stated. Material events and changes occurring up to the date of approval of the Board's Report, i.e., 25 May, 2026, have been incorporated, wherever applicable.

1. Brief statement on Company's philosophy on code of governance.

Suryalakshmi's corporate culture has meant working always proactively to meet the expectations of its customers, shareholders, employees, business associates and the society at large and in complying with the dictates of the regulatory framework both in letter and spirit. The Company believes Corporate Governance is an effective instrument for realisation of this corporate aim and accordingly endeavors to function with integrity in a transparent environment.

2. Board of Directors

a) Composition and category of Directors / Number of other Board of Directors or Committees of which Member / Chairman.

Name of the Director	Category	No. of other Directorships and names of Listed Companies of which he / she is a Director	No. of other Board Committees of which Member	No. of other Board Committees of which Chairman
Sri L. N. Agarwal DIN : 00008721	Chairman & Managing Director– Promoter/ Executive	Nil	Nil	Nil
Sri Paritosh Agarwal* DIN : 00008738	Managing Director – Promoter/ Executive	Nil	Nil	Nil
Sri R. Surender Reddy DIN : 00083972	Non-Executive – Non-Independent	Nil	Nil	Nil
Sri Dhruv Vijai Singh* DIN No. 07180749	Non-Executive – Independent	Nil	Nil	Nil
Smt Aruna Prasad DIN: 07164087	Non-Executive – Independent	Nil	Nil	Nil
Dr. Malapally Chowda Reddy Balaji DIN: 06964971	Non-Executive – Independent	Nil	Nil	Nil
Sri Venkata Phani Kiran Kumar Immaneni* DIN: 11737207	Non-Executive – Independent	Nil	Nil	Nil

**Excludes directorships, memberships and chairmanships in private, foreign and section 8 Companies.

Note:

Sri Paritosh Agarwal - Re-appointed as Managing Director w.e.f. 21 June, 2025.

Sri Dhruv Vijai Singh - Second term as Independent Director of the Company ended w.e.f. 27 July, 2026.

Sri Venkata Phani Kiran Kumar Immaneni - Appointed as Additional Director (Non-Executive Independent Category) w.e.f. 27 July, 2026 in the Board Meeting held on 25 May, 2026.

b) Attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting.

Names of Directors	No. of Board Meetings attended during the period 1 April, 2025 to 31 March, 2026	Attendance at the last Annual General Meeting held on 30/09/2025
Sri L. N. Agarwal	5	Present
Sri Paritosh Agarwal	5	Present
Sri R. Surender Reddy	5	Present
Sri Dhruv Vijai Singh	5	Present
Smt Aruna Prasad	5	Present
Dr. Malapally Chowda Reddy Balaji	3	-

c) Number of other Board of Directors or committees in which a director is a member or chairperson.

NIL

d) During the financial year ended 31 March, 2026 - Five Board Meetings were held on 27/05/2025, 11/08/2025, 30/09/2025, 14/11/2025, and 11/02/2026.

e) Disclosure of relationships between Directors inter-se:

Names of Directors	Inter-se relationship
Sri L. N. Agarwal	Father of Paritosh Agarwal
Sri Paritosh Agarwal	Son of L. N. Agarwal

f) The details of shares and convertible instruments held by the Non-Executive Directors of the Company in their individual names as on 31 March, 2026 are furnished below:

Name of the Director	Designation	No. of Equity shares
Sri R. Surender Reddy	Director	28000
Sri Dhruv Vijai Singh	Director	NIL
Smt Aruna Prasad	Director	NIL
Dr. Malapally Chowda Reddy Balaji	Director	NIL

g) Web link where details of familiarization programmes imparted to independent directors is disclosed.

http://www.suryalakshmi.com/investor-corporate-governance.aspx

h) A chart or a matrix setting out the skills / expertise / competence of the Board of Directors specifying the following:

The list of the core skills / expertise, etc., identified by the Board of Directors as required in the context of the business(es) and sector(s) for it to function effectively and those actually available with the Board is given below:

Businesses of the Company	Core Skills / Expertise / Competencies	Name of the Director having the expertise
a) Yarn	Textile Technology - Developments / trends	Sri L. N. Agarwal / Sri Paritosh Agarwal
b Fabric	a) Cotton Markets - price trends / quality / procurement	Sri L. N. Agarwal / Sri Paritosh Agarwal
	b) Knowledge of Indian / Foreign Markets	Sri Paritosh Agarwal / Sri Dhruv Vijai Singh
	c) Fashion trends / designs	Sri Paritosh Agarwal
	d) Textile machinery – developments	Sri Paritosh Agarwal
	e) General management / Economy / Administration / strategic thinking / Government policies	Sri Paritosh Agarwal / Sri R. Surender Reddy / Sri Dhruv Vijai Singh / Smt Aruna Prasad / Dr. Malapally Chowda Reddy Balaji
	f) Financial Markets / Institutions	Sri Paritosh Agarwal / Sri R. Surender Reddy / Sri Dhruv Vijai Singh / Smt Aruna Prasad
	g) Company's legal environment & implications for the Company	Sri Dhruv Vijai Singh / Sri Paritosh Agarwal

i) Confirmation from the Board

The Board of Directors confirms that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

j) Detailed reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided

During the year under review, no Independent Director resigned before the expiry of his/her tenure. Accordingly, this disclosure is not applicable.

Re-appointment of Directors

The details relating to appointment/ re-appointment of other Directors as required under regulation 36(3) of SEBI (LODR) Regulations, 2015 are provided in the Notice to the Annual General Meeting.

The changes in the Composition of Board of Directors is mentioned in item no. 2(a) of this report.

3. AUDIT COMMITTEE

a. Brief description of terms of reference

i. Oversight of Company's financial reporting process and disclosure of financial information.

ii. Review of financial statements before submission to Board.

iii. Review of adequacy of internal control systems and internal audit functions.

iv. Review of Company's financial and risk management policies.

v. Adequacy of internal financial control system in place and operating effectiveness of such controls.

b. Composition, names of members and Chairperson

i. Sri Dhruv Vijai Singh - Chairman, Non-Executive Independent

ii. Sri R. Surender Reddy - Member, Non-Executive Non-Independent

iii. Smt Aruna Prasad - Member, Non-Executive Independent

iv. Dr. Malapally Chowda Reddy Balaji - Member, Non-Executive Independent

*Pursuant to the Board Resolution dated 25 May, 2026, Smt Aruna Prasad will be appointed as Chairperson and Sri Venkata Phani Kiran Kumar Immaneni will be appointed as a Member of the Audit Committee w.e.f. 27 July, 2026.

c. Meetings and attendance during the year

During the financial year ended 31 March, 2026 - Four Audit Committee Meetings were held on 27/05/2025,11/08/2025,14/11/2025and11/02/2026.

Name	No. of the Meetings attended
Sri Dhruv Vijai Singh	4
Sri R. Surender Reddy	4
Smt Aruna Prasad	4
Dr. Malapally Chowda Reddy Balaji	3

4. Nomination & Remuneration Committee

a) Brief description of terms of reference

i. 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.

ii. Formulation of criteria for evaluation of Independent Directors and the Board.

iii. Devising a policy on Board diversity.

iv. Identifying persons who are qualified to become Directors and persons suitable to be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

v. To ensure that the level and composition of remuneration involves a balance reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

b) Composition, Name of members and Chairperson

i. Sri Dhruv Vijai Singh - Chairman, Non-Executive Independent

ii. Smt Aruna Prasad - Member, Non-Executive Independent

iii. Dr. Malapally Chowda Reddy Balaji - Member, Non-Executive Independent

*Pursuant to the Board Resolution dated 25 May, 2026, Smt Aruna Prasad will be appointed as Chairperson and Sri Venkata Phani Kiran Kumar Immaneni will be appointed as a Member of the Nomination & Remuneration Committee w.e.f. 27 July, 2026.

c) Meetings and attendance during the year

During the financial year ended 31 March, 2026, Nomination and Remuneration Committee Meetings was held on 27/05/2025 and 11/02/2026.

Name	No. of the Meetings attended
Sri Dhruv Vijai Singh	2
Smt Aruna Prasad	2
Dr. Malapally Chowda Reddy Balaji	2

d) Performance evaluation criteria for Independent Directors

The Criteria followed by the Board to evaluate performance of Committees / Independent Directors:

i. The concerned Director should be a person of the highest integrity possessing the necessary expertise expected of the Director in his area of the specialization or general business.

ii. Where the Director is an Independent Director, the Director should also satisfy the requirements of independence both in letter and spirit under the Act / Regulations and does not suffer from any of the disqualifications under Act / Regulations.

iii. The Director should add value to the diversity of the Board and be honest and free to express his frank opinion in the ultimate interest of the Company.

iv. The Director should take all reasonable efforts to devote his time to contribute to the deliberations of the Board.

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A meeting of the Independent Directors was also held on 11 February, 2026 which reviewed the performance of Non-Independent Directors, Chairman and the quality of the information and follow up action is being taken on the suggestions made therein.

5. Stakeholders Relationship Committee

a) Name of Non-Executive Director heading the Committee – Smt Aruna Prasad

Composition of the Committee:

i. Smt Aruna Prasad - Chairperson

ii. Sri L. N. Agarwal - Member

iii. Sri Paritosh Agarwal - Member

iv. Dr. Malapally Chowda Reddy Balaji - Member

Note:

Sri L. N. Agarwal ceased as Committee Member w.e.f. 11 August, 2025 and Dr. Malapally Chowda Reddy Balaji was appointed w.e.f. 11 August, 2025.

b) Name and designation of Compliance Officer.

Sri E. V. S. V. Sarma, Company Secretary & Compliance Officer

c) Shareholders Complaints:

i) Number of Complaints received during the Year - Nil

ii) Number of complaints not solved to the satisfaction of shareholders - Nil

iii) Number of pending complaints – Nil

5A. RISK MANAGEMENT COMMITTEE

a) Brief description of terms of reference

The Company has instituted a proper mechanism for identifying and establishing controls to effectively manage different kinds of risks viz., Trend Related Risks, Raw Material Risks, Brand / Technology Risks, Operational / Quality Risks, Human Resources Risks, Regulatory Risks and Financial Risks.

b) Composition, names of members and Chairperson

i. Sri Paritosh Agarwal - Chairman, Executive Director

ii. Sri Siddhant Sharma - Member, Chief Executive Officer (Denim Division)

iii. Sri R. L. Narayana - Member, President (Amangal Unit)

iv. Sri Santosh Kumar Agarwal - Member, CFO

5B. SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the financial year.

Sl. No.	Name	Designation	Remarks
1.	Sri E. V. S. V. Sarma	Company Secretary & Compliance Officer	-
2.	Sri Sudhir Bhansali	President (Finance)	-
3.	Sri Santosh Kumar Agarwal	Chief Financial Officer	-
4.	Sri Prabal Bhattacharjya /Sri Vasudeo Tipre	General Manager (Exports)	-
5.	Sri R. L. Narayana	President, Amangal Unit	-
6.	Sri Siddhant Sharma	Chief Executive Officer, Ramtek Unit, Denim Division	-
7.	Sri S. V. Murthy	Chief Operating Officer, Amravati Unit	-

6. REMUNERATION OF DIRECTORS

a) All pecuniary relationship or transactions of the Non-executive Directors.

The non-executive Directors did not have any pecuniary relationship or transactions with the Company in the year under review.

b) Criteria of making payment to Non-executive Directors.

No payments are made to Non-Executive Directors, other than sitting fees for attending Board/ Committee meetings.

Sitting Fees (for year ended 31/03/2026)

Name	Designation	Amount (₹)
Sri R. Surender Reddy	Non-Executive Non-Independent Director	35,000/-
Sri Dhruv Vijai Singh	Non-Executive Independent Director	40,000/-
Smt Aruna Prasad	Non-Executive Independent Director	40,000/-
Dr. Malapally Chowda Reddy Balaji	Non-Executive Independent Director	27,500/-

@Exclusive of incidental expenses

c) Disclosures with respect to remuneration in addition to disclosures required under the Companies Act, 2013.

i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension, etc;

Details of remuneration to the Executive Directors (During 01/04/2025 to 31/03/2026)

Name	Designation	Salary & Commission (₹)	Perquisites (₹)	Total (₹)
Sri L. N. Agarwal	Chairman & Managing Director	78,00,000	10,880	78,10,880
Sri Paritosh Agarwal	Managing Director	70,20,000	58,000	70,78,000

ii) Details of fixed component and performance linked incentives, along with the performance criteria - NIL

iii) Service contracts, notice period, severance fees – NIL.

iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable -

The Company does not have any stock option plan or performance linked incentive for the Executive Directors. The appointments are made for a period of five years on the terms and conditions in the respective resolutions passed by the members in the General Meetings, which do not provide for severance fees.

7. General Body Meetings

a) Location and time, where last three AGMs held

Financial Year	Date	Venue	Time
2022-23	30/09/2023	6th Floor, Surya Towers, 105 S. P. Road, Secunderabad - 500003 (Through Video Conferencing) Regd. Office	10:30 A.M.
2023-24	22/08/2024	6th Floor, Surya Towers, 105 S. P. Road, Secunderabad - 500003 (Through Video Conferencing) Regd. Office	11:00 A.M.
2024-25	30/09/2025	6th Floor, Surya Towers, 105 S. P. Road, Secunderabad - 500003 (Through Video Conferencing) Regd. Office	11:00 A.M

b) Special resolutions passed at the last 3 Annual General Meetings

1. At the AGM held on 30/09/2023 -
   i) To ratify creation of mortgage in favor of SBICAP Trustee Company Limited.
   ii) Appointment of Sri Arvind Sadashiv Mokashi as an Independent Director.
   iii) Ratification of the Remuneration of Cost Auditor.
2. At the AGM held on 22/08/2024 -
   i) To approve appointment of Sri R. Surender Reddy as a Director liable to retire by rotation.
   ii) Appointment of Sri L. N. Agarwal (DIN – 00008721) as Chairman & Managing Director.
   iii) To consider appointment of Smt Aruna Prasad (DIN – 07164087) as an Independent Director.
   iv) Ratification of creation of mortgage.
3. At the AGM held on 30/09/2025 -
   i) To approve re-appointment of Sri Paritosh Agarwal (DIN: 00008738) as a Managing Director.

c) Whether any special resolutions passed last year through postal ballot – details of voting pattern

Not Applicable.

d) Person who conducted the postal ballot exercise

Not Applicable.

e) Procedure for postal ballot

Not Applicable.

f) Whether any special resolution is proposed to be conducted through postal ballot

No Special Resolution is proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION.

a) Quarterly results.

Quarterly report is not being sent to each household of shareholders as shareholders are intimated through the newspaper advertisement and the Company's Website http://www.suryalakshmi.com/investor-financial-information.aspx and also intimated to the stock exchanges.

b) Quarterly results are normally published in which newspapers

The Quarterly results are published in Business Standard and Nava Telangana.

c) Any website, where displayed

www.suryalakshmi.com

d) Whether it also displays official news releases and the presentations made to institutional investors or to the analysts.

The website shall be used for this purpose, when the occasion arises.

9. GENERAL SHAREHOLDER INFORMATION.

a) AGM : Date, Time and Venue

The AGM is proposed to be conducted through Video Conferencing. Detailed instructions are available in the Notice for AGM.

Date: 30/09/2026

Time: 11:00 A.M.

Venue: Registered Office

b) Financial Year

1 April, 2025 to 31 March, 2026.

c) Dividend Payment Date

No dividend has been recommended.

d) Listing on Stock Exchanges & Stock Code

The shares of the Company continue to be listed on the Stock Exchanges at the National Stock Exchange of India Limited and BSE Limited and the Company has paid upto date all the listing fees to these exchanges.

Name of the Stock Exchange	CODE / SYMBOL	Address
The National Stock Exchange of India Limited	SURYALAXMI	Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East) MUMBAI - 400 051
BSE Limited	521200	Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, MUMBAI – 400 001

e) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof

Not Applicable.

f) Registrar & Share Transfer Agents

Kfin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
HYDERABAD – 500 032.
Tel.: 040-6716 2222 / 1754

g) Share Transfer System:

The share transfers are processed in accordance with the latest SEBI guidelines on issue of securities in dematerialized form in case of service requests.

h) Distribution of shareholding

Shareholding pattern as on 31 March, 2026

Particulars	No. of Shares	% of Holding
Promoters	1,14,57,889	60.93
Indian Public	58,55,642	31.17
Bodies Corporate	4,72,783	2.51
Banks & Financial Institutions	67,266	0.35
NBFC	2,75,108	1.46
Non-Resident Indians & NRI Non-Repatriation	1,47,777	0.77
Foreign Portfolio – Corp	40,000	0.21
IEPF	1,13,886	0.61
Unclaimed Suspense Account	11,644	0.06
Others (Clearing members, HUF)	3,63,295	1.93
TOTAL	**1,88,05,290**	**100.00**

Distribution Schedule - Consolidated As on 31 March,2026

Nominal Value	Holders		Amount	
	Number	% to Total	in ₹	% to total
1-5000	8006	85.09	84,84,500.00	4.51
5001- 10000	681	7.24	54,46,740.00	2.90
10001- 20000	351	3.73	53,54,420.00	2.85
20001- 30000	128	1.36	32,89,750.00	1.75
30001- 40000	48	0.51	16,88,840.00	0.90
40001- 50000	39	0.41	18,67,350.00	0.99
50001- 100000	71	0.75	49,45,440.00	2.63
100001 & above	85	0.90	15,69,75,860.00	83.47
Total	**9409**	**100.00**	**18,80,52,900.00**	**100.00**

i) Dematerialisation of shares and liquidity

The Company's shares are available for dematerialization on both the Depositories i.e, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) 18767207 shares amounting to 99.80% of the Capital have been dematerialised by investors as on 31 March, 2026.

ISIN : INE713B01026

Address of Registrars for Dematerialistion of Shares

KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
HYDERABAD – 500 032.
Tel.: 040-6716 2222 / 1754.

j) Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any Convertible instruments, conversion date and likely impact on equity

No outstanding instruments.

k) Commodity price risk or foreign exchange risk and hedging activities

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company.

l) Plant Locations

Yarn Divisions

Amangallu Mandal, Amangallu
Ranga Reddy Dist.
Telangana - 509 321

Amravati
Addl. Amravati Indl. Area,
Textile Park, Nandgaon Peth,
Tuljapur Village, Talkhanda,
Dist. Amravati.
Maharashtra - 444 901

Denim Division

Ramtek Mauda Road
Village Nagardhan, Tehsil Ramtek
Nagpur Dist.,
Maharashtra - 440 010

m) Address for correspondence:

i. for transfer / dematerialisation of share, change of address of members and other queries relating to the shares of the Company:

M/s. KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
HYDERABAD - 500 032.
Tel.: 040-6716 2222 / 1754
Web: www.kfintech.com
E-mail Id: einward.ris@kfintech.com

ii. If any queries relating to dividend, annual reports, etc.

The Company Secretary,
Suryalakshmi Cotton Mills Limited,
6th Floor, Surya Towers, 105, S. P. Road,
Secunderabad - 500 003.
Phone No(s) : 040 - 27885200
E-mail ID: cs@suryalakshmi.com

n) ICRA Limited, the credit rating agency, has reaffirmed the Company's ratings for its bank facilities. The Long-Term Fund Based – Cash Credit and Long-Term Fund Based – Term Loan facilities have been reaffirmed at "[ICRA] BBB (Negative)" (pronounced ICRA Triple B with Negative outlook). The Short-Term Non-Fund Based facilities have been reaffirmed at "[ICRA] A3+" (pronounced ICRA A Three Plus). Further, the Long-Term / Short-Term Unallocated facilities have been reaffirmed at "[ICRA] BBB (Negative) / [ICRA] A3+" (pronounced ICRA Triple B with Negative outlook and ICRA A Three Plus).

10. OTHER DISCLOSURES

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

During the year under review, your Company has not entered into any material transaction with any of its related parties or entity belonging to the Promoter / Promoter Group which holds 10% or more shareholding in the Company. Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transactions. Omnibus approval was granted by the Audit Committee for transactions entered with related parties for the financial year 2025-26 and the same was reviewed / cleared by the Audit Committee at regular intervals. The necessary disclosures in compliance with the Accounting Standards regarding the related party transactions are given in the Notes to the financial statements.

The policy on the Related Party Transactions is hosted on the company's website at the web link: http://www.suryalakshmi.com/investor-corporate-governance.aspx.

b) Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company received show cause notices from BSE and NSE requiring it to explain why penalties aggregating to ₹ 10,56,100/- should not be imposed for violation of Regulations 17(1) and 17(1A) of SEBI (LODR) Regulations, 2015. The Company on partial approval of the waiver application submitted has paid the above amount.

c) Details of establishment of Vigil Mechanism, Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee.

The Company has in place a Whistle Blower policy for vigil mechanism for Directors and employees to report to the management about unethical behavior, fraud, violation of Company's Code of Conduct. None of the Personnel has been denied access to the audit committee. The Whistle Blower policy is placed on the website of the Company at http://www.suryalakshmi.com/investor-corporate-governance.aspx.

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

Mandatory requirements: **All complied with.**

Discretionary requirements:

i) The Board: The Board is headed by an Executive Chairman.

ii) Shareholder Rights: Half-yearly reports is not being sent to each household of shareholders as shareholders are intimated through the newspaper advertisement and the Company's website www.suryalakshmi.com.

iii) Audit qualifications: There are no audit qualifications in the Audit Report.

iv) Separate posts of Chairman and CEO: There are no separate posts of Chairman & CEO.

v) Reporting of Internal Auditor

The Internal Auditor submits his report to the Managing Director and also to the Audit Committee for review, where the Company submits its replies and action taken on the report.

e) **Web link where policy for determining 'material' subsidiaries is disclosed.**

Not applicable as the Company has no subsidiary.

f) **Web link where policy on dealing with related party transactions.**

The policy on the Related Party Transactions is hosted on the company's website at the web link: http://www.suryalakshmi.com/investor-corporate-governance.aspx.

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

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company.

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

No funds were raised by the Company through preferential allotment or qualified institutional placement as specified under Regulation 32(7A).

i) **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority -** Annexed.

j) There has been no occasion where the Board did not accept any recommendation of any Committees of the Board which is mandatorily required during the year under review.

k) **Given below are the details of total fees for all services paid to M/s. Brahmayya & Co., Chartered Accountants and Statutory Auditors of the Company on a consolidated basis during the financial year ended 31 March, 2026.**

SL. No.	Payments to the Statutory Auditors (excluding taxes)	Fees paid (₹ In lakhs)
1.	Statutory Audit fees paid for Audit of the Company and Subsidiary Companies situated in India	5.00
2.	Fees paid for other services	0.86
3.	Tax Audit	1.00
	TOTAL	6.86

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

(i) No. of complaints filed during the financial year - Nil

(ii) No. of complaints disposed off during the financial year - Nil

(iii) No. of complaints pending as on end of the financial year - Nil

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

NIL

n) **Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.**

The Company does not have any subsidiaries.

11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT SUB-PARAS (2) TO (10) ABOVE WITH REASONS THEREOF:

All the requirements of Corporate Governance Report sub-paras (2) to (10) are complied with.

12. THE CORPORATE GOVERNANCE REPORT SHALL ALSO DISCLOSE THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED.

Details given under 10(d) of the above.

13. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) to (i) of SUB-REGULATION (2) OF REGULATION 46 ARE AS GIVEN BELOW:

Regulation	Particulars of Regulations	Compliance Status (Yes / No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Not Applicable
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Not Applicable
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Dissemination of information on website	Yes

14. Declaration signed by the Chief Executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

See below

15. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' Report.

Annexed

16. Disclosures with respect to demat suspense account / unclaimed suspense account.

1. i. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;

   9 shareholders –11644 shares

   ii. number of shareholders who approached listed entity for transfer of shares from suspense account during the year;

   NIL

   iii. number of shareholders to whom shares were transferred from suspense account during the year;

   NIL

   iv. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.

   9 shareholders – 11644 shares

   v. the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

2. **Suspense Escrow Demat Account.**

   As per SEBI circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022, the Company has opened a demat account DP ID IN301330 and Client ID 41752537 in the name of "Suryalakshmi Cotton Mills Limited Suspense Escrow Demat Account" with Stock Holding Corporation of India Limited, Hyderabad – 500 034, Telangana State, India.

   The Company has issued "Letter of Confirmations" to the shareholders, to enable them to dematerialize the securities required to be issued to them under certain events. There are no cases where the Letter of Confirmations are pending for dematerialization for more than 120 days.

17. Disclosure of certain types of agreements binding listed entities.

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations.

No agreement of the nature specified in Clause 5A of part A of Schedule III to SEBI (LODR) 2015 has been entered with by the Company during the year.

CEO'S DECLARATION REGARDING CODE OF CONDUCT

As provided under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with Suryalakshmi Cotton Mills Limited Code of Conduct for the year ended 31 March, 2026.

for SURYALAKSHMI COTTON MILLS LIMITED

L. N. AGARWAL
CHAIRMAN & MANAGING DIRECTOR
(DIN – 00008721)

Place: Secunderabad
Date: 25 May, 2026

CEO / CFO CERTIFICATION

We hereby certify that:

A. **We have reviewed financial statements and the cash flow statement for the year ended 31 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 internal control systems 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 to 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 any employee having a significant role in the Company's internal control system over financial reporting.**

Place: Secunderabad
Date: 25 May, 2026

SANTOSH KUMAR AGARWAL
CHIEF FINANCIAL OFFICER
(M. No. - A200290)

PARITOSH AGARWAL
MANAGING DIRECTOR
(DIN - 00008738)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Suryalakshmi Cotton Mills Limited, Secunderabad

We, have examined the compliance of the conditions of Corporate Governance by Suryalakshmi Cotton Mills Limited ("Company"), and examined the records for the purpose of certifying compliance of the conditions of the Corporate Governance as specified in regulations 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations"), for the financial year ended 31 March, 2026. We have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

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

This certificate 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.

In our opinion and to the best of our information and according to the explanations and information furnished to us and based on the representations made by the directors and the management, I certify that, the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations"), as applicable for the said financial year ended 31 March, 2026.

For K V C REDDY & ASSOCIATES
Company Secretaries

K.V. Chalama Reddy
(Proprietor)
M.No.: F9268, C P No.: 5451
P R No.: 2301/2022
UDIN Number: F009268H000450731

Place: Hyderabad
Date: 25 May, 2026

CERTIFICATE

To
The Members,
Suryalakshmi Cotton Mills Limited, Secunderabad

Sub: Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements), 2015

We have examined the Company and Registrar of Companies records, books and papers of Suryalakshmi Cotton Mills Limited (CIN: L17120TG1962PLC000923) having its Registered Office at 6th Floor, Surya Towers, 105 Sardar Patel Road, Secunderabad – 500003, Telangana State, India ("the Company") as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable Rules and Regulations made thereunder for the Financial Year ended on 31 March, 2026.

In our opinion and to the best of my information and according to the examinations carried out by me and explanations and representation furnished to me by the Company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority as on 31 March, 2026:

SL. No.	DIN No.	Name of the Director	Designation
1)	00008721	Sri. Lakshmi Narayan Agarwal	Managing Director and Chairman/Promoter
2)	00008738	Sri. Paritosh Agarwal	Managing Director/Promoter
3)	00083972	Sri. Surender Reddy Ramasahayam	Non-Executive, non- Independent Director
4)	07164087	Smt. Aruna Prasad	Non-executive, Independent Woman Director
5)	07180749	Sri. Dhruv Vijai Singh	Non-Executive Independent Director
6)	06964971	Dr. Malapally Chowda Reddy Balaji	Non-Executive Independent Director

For K V C REDDY & ASSOCIATES
Company Secretaries

K.V. Chalama Reddy
(Proprietor)
M. No.: F9268, C P No.: 5451
P R No.: 2301/2022
UDIN Number: F009268H000450588

Place: Hyderabad
Date: 25 May, 2026

ANNEXURE – II

CSR REPORT

1. Brief outline on CSR Policy of the Company.

Suryalakshmi is acutely conscious of the contribution of the society at large to its growth and well-being as a corporate citizen and the need to repay in some measure to the society. To this end the Company has formulated a CSR policy which recognizes the policy as an engine for inclusive growth. The Company operates in areas like health care, animal welfare, promotion of rural education, drinking water supply, agro forestry, etc. The Company is working on identifying more areas which will have a wider impact on the society and the environment, in the areas where it operates.

CSR activities of Suryalakshmi are carried out through:-

Contributions to various Trusts / Societies and directly by Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dhruv Vijai Singh	Chairman	1	1
2.	L. N. Agarwal	Member	1	1
3.	Paritosh Agarwal	Member	1	1

*Pursuant to the Board Resolution dated 25 May, 2026, Smt. Aruna Prasad will be appointed as Chairperson CSR Committee w.e.f. 27 July, 2026 .

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

For CSR Committee: http://www.suryalakshmi.com/investor-corporate-governance.aspx

For CSR Policy: http://www.suryalakshmi.com/investor-corporate-governance.aspx

For CSR Projects: http://www.suryalakshmi.com/investor-corporate-governance.aspx

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable – as the Company does not have an average CSR obligation of ₹ 10 crores or more in the three immediately preceding financial years.

5.

(a) Average net profit of the company as per sub-section (5) of section 135.

₹ 979.04 lakhs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135.

₹ 19.58 lakhs

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

₹ 5.19 lakhs

(d) Amount required to be set off for the financial year, if any.

₹ 5.19 lakhs

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

₹ 14.39 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

₹ 16.04 lakhs

(b) Amount spent in Administrative Overheads.

Nil

(c) Amount spent on Impact Assessment, if applicable.

Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)].

₹ 16.04 lakhs

(e) CSR amount spent or unspent for the Financial Year:

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

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	19.58
(ii)	Total amount spent for the Financial Year	16.04
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(-)3.54
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	5.19
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.65

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance amount in Unspent CSR account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹).	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹).	Date of transfer.		
NIL								

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

No.

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

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

Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

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

10. The CSR Committee hereby confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

For and on behalf of Corporate Social Responsibility Committee and Board
for **Suryalakshmi Cotton Mills Limited**

Place: Secunderabad
Date: 25 May, 2026

Dhruv Vijai Singh
Chairman of CSR Committee and Director
(DIN - 07180749)

L. N. Agarwal
Member of CSR Committee
and Managing Director
(DIN - 00008721)

ANNEXURE – III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2026

FORM NO.MR- 3

(Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Suryalakshmi Cotton Mills Limited
Secunderabad

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Suryalakshmi Cotton Mills Limited** (hereinafter called as **"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 books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31 March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2026 ("Audit Period") 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, Overseas Direct Investment and External Commercial Borrowings; **Not applicable during the audit period**

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

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

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **not applicable to the Listed Entity during the Review Period**

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

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **not applicable to the Listed Entity during the Review Period**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **not applicable to the Listed Entity during the Review Period**

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **not applicable to the Listed Entity during the Review Period**

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

(h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(i) Other regulations as applicable: **not applicable to the Listed Entity during the Review Period**

vi. The Company is into business of manufacture and sale of Cotton & blended yarns and denim fabric. Accordingly, the following Industry specific Acts are applicable to the Company, in the view of the Management:

i) The Essential Commodities Act, 1955 and rules and notifications made thereunder

ii) The Electricity Act, 2003 and rules and regulations made thereunder

vii. We have also examined compliance with Secretarial Standards issued by The Institute of Company Secretaries of India in respect of board and general meetings of the Company.

During the period under review, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, and Guidelines

3. We, further report that:

a. 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 year under review were carried out in compliance with the provisions of the Act.

b. Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as required by regulations. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.

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

5. We further report that the above-mentioned Company being a listed entity this report is issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 08 February, 2019 issued by Securities and Exchange Board of India.

6. We further report that as per the information and explanation provided by the management, the Company does not have any material unlisted subsidiary(ies) incorporated in India pursuant to Regulation 16(c) during the period under review.

7. There were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc. referred above.

For K V C REDDY & ASSOCIATES
Company Secretaries

K. V. Chalama Reddy
(Proprietor)
M. No: F9268, C P No.: 5451
P R No.: 2301/2022
UDIN Number:
F009268H000450654

Place: Hyderabad
Date: 25 May, 2026

This report is to be read with my letter of even date which is given as **Annexure 'A'** and forms an integral part of this report.

Annexure 'A'

To,
The Members
Suryalakshmi Cotton Mills Limited
Secunderabad

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My 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. I believe that the processes and practices, I followed provide reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the compliance with laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is 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.

For K V C REDDY & ASSOCIATES
Company Secretaries

K. V. Chalama Reddy
(Proprietor)
M.No. : F9268, C P No.: 5451
P R No.: 2301/2022
UDIN Number: F009268H000450654

Place: Hyderabad
Date: 25 May, 2026

ANNEXURE – IV

Details as required under Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy	• New Energy Efficient IE-4 motors installed in production lines, Auto Coro ACO-10 machine installed and IE3 45 KW Motors installed at ETP Blower. • Furnace draft pressure indicator installed. • New Carding machine energy efficient TC-05 installed. • Monthly steam audit for entire complex and arrest of all steam leakages and optimization of all machinery steam consumption. • Monthly Air Audit for entire complex and arrest of air leakages and optimization of air consumption. • Rigorous periodic testing of steam traps by temperature gun and replacement of all faulty steam traps. • Power factor improvement with installation of a compressor in place of four smaller ones.
(ii) the steps taken by the company for utilising alternate sources of energy	• Bio Mass (Rice Husk) has been utilized in place of Coal at Process boiler. • Solar water heater for yarn conditioning plant.
(iii) the capital investment on energy conservation equipments	₹ 800.00 lakhs

B. TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption	• Integration of innovative technologies to enhance products, designs, sustainability and functionality. • Replacement of TC-12 cards and replacement of Murata AI Applied automation.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	These technologies aim to reduce the environmental impact of denim production while improving product quality, new product development and cost reduction.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	New Energy Efficient Wider width Air Jet Looms 26 No's imported from Japan (Toyota) & New Energy Efficient Latest Technology Auto Coro Machine from Germany, installed at spinning section.
(a) the details of technology imported	• Murata AI (Artificial Intelligence) Coner for higher productivity, less power consumption, high quality. • Latest technology wider width energy efficient looms & Auto Coro Machine
(b) the year of import	2023 & 2026

(c) whether the technology been fully absorbed	Yes
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not applicable
(iv) the expenditure incurred on Research and Development	Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

	(Figures in ₹ Lakhs)	(Figures in ₹ Lakhs)
	2025-26	2024-25
Foreign Exchange Earned		
FOB Value of Exports	15,184.79	18401.58
CIF Value of Exports	15,383.71	18604.96
Foreign Exchange Used		
(a) Commission on export sales	120.16	139.26
(b) Foreign Travel Expenses	24.65	25.48
(c) Raw material	0.85	-
(d) Plant & Machinery & Others	1,219.41	54.96
(e) Stores & Spares	956.04	610.04
(f) Foreign Technical and Consultancy Services	10.63	9.50
(g) Others	63.49	67.39
(h) Repayment of Principal (FCNR)	500.00	-
(i) Repayment of Interest (FCNR)	95.58	16.24

ANNEXURE – V

MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and developments

Economic overview

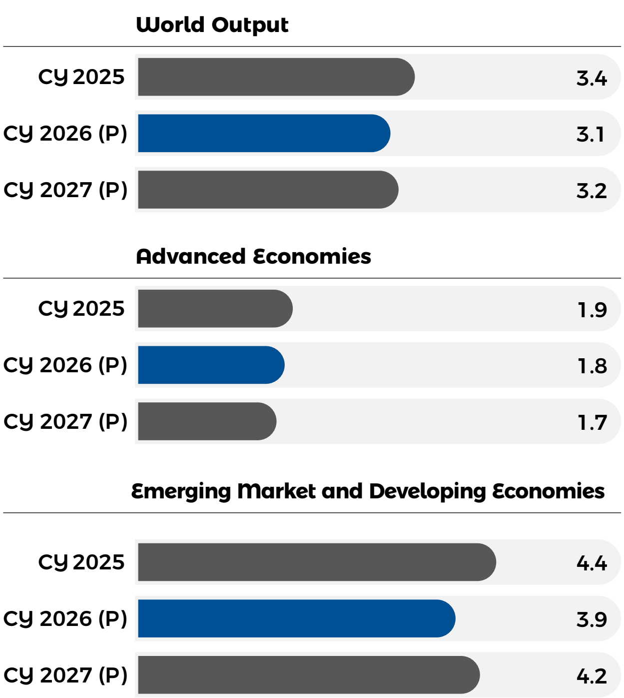
Global economy[1]

Global economic growth remained resilient in CY 2025 despite geopolitical tensions and trade-related uncertainty. Growth rate was supported by easing inflation and gradual improvement in supply chain conditions across major economies.

Inflation moderated across several regions during the year, although energy-related disruptions and supply-side pressures continued to affect select markets.

Growth trends remained uneven across sectors and regions amid changing trade patterns and supply chain adjustments.

Global GDP Growth (%)



(Source: IMF)

P – Projected

Outlook

Global GDP growth is projected to grow at 3.1% in CY 2026 and 3.2% in CY 2027, supported by demand across emerging markets and gradual improvement in trade activity. However, geopolitical tensions, tariff-related developments and volatility in commodity prices may continue to affect inflation and global trade.

Near-term disruptions are expected to ease gradually, although external uncertainties may continue to impact business sentiment.

Indian Economy

India's GDP expanded by 7.7% in FY 2025-26, accelerating from the 7.1% growth recorded in FY 2024-25[2]. This was supported by domestic demand and continued growth in the services sector. Consumer price inflation moderated to 3.4%[3] towards the end of the year.

Government focus remained on infrastructure development, capital expenditure, fiscal discipline and manufacturing-led growth. Policy measures including GST reforms, expansion of the tax base and Production-Linked Incentive (PLI) schemes continued to support economic activity and formalisation.

External factors such as geopolitical developments, trade-related uncertainties, volatility in capital flows and fluctuations in energy prices may continue to influence India's macroeconomic environment.

Outlook

India is expected to maintain healthy economic growth supported by domestic demand, infrastructure spending and improving "Ease of doing business" and policy-led investments. Continued focus on manufacturing, digitalisation, a general positive outlook for growth and infrastructure development is expected to support economic activity and capacity creation.

GDP growth for FY 2026-27 is projected at 6.6%, demonstrating a stable and broad-based growth outlook.[4] Global uncertainties, including geopolitical tensions and supply chain disruptions, may continue to influence the external environment.

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[1] https://www.imf.org/-/media/files/publications/weo/2026/april/english/text.pdf

[2] https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

[3] https://www.mospi.gov.in/uploads/latestreleasesfiles/1776078391571-Press_Release_of_CPI_March_2026.pdf

[4] https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf

Indian GDP Growth Trend (%)

P - Projected

Source: MoSPI, RBI

Industry Overview

Indian Textile Industry[5]

In FY 2025-26, India's textile exports, including handicrafts, grew by 2.1% to ₹ 3,16,334.9 crores. Ready-made garments remained the largest contributor, increasing from ₹ 1,35,427.6 crores to ₹ 1,39,349.6 crores, registering growth of 2.9%.

Government initiatives such as PM MITRA, PLI for textiles, export support measures and cotton sector programmes continued to support investments, manufacturing and exports across the textile industry. Trade agreements and policy measures relating to domestic manufacturing and custom duties are also expected to support market access and industry competitiveness.

The textile sector continues to benefit from policy support aimed at improving manufacturing capacity, employment generation and export growth.

Opportunities[6]

Free Trade Agreements (FTAs)

The growing protectionism, tariff threats and geopolitical realignments have heightened the need for and hastened the conclusion of FTAs in the International Trading world. Some of the significant FTAs concluded by India are with UK, Europe Union, Qatar, Oman, New Zealand, etc. Equally important is the progress achieved in the tariff negotiations with USA. These FTAs help the Indian exporters to manage global trade uncertainty by lowering tariffs, improving market access and reducing dependence on a single geography. The level playing field with Bangladesh, Vietnam, Cambodia is expected to accelerate sourcing shifts towards India especially for value-added categories. These in-turn are expected to result in a cascading effect on demand for downstream textile products through the supply chain.

Cotton Sector Reforms

The cotton ecosystem supports nearly 6 million farmers along with a large workforce across the value chain. Key initiatives include the Kapas Kisan mobile app for farmer registration and the Kasturi Cotton Bharat programme aimed at improving global acceptance. Furthermore, the government's complete withdrawal of the mandatory Quality Control Order (QCO) and BIS certification requirements for cotton bales brings significant relief to the domestic ginning industry from infrastructure and compliance costs.

Integrated Programme for the Textile Sector

The Union Budget 2026-27 introduced comprehensive measures to build self-reliance and promote environmental responsibility. A primary component, the National Fibre Scheme, aims to expand domestic capacity across the natural and man-made fibre spectrum to reduce import dependencies. Concurrently, the newly launched Tex-Eco Initiative promotes environmentally sustainable manufacturing and apparel production, aligning directly with the industry's shift toward green energy.

Export and Liquidity Enhancements

To support industry exporters, the government has extended the export obligation period from six months to twelve months for manufacturers using duty-free imported inputs. Additionally, measures to enhance the Trade Receivables Discounting System (TReDS) have been introduced to improve liquidity access for textile MSMEs, enabling smoother cash flow operations and production cycles.

Sustainability and Circularity Initiatives

Collaborative programmes promoting circular practices and upcycled products are gaining traction. These initiatives aim to integrate sustainability into procurement and production processes.

Labour Reforms

Unified framework covering wages, working conditions, safety and social security. This is expected to streamline compliance and improve overall workforce conditions in the sector.

Goods and Services Tax (GST) 2.0

Rationalisation of GST in 2025 has contributed to cost efficiencies, provided relief to manufacturers and encouraged higher exports and employment.

[5] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2254367&reg=3&lang=1

[6] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222927&reg=3&lang=2

Challenges

Dispersed Value Chain

Geographical dispersion across spinning, processing and garmenting operations continues to increase logistics costs and lead times.

Trade and Tariff Barriers

Elevated import duties in key export markets continue to affect competitiveness, prompting some manufacturers to consider alternative production locations.

Evolving Global Compliance Requirements

Stringent sustainability and traceability requirements in developed markets are increasing compliance costs, particularly for smaller enterprises.

Raw Material Availability

Variability in domestic cotton supply has led to firm input prices, creating cost pressures across the value chain.

Cost Competitiveness

Higher energy, logistics and production costs compared to competing countries continue to affect margins.

Indian Denim Industry

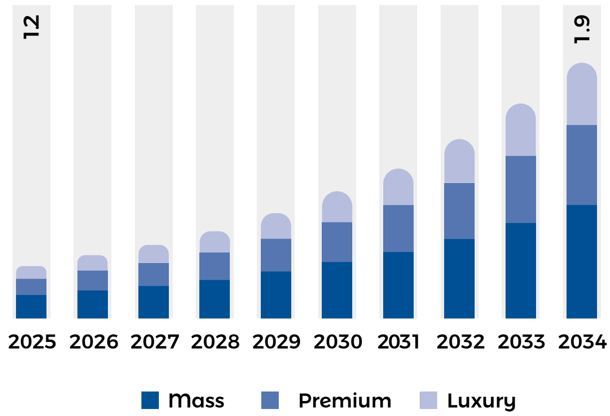
India's denim industry continued to grow during FY 2025-26, supported by rising disposable incomes, urbanisation and increasing preference for casual wear. The market was valued at around USD 1.2 billion in 2025 and is projected to reach nearly USD 1.9 billion by 2034, indicating steady medium-term growth.

Demand continues to be supported by a young consumer base, expansion of organised retail and increasing penetration of e-commerce platforms across urban and semi-urban markets. Growing preference for premium products, differentiated finishes and improved fabric quality is also influencing product trends.

Manufacturers are focusing on product innovation, efficient processing technologies and recycling practices to address changing consumer preferences and regulatory requirements. The industry caters to mass, premium and luxury segments, with applications primarily concentrated in apparel.

India Denim Market Forecast

Size, By Category, 2025-2034 (USD Billion)



Source: imarc group: India Denim Market Forecast

Opportunities

Global Sourcing Diversification

Changes in sourcing strategies by global brands may create opportunities for India to expand its presence in textile and denim exports.

Strong Manufacturing Ecosystem

Presence across spinning, fabric and apparel manufacturing supports value addition and response to market requirements.

Value Addition through Forward Integration

Movement towards finished apparel manufacturing allows companies to capture higher value within the supply chain and expand their role beyond fabric supply.

Sustainability-Led Demand

Increasing preference for environmentally responsible products is supporting demand for resource-efficient manufacturing and certified supply chains.

Product Innovation and Premiumisation

Improvement in fabric quality, finishes and product offerings is supporting participation in premium segments and export markets.

Market Diversification

Diversification across export markets and growth in domestic consumption continue to support industry demand.

Domestic Demand Expansion

Rising consumption supported by changing fashion preferences and increasing adoption of denim as an everyday wear category provides a steady base for industry growth.

Technology and Process Upgradation

Adoption of automation, digital tools and modern processing technologies is improving operational efficiency and production capabilities.

Challenges

Volatility in Raw Material Costs

Fluctuations in cotton prices and input costs continue to affect cost structures and margins across the textile value chain.

Intense Export Competition

Competition from lower-cost manufacturing countries and duty-related factors in export markets continue to affect price competitiveness.

Environmental Compliance Requirements

Compliance with water management and effluent treatment requirements involves ongoing capital and operating expenditure.

Presence of Unorganised Segment

The fragmented unorganised sector continues to account for a large share of volumes, competing on price and affecting margins stability for organised players.

Technology and Product Evolution Constraints

Need for product diversification and adoption of advanced processing technologies remains important to address changing market requirements.

Company Overview

Suryalakshmi Cotton Mills Limited manufactures yarn and denim products for domestic and export markets. With over six decades of operations, the Company supplies products to fashion brands, private labels and retail chains across 29 countries. Its manufacturing facilities in Telangana and Maharashtra support yarn and denim production through spinning, processing and fabric manufacturing operations.

The Company operates as an Original Denim Manufacturer (ODM) and offers a portfolio of yarn and denim products across varied applications. Operations are supported by in-house product development, design capabilities and automated manufacturing processes. The Company has developed over 3,000+ denim variants and continues to focus on product development, operational efficiency and timely execution.

The Company's operations are aligned with the 'Make in India' initiative and applicable quality, safety and environmental requirements.

29

Countries worldwide presence

Core Strength

Integrated Manufacturing Operations

The Company's presence across yarn and denim fabric manufacturing enables greater control over quality, production efficiency and supply chain management.

Established Position in the Denim Business

A well-developed denim manufacturing ecosystem supports the Company's presence in domestic and international markets, catering to diverse customer requirements.

Diversified Product Portfolio

The Company offers a broad range of cotton, blended, and value-added yarns along with denim fabrics, supporting business resilience across market cycles.

Value-Added Product Capabilities

The Company's ability to manufacture specialized yarns and differentiated textile products enhances its market positioning and product mix.

Manufacturing Infrastructure and Operational Expertise

Decades of industry experience, supported by modern manufacturing facilities, state-of-art machineries, enable efficient operations and consistent product quality.

Certifications

The Company's manufacturing operations comply with recognised quality, environmental and product standards.

Key certifications include

- Better cotton chain of custody standard V1.0 Single Site Certification
- Sedex (SMETA) Version 7
- ISO 14001:2015
- ISO 9001:2015
- Global Organic Textile Standard (GOTS) Version 7.0
- Global Organic Textile Standard (GOTS) Version 7.0
- Global Recycled Standard (GRS Version 4.0).
- Organic Content Standard (OCS Version 3.0)
- Recycled Claim Standard (RCS Version 2.0)
- Oeko-Tex Standard 100
- Regenagri Chain of Custody Criteria –Textiles Version 1.2

The Company also undergoes periodic social and environmental compliance audits by independent agencies in line with customer requirements across export markets, including the United States and Europe.

Product Wise Performance

The Company develops yarn and denim products for domestic and export markets based on customer requirements and market trends. Its portfolio includes over 3,000 denim variants supported by product development, design and manufacturing capabilities.

Operations cover yarn manufacturing and denim fabric production, supported by process controls and coordinated execution across sourcing, production and delivery functions. The Company's operations are aligned with the 'Make in India' initiative.

Yarn

The Company's Yarn business focuses on specialised, premium and value-added yarns catering to domestic and export markets. Supported by advanced spinning infrastructure and strong product customisation capabilities, it manufactures a wide range of cotton, polyester, blended and recycled fibre yarns, including speciality offerings such as slub, compact, core-spun and fancy yarns for diverse fashion and functional applications.

Raw materials are sourced through certified channels, while quality checks and monitoring systems across manufacturing stages help ensure product consistency and performance. Long-standing customer relationships and an increasing focus on sustainable yarn solutions continue to support the growth of the business.

Denim

The Company manufactures denim fabrics for domestic and export markets through an integrated manufacturing ecosystem encompassing dyeing, weaving and finishing operations. With decades of experience in denim manufacturing, it offers a diverse portfolio of rigid, stretch, coated, yarn-dyed and washed denim fabrics across varied weights, finishes and applications.

Fabric development is guided by evolving customer requirements, supported by advanced dyeing and finishing technologies, modern manufacturing facilities and resource-efficient processes. The integrated setup enables the Company to serve multiple product categories and market segments while delivering high-quality denim solutions that combine durability, comfort and style.

Discussion on Financial Performance with respect to Operational Performance

(₹ in Lakhs)

Particulars	FY 2025-26	FY 2024-25
Revenue From Operations	79,471.80	79,176.46
EBITDA	5,438.33	5,796.9
PBT	482.45	552.24
PAT	311.54	363.32

Key Ratios

Particulars	FY 2025-26	FY 2024-25	Reasons Details of significant changes (i.e. change of 25% or more as compared to the immediately previous Financial Year) in key financial ratios
Debtors' turnover ratio (in times)	4.44	4.35	-
Inventory turnover ratio (in times)	3.67	3.68	-
Interest coverage ratio (in times) (including Debt repayment)	1.82	1.69	Improvement in operating profitability and reduction in finance cost
Current ratio (in times)	1.31	1.27	-
Total debt equity ratio (in times)	0.95	1.05	-
Operating profit margin (in %)	4.37	5.02	-
Net profit margin (in %)	0.39	0.46	-
Return on net worth (in %)	1.14	1.35	-

Outlook

The textile industry is expected to show a positive growth, supported by the growing demand for value-added products, increasing preference for sustainable textiles and expanding opportunities across domestic and international markets. Rising demand for premium denim fabrics, specialised yarns and faster product development cycles is expected to create opportunities for integrated manufacturers with strong operational and product development capabilities.

Going forward, Suryalakshmi will continue to focus on strengthening its portfolio of premium yarns and denim fabrics, enhancing manufacturing efficiencies and expanding its presence across key markets. Through investments in innovation, product development and sustainable manufacturing practices, the Company aims to drive long-term growth while delivering solutions aligned with evolving customer and industry requirements.

Risk and Concerns

The Company has a risk management framework for identification, assessment and monitoring of operational, financial, regulatory and business risks. The Risk Management Committee periodically reviews key risks, mitigation measures and related policies.

The framework includes periodic risk assessment, monitoring of critical business parameters and implementation of corrective measures, wherever required. The Company also evaluates environmental and social risks as part of its overall risk assessment process.

Sustainable Practices

Sustainability is integrated into the company's manufacturing approach, with a focus on balancing business growth with environmental responsibility. Through its integrated operations, the Company continues to improve resource efficiency, optimise energy and water usage and strengthen waste management practices. Guided by its 3R framework - Reduce, Replace and Recycle Suryalakshmi promotes responsible resource utilisation and cleaner production processes across the value chain.

The Company continues to focus on reducing greenhouse gas emissions, improving energy efficiency and adopting cleaner technologies to support lower-carbon operations. Water conservation initiatives, advanced effluent treatment systems and waste minimisation measures remain important areas of focus as the Company works towards building more sustainable manufacturing operations.

Human Resources

People remain central to the growth journey. The Company strives to provide a workplace built on respect, equal opportunity, safety and well-being while supporting continuous learning and professional development. Regular training programmes, skill development initiatives and employee engagement activities help strengthen workforce capabilities and preparedness.

Employee welfare is supported through health and hygiene programmes, transportation facilities, accommodation support for women employees and wellness initiatives such as yoga camps and sports participation. Alongside this, workplace safety measures, including protective equipment, fire safety systems and safe handling practices, contribute to a secure working environment. The Company also continues to encourage greater participation of women across its workforce, supporting a more inclusive workplace.

Internal Control Systems and their Adequacy

Suryalakshmi Cotton Mills has implemented a robust internal control system to ensure the efficiency and effectiveness of operations, accurate financial reporting and compliance with laws and regulations. The Company has established comprehensive policies and procedures for all major business processes, including management, human resources, procurement and inventory management. Regular audits are conducted by internal auditors to monitor compliance with these policies and procedures and to identify areas for improvement. The Company also maintains a system of checks and balances, including the segregation of duties and clear lines of authority and responsibility. Through these measures, Suryalakshmi Cotton Mills aims to minimise the risk of fraud, errors and other financial irregularities and to foster transparency and accountability throughout the organisation.

Cautionary Statement

This report on Management Discussion and Analysis includes forward-looking statements, which are predictions, expectations, projections or estimates about the Company's objectives. These statements are based on certain assumptions and expectations of future events. However, actual results may differ from these statements due to various factors such as changes in government regulations, tax laws and other statutes. Additionally, unforeseen events such as force majeure could affect the actual result. It is important for readers to understand the context in which these statements are made and that they may not reflect future outcomes accurately.

Disclosure of Accounting Treatment

The Company Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 as amended and requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

ANNEXURE – VI

Statement of particulars as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 31 March, 2026

Sl. No.	NAME OF THE DIRECTOR	RATIO OF THE REMUNERATION TO THE MEDIAN REMUNERATION OF THE EMPLOYEES
1.	Sri L. N. Agarwal	38.80
2.	Sri Paritosh Agarwal	34.92

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Sl. No.	NAME OF THE DIRECTOR	PERCENTAGE INCREASE IN THE REMUNERATION
1.	Sri L. N. Agarwal	NIL
2.	Sri Paritosh Agarwal	NIL
3.	Sri Siddhant Sharma	NIL
4.	Sri E. V. S. V. Sarma	NIL
5.	Sri Santosh Kumar Agarwal	13.77%

(iii) The percentage increase/ (decrease) in the median remuneration of employees in the financial year.

(5.28%)

(iv) The number of permanent employees on the rolls of company.

There are 2188 employees on the rolls of the Company.

(v) 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.

There was no increase in managerial remuneration during the financial year except in case of Sri Santosh Kumar Agarwal. The increase in remuneration, wherever applicable, is based on the Company's remuneration policy, market competitiveness, individual performance and overall business performance. There were no exceptional circumstances for increase in managerial remuneration.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.

The remuneration paid to the Key Managerial Personnel is as per the Remuneration Policy of the Company.

For and On behalf of the Board
For Suryalakshmi Cotton Mills Limited

L. N. Agarwal
Chairman & Managing Director
(DIN: 00008721)

Place: Secunderabad
Date: 25 May, 2026.

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

List of Top 10 salaried employees for the financial year ended 31 March, 2026.

Sl. No.	Name of the employee	Designation	Remuneration received (₹) in Lakhs	Nature of the employment	Qualification	Experience in years	Organisation worked for before SuryaLakshmi	Date of commencement of the employment	Date of Birth	Age of the employee	% of the equity shares held in the company	Whether the employee is relative of any Director or Manager
1	Mr. L N Agarwal	Chairman & Managing Director	78.12	Regular	Undergraduate	63	NIL	22-06-1994	08-09 1933	92	25.73	Yes
2	Mr. Paritosh Agarwal	Managing Director	70.78	Regular	Graduate	31	Suryavanshi Spinning Mills Limited	06-09-1994	18-03-1973	53	10.48	Yes
3	Mr. Vedant Agarwal	Chief Executive	30.07	Regular	BSc Industrial Engineering	4	Nil	15-11-2022	03-09-1999	26	6	Yes
4	Mr. Vasudeo Tipre	G M - Exports	23.82	Regular	BSc Statistics , MBA Marketing	32	Mafatlal Industries Ltd-Denim Division	25-09-2014	28-06-1969	56	Nil	No
5	Mr. Prabal Kumar Bhattacharjya	G M - Exports	23.75	Regular	Masters in Management; Masters Diploma in International Trade	31	RSWM Ltd	18-04-2014	01-08-1969	56	Nil	No
6	Mr. Santosh Kumar Agarwal	CFO	18.83	Regular	B.Com, ACA	38	Grasim Industries Ltd.	09-07-2008	03-04-1964	61	Nil	No
7	Amol R Mahajan	Vice President - Processing (Denim Unit)	18.42	Regular	BSc (Tech), IDM	25	Centuri Denim Ltd. Anubha Industries Ltd. Suraj(GJ)	18-07-2016	01-06-1977	48	Nil	No
8	Mr. E V S V Sarma	Company Secretary	17.76	Regular	B.Sc, ACMA, ACS, LLM	45	Transport Corporation of India Limited	03-05-1995	11-02-1951	75	0.02	No
9	Mr. Tapan Kumar Gogoi	Vice President (Weaving)	16.40	Regular	Diploma in Textile Technology	36	Nandan Denim Limited	21-07-2022	01-03-1969	57	Nil	No
10	Mr. Kiran Mitna	A G M - Marketing	15.76	Regular	B. Com	34	Aravind Mills - Mumbai	05-05-2003	04-04-1968	58	Nil	No

INDEPENDENT AUDITORS' REPORT

To
The Members of
SURYALAKSHMI COTTON MILLS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SURYALAKSHMI COTTON MILLS LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (herein after referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Auditors responsibility for the Audit of Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
Minimum Alternate Tax (MAT) Credit Entitlement – Deferred tax assets The Company pays minimum alternate tax (MAT) under section 115JB of the Income Tax Act, 1961. The MAT paid would be available as an offset over a period of 15 years. The MAT credit is recognized as a deferred tax asset to be available for offset when the Company pays taxes under the provision of Income Tax Act, 1961. The balance of MAT credit receivable as at March 31, 2026 is Rs. 790.00 Lakhs (refer note 19 to the financial statements). The recognition and recoverability of deferred tax asset on account of MAT credit requires significant judgement regarding the Company's future profitability and taxable income which will result in utilization of the MAT credit within the time limits available under the applicable Income tax laws.	**Principal audit procedures** In respect of such deferred tax assets, we assessed recoverability from a tax perspective by performing the following procedures: • Evaluating the design, implementation and operating effectiveness of the relevant internal controls over recognition and measurement of MAT credit assets. • Understanding why the MAT credit entitlement arose and whether the MAT credit entitlement can be utilized. • Assessed the sensitivity analysis applied by the Company and evaluated if any change in the assumptions will lead to any material change in carrying amount. • assessing any restriction in use of the MAT credit entitlement and

Key Audit Matters	Auditor's Response
	Further, we assessed the applicability of Ind AS 12 Income Taxes by assessing management's assessment of recoverability of MAT credit entitlement against forecast income streams, including reliability of future income projections. We validated the appropriateness of the related disclosures in the financial statements.

Evaluation of uncertain tax positions
 	
The Company operates in different states and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct and indirect tax matters.
 	
These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements. Refer Note 1.3 and Note 33.1 to the financial statements.
	Principal audit procedures
	
	Our audit procedures include the following substantive procedures:
	
	• Obtained understanding of key uncertain tax positions; and
	
	• We along with our internal tax experts –
	
	  • evaluated the Design and tested the operating effectiveness of controls around the assessment of the matter;
	
	  • Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;
	
	  • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and
	
	  • Assessed management's estimate of the possible outcome of the disputed cases;
	
	Assessed the appropriateness of disclosures made under the head 'Contingent Liabilities' in the financial Statements.

Information Other than the Financial Statements and Auditor's 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 financial statements and our auditor's report thereon.

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

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India.

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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c) the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account,

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

   f) With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.

   g) With respect to the Managerial remuneration to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33.1 to the financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

      iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. The Company neither declared nor paid any dividend during the year.

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

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S

(K.SHRAVAN)
Partner
Membership No. 215798
UDIN: 26215798IYCPDE4870

Place : Hyderabad
Date : 25.05.2026

ANNEXURE – A TO THE AUDITOR'S REPORT:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date ,to the members of SURYALAKSHMI COTTON MILLS LIMITED, for the year ended March 31,2026.,

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

   a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

      (B) The Company has maintained proper records showing full particulars of intangible assets.

   b. The Company has a regular program of physical verification of its property, plant and equipment, and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

   c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

   d. The company did not revalue its Property, Plant and Equipment or intangible assets during the year. Accordingly, paragraph 3 (i)(d) of the Order is not applicable.

   e. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

ii. a. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

   b. In our opinion and according to the information and explanation given to us and the records of the Company examined by us during the course of the audit, the quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account of the Company.

iii. During the year the Company has not made investments in, granted any loans or advance in the nature of loans, guarantee or security, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Therefore, the provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)f of the said Order are not applicable for the year under report.

iv. The Company has not given any loans or made any investments or given any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, clause 3 (iv) of the Order is not applicable.

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

vi. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a. According to the records, the company is regular in depositing undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2026 for a period of more than six months from the date they became payable.

b. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute except the following.

Name of the Statue	Nature of Dues	Amount (Rs. in Lakhs)	Period to which amount related	Forum where dispute is pending
Goods and Service Tax Act, 2017	Goods and Service Tax	41.40	FY 2018-19	Commissioner Appeals, CGST, Mumbai

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.

b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c. The term loans were applied for the purpose for which the loans were obtained;

d. In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e. The company does not have subsidiaries, associates or joint ventures. Hence clause 3(ix)(e) of the Order is not applicable;

f. The company does not have subsidiaries, associates or joint ventures. Hence clause 3(ix)(f) of the Order is not applicable.

x. a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, para 3 (x)(a) of the Order is not applicable.

b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.

xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. a. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;

b. We have considered the reports of the Internal Auditors for the period under audit.;

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

xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) ad (c) of the Order is not applicable

b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under 3(xvi)(d) of the Order is not applicable;

xvii. The Company has not incurred cash losses in the financial year and also in the immediately preceding financial year.

xviii. There is no resignation of statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under Para 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiaries, associates or joint ventures. Hence clause 3 (xxi) of the said Order with regard to qualifications or adverse remarks in CARO reports of the companies included in the consolidated financial statements, is not applicable.

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S

(K.SHRAVAN)
Partner
Membership No. 215798
UDIN: 26215798IYCPDE4870

Place : Hyderabad
Date : 25.05.2026

ANNEXURE B TO THE 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")

We have audited the internal financial controls with reference to financial statements of SURYALAKSHMI COTTON MILLS LIMITED ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and 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 financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorisations 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 with Reference to Financial Statements

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

Opinion

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

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S

(K.SHRAVAN)
Partner
Membership No. 215798
UDIN: 26215798IYCPDE4870

Place : Hyderabad
Date : 25.05.2026

BALANCE SHEET as at 31 March 2026

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March, 2026	As at 31 March, 2025
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2(A)	25,558.90	26,480.09
(b) Capital Work-in-progress	2(B)	2,047.04	0.30
(c) Other Intangible assets	3	18.74	17.91
(d) Financial Assets			
(i) Other Financial Assets	4	1,170.75	1,551.82
(e) Other Non Current Assets	4(A)	115.31	328.98
(2) Current assets			
(a) Inventories	5	19,978.84	20,820.81
(b) Financial Assets			
(i) Investments	6	14.39	19.35
(ii) Trade Receivables	7	17,535.69	17,915.39
(iii) Cash and cash equivalents	8	15.43	85.28
(iv) Bank balances other than (iii) above	9	856.98	2,272.39
(v) Loans	10	22.38	18.24
(vi) Other financial assets	11	1,122.87	1,611.61
(c) Current Tax Assets (Net)	12	198.35	166.67
(d) Other current assets	13	3,811.45	3,540.65
(e) Assets held for Sale	14	59.31	67.78
Total Assets		**72,526.43**	**74,897.27**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	2,057.83	2,057.83
(b) Other Equity	16	25,195.58	24,910.92
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	7,880.51	7,417.99
(ia) Lease Liability	17	4.81	8.28
(b) Provisions	18	1,209.58	1,110.38
(c) Deferred Tax Liabilities(net)	19	2,913.28	2,840.31
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	17,902.50	20,887.17
(ii) Acceptances	21(a)	4,474.92	5,612.63
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and	21(b)	412.10	1,017.24
- total outstanding dues of creditors other than micro enterprises and small enterprises	21(b)	8,086.21	6,634.85
(iv) Other financial liabilities	22	1,607.01	1,647.83
(b) Other current liabilities	23	332.79	364.16
(c) Provisions	18	449.31	387.68
Total Equity and Liabilities		**72,526.43**	**74,897.27**
Material Accounting Policies	1		
Explanatory Notes & Other Disclosures	33		

as per our report of even date attached
for **Brahmayya & Co.**

Chartered Accountants
Firm's Registration No.: 000513S

(K Shravan)
Partner
Membership No. 215798

For and on behalf of Board of Directors

(E.V.S.V. Sarma)
Company Secretary
M.No. A5220

(L. N. Agarwal)
Chairman & Managing Director
DIN: 00008721

(S K Agarwal)
Chief Financial Officer
M.No. A200290

(Paritosh Agarwal)
Managing Director
DIN: 00008738

(Dhruv Vijai Singh)
Director
DIN: 07180749

Place: Hyderabad
Date: 25.05.2026

STATEMENT OF PROFIT AND LOSS for the year ended 31 March 2026

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
I. Revenue from operations	24	79,471.80	79,176.46
II. Other income	25	1,022.35	458.28
III. Total Income (I+II)		80,494.15	79,634.74
IV. Expenses			
(i) Cost of materials consumed	26	46,303.60	45,852.47
(ii) Purchases of stock-in-trade		2,091.24	5,745.69
(iii) Changes in inventories of finished goods, stock in trade and work-in-progress	27	1,023.67	(2,399.97)
(iv) Employee benefits expense	28	7,340.97	6,907.86
(v) Finance costs	29	2,989.13	3,424.33
(vi) Depreciation and amortization expense	2,3	1,966.75	1,820.33
(vii) Other expenses	30	18,322.51	17,785.65
Total expenses (IV)		80,037.87	79,136.36
V. Profit / (Loss) before Exceptional Items and tax (III-IV)		456.28	498.38
VI. Exceptional Items	31	26.17	53.86
VII. Profit / (Loss) before tax (V+ VI)		482.45	552.24
VIII. Tax expense :			
(1) Current tax		85.75	105.50
(2) Deferred tax	33.8	85.16	83.42
IX. Profit (Loss) for the year (VII-VIII)		311.54	363.32
X. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	32	(39.07)	0.33
(ii) Income Tax relating to items that will not be reclassified to profit or loss		12.19	(0.10)
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Other comprehensive income for the year (net of tax)		(26.88)	0.23
XI. Total Comprehensive Income for the year (IX+X)		284.66	363.55
XII. Earnings per equity share (face value of ₹10/-)			
(i) Basic (Amount in ₹)	33.11	1.66	1.93
(ii) Diluted (Amount in ₹)		1.66	1.93
Material Accounting policies	1		
Explanatory Notes & Other Disclosures	33		

as per our report of even date attached
for Brahmayya & Co.

Chartered Accountants
Firm's Registration No.: 000513S

(K Shravan)
Partner
Membership No. 215798

Place: Hyderabad
Date: 25.05.2026

For and on behalf of Board of Directors

(E.V.S.V. Sarma)
Company Secretary
M.NO. A5220

(L. N. Agarwal)
Chairman & Managing Director
DIN: 00008721

(S K Agarwal)
Chief Financial Officer
M.NO. A200290

(Paritosh Agarwal)
Managing Director
DIN: 00008738

(Dhruv Vijai Singh)
Director
DIN: 07180749

STATEMENT OF CASH FLOW for the Year ended 31 March, 2026

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	for the Year ended 31-03-2026 Audited	for the Year ended 31-03-2025 Audited
A Cash flow from Operating Activities:		
Profit /(loss) before tax	482.45	552.24
Adjustments for:		
Depreciation and Amortisation	1,966.75	1,820.33
Loss/ (Gain) on sale of tangible assets (net)	8.47	(41.77)
Interest Income	(173.65)	(115.88)
Bad debts and Debit Balances written off	4.98	73.84
Finance Costs	2,989.13	3,201.65
Exceptional Item (Insurance Claim written off)	457.70	-
Exceptional Item (Interest on Refund from Department of Customs)	(483.87)	-
	5,251.96	5,490.41
Operating profit before working capital changes		
Adjustments for (increase)/decrease in operating assets		
Inventories	841.97	(1,821.05)
Trade Receivables	374.72	(37.18)
Other financial assets - Non current	(76.64)	(11.07)
Loans - current	(4.14)	(0.59)
Other financial assets - current	480.80	136.83
Other non financial assets - current	(270.79)	1,229.66
Adjustments for increase/(decrease) in operating liabilities		
Acceptances	(1,137.71)	341.88
Trade Payables	846.20	(4,723.28)
Other financial liabilities	(97.12)	149.39
Short term provisions	61.63	(21.13)
Long term provisions	65.09	60.79
Non Financial Liabilities	(31.37)	64.23
Cash generated from operations	6,304.60	858.89
Income tax paid	(117.44)	(82.92)
Net Cash flow from/(used in) operating activities	**6,187.16**	**775.97**
B Cash flow from Investing Activities:		
Purchase of Property, plant and Equipment & Intangible assets and Capital Advances & Capital Creditors	(2,929.19)	(2,138.86)
Proceeds from sale of Property, plant and equipment (Including Assets Held for Sale)	68.91	166.70
Interest income Received	665.45	83.51
Changes in Other Bank Balances	1,415.42	(1,392.77)
Net Cash flow from/(used in) investing activities	**(779.41)**	**(3,281.42)**

STATEMENT OF CASH FLOW for the Year ended 31 March, 2026

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	for the Year ended 31-03-2026 Audited	for the Year ended 31-03-2025 Audited
C Cash flow from Financing Activities:		
Proceeds / (Repayments) of short term borrowings, net	(3,637.85)	4,892.51
Proceeds from Long term borrowings	2,469.68	1,608.47
Repayment of Long term borrowings	(1,370.95)	(851.64)
Interest and other borrowing costs paid	(2,934.40)	(3,073.14)
Repayment of Lease liabilities	(4.08)	(3.06)
Net Cash flow from/(used in) financing activities	**(5,477.60)**	**2,573.14**
Net Increase in Cash and Cash equivalents (A+B+C)	**(69.85)**	**67.69**
Cash and Cash equivalents at the beginning of the year	85.28	17.59
Cash and Cash equivalents at the end of the year	**15.43**	**85.28**

as per our report of even date attached
for **Brahmayya & Co.**

Chartered Accountants
Firm's Registration No.: 000513S

(K Shravan)
Partner
Membership No. 215798

Place: Hyderabad
Date: 25.05.2026

For and on behalf of Board of Directors

(E.V.S.V. Sarma)
Company Secretary
M.No. A5220

(L. N. Agarwal)
Chairman & Managing Director
DIN: 00008721

(S K Agarwal)
Chief Financial Officer
M.No. A200290

(Paritosh Agarwal)
Managing Director
DIN: 00008738

(Dhruv Vijai Singh)
Director
DIN: 07180749

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2026

A. Equity Share Capital

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
At the beginning of the year	1,880.53	1,880.53
Changes in Equity Share capital due to prior period Errors	-	-
Restated Balance at the beginning of the current reporting period	1,880.53	1,880.53
Changes in equity share capital during the year	-	-
At the end of the year	1,880.53	1,880.53
Add : Forfeited Shares	177.30	177.30
Total	**2,057.83**	**2,057.83**

B. Other Equity (Refer Note: 16)

Particulars	Reserves and Surplus				Accumulated Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Other Reserves	Retained Earnings	Remeasurements of net defined benefit plans	Equity Instruments through OCI	
Balance as at 31st March 2024	214.35	9,851.76	5,296.84	9,486.34	(314.50)	12.58	24,547.37
Total Comprehensive Income for the year ended 31st March 2025				363.32	1.43	(1.20)	363.55
Balance as at 31st March 2025	214.35	9,851.76	5,296.84	9,849.66	(313.07)	11.38	24,910.92
Total Comprehensive Income for the year ended 31st March 2026				311.54	(21.93)	(4.95)	284.66
Balance as at 31st March 2026	214.35	9,851.76	5,296.84	10,161.20	(335.00)	6.43	25,195.58

The accompanying notes are an integral part of the financial statements.

Nature and purpose of Reserves

(a) **Capital Reserve :** This reserve is created on surplus arising on amalgamation of Suryakiran International Ltd.

(b) **Securities premium:** This reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

(c) **Retained Earnings:** This Reserve represents the cumulative profits of the Company This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(d) **Remeasurements of the net defined benefits plan:** This reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

(e) **Equity Instruments through other comprehensive income :** The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

as per our report of even date attached
for Brahmayya & Co.

Chartered Accountants
Firm's Registration No.: 000513S

(K Shravan)
Partner
Membership No. 215798

Place: Hyderabad
Date: 25.05.2026

For and on behalf of Board of Directors

(E.V.S.V. Sarma)
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Managing Director
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(Dhruv Vijai Singh)
Director
DIN: 07180749

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

CORPORATE INFORMATION

Surya Lakshmi Cotton Mills Limited (the 'company') is a public limited company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the company is located at 6th Floor,Surya Towers, 105 S P Road, Secunderabad, Telangana - 500003.

The company was formed in early 1960s as a yarn manufacturing company. It has evolved today as integrated denim & yarn manufacturing textile Company.

1. MATERIAL ACCOUNTING POLICIES

1.1. Basis of Preparation and Measurement:

Explicit Statement of Compliance with Ind AS:

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

These financial statements were authorised for issuance by the Company's Board of Directors on 25 May 2026.

1.2. Current Vs Non-current classifications:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for current or non-current classification of assets and liabilities.

1.3. Use of Estimates,Judgements and Assumptions:

The preparation of financial statements in conformity with the Ind AS requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. The application of Accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below:

- Defined benefit obligation.
- Estimation of useful life of Property, Plant and Equipment.
- Estimation of Provisions and Contingent liabilities
- Estimation of Impairment
- Recognition of Deferred taxes

1.4 Property, plant and equipment

- **Measurement at recognition**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment other than land are carried at their cost less accumulated depreciation and accumulated impairment losses. Freehold land is carried at cost of acquisition.

The cost of an item of property, plant and equipment comprises the purchase price and any cost attributable to bring the asset to its location and working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

- **Capital Work in Progress**

  Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

- **Depreciation and amortization methods**

  Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the assets costing Rs. 5000/- or below on which depreciation is charged @ 100%.

  Depreciation on additions is being provided on pro rata basis from the date of such additions. Depreciation on assets sold, discarded or demolished during the year is being provided up to the date on which such assets are sold, discarded or demolished.

  The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc and are as under:

Asset Classification	Useful Life
Factory Building	30 Years
Non-Factory Buildings	30 - 60 Years
Plant & Equipment	03 - 40 Years
Furniture & Fixtures	05 - 10 Years
Office Equipment	05 Years
Vehicles	08 -10 Years
Data Processing Equipment	03 –06 Years

- **Impairment**

  a) Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

  b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset are no longer existing or have decreased.

- **Derecognition**

  The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

1.5 Intangible Assets:

- **Computer Software**

  Computer software is measured on initial recognition at cost. Following initial recognition, software is carried at its cost less accumulated amortization and accumulated impairment losses.

- **Amortization Methods**

  The carrying amount of computer software is amortized over the useful life as estimated by the Management which is about 6 years for ERP software and 3 years all other intangible computer software assets.

- **Impairment**

  a) Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset are no longer existing or have decreased.

- **Derecognition**

  The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

1.6 Borrowing Costs

Borrowing costs to the extent attributable to the acquisition or construction of a qualifying fixed asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognized as expenses in the Statement of Profit and Loss in the period in which they are incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs include interest (calculated using Effective Interest Method) and other cost incurred in connection with the borrowing of funds.

1.7. Inventories

Inventories are valued at the lower of cost and net realizable value.

Scrap is valued at Net realizable value.

The cost is computed on weighted average basis.

Cost of inventories comprises cost of purchases and includes all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts, stand-by equipment and servicing equipment are recognized in accordance with this IndAS-16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory.

1.8. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

- **Initial recognition and measurement:**

  All financial assets are recognized initially at fair value plus, in the case of financial assets other than those recorded at Fair Value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

- **Subsequent measurement:**

  For subsequent measurement, the Company classifies its financial assets into the following categories:

  (i) Amortized cost

  (ii) Fair value through profit and loss (FVTPL)

  (iii) Fair value through other comprehensive income (FVOCI).

  i) Financial Asset measured at amortized cost

  Financial Assets held within a business model whose objective is to hold financial 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 are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss.

  The company while applying above criteria has classified all the financial assets (except investments in equity shares) at amortized cost.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

ii) Financial Asset measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

The company while applying above criteria has identified that there are no financial assets that can be classified at fair value through other comprehensive income. However, the company made an election to present fair value changes of investment in equity shares in other comprehensive income as per para 5.7.5 of Ind AS 109.

iii) Financial Asset measured at fair value through profit and loss (FVTPL)

Financial Assets are measured at fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Investments in Equity shares meet the above criteria for measurement at FVTPL. However, the company made an election to present fair value changes of investment in equity shares in other comprehensive income as per para 5.7.5 of Ind AS 109. Dividend on these equity investments are recognised in Statement of Profit and loss when the Company's right to receive payment is established.

- **Impairment**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognized during the period is recognized as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

- **Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Financial Liabilities

- **Initial Recognition and Measurement**

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

- **Subsequent Measurement**

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognized in the profit or loss. The Company doesn't designate any financial liability at fair value through profit or loss.

b. Financial liabilities at amortized cost

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

- **Derecognition**

  A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

1.9. Acceptances

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to suppliers for raw materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances . Interest borne by the Company on such arrangements is accounted as finance cost.

1.10. Government Grants

1 Grants and Subsidy from the government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

2 When the grant or subsidy relates to loan expense item, it is recognised either as reduction from related expense or as other income over the periods necessary to match them on a systematic basis to the costs which it is intended to compensate.

3 Government grants received in relating to the purchase of property, plant and equipment presented as reduction to the carrying value of related asset and the same in recognised in statement of profit and loss over the life of depreciable asset as a reduced depreciation expense.

4 When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and proceeds received. The Loan is subsequently measured as per the accounting policy applicable to financial liabilities."

1.11. Revenue Recognition

- Revenue from Sale of goods and services

  Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

  Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

  Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

  Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

  The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

- **Contract Balances**

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

- **Interest / Dividend**

Interest Income is recognized using the Effective interest rate (EIR) method. Dividend income is recognized when right to receive is established.

1.12. Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

1.13. Prior period items

In case prior period adjustments are material in nature the Company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". Immaterial items pertaining to prior periods are shown under respective items in the Statement of Profit and Loss.

1.14. Non-current assets Held for sale and Discontinued Operations

- **Non-current Assets Held for Sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortised. Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

- **Discontinued Operations**

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

(a) represents a separate major line of business or geographical area of operations,

(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or

(c) is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations that relate to all operations that have been discontinued by the end of the reporting period for the latest period presented are presented

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

separately in the statement of profit and loss under " profit/loss from discontinued operations". This presentation is made for all the periods presented.

1.15. Cash and Cash equivalents

Cash and cash equivalents include cash on hand and at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash which are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the Statement of Cash Flows, cash and cash equivalents consists of short term deposits, as defined above, net of outstanding bank overdraft as they are being considered as integral part of the Company's cash management.

1.16. Income taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest / expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

1.17. Provisions and contingent liabilities

Provisions are recognized when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as a finance cost.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.18. Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

1.19. Foreign Currency transactions

- **Functional and Reporting Currency:**

  The Company's functional and reporting currency is Indian National Rupee

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

- **Initial Recognition:**

  Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amounts the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

- **Conversion on reporting date:**

  Foreign currency monetary items are reported using the closing rate. Non-monetary items 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.

- **Exchange Differences:**

  Exchange difference arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognized as income or as expenses in the year in which they arise.

1.20. Employee Benefits

- **Short-Term Employee Benefits**

  The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

- **Post-Employment Benefits**

  Defined Contribution Plan

  Employer's contribution to Provident Fund/ Employee State Insurance which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

  Defined Benefit Plan

  a. **Gratuity and compensated absences**

  Gratuity and compensated absences are in the nature of defined benefit obligations. These are provided based on independent actuarial valuation on projected unit credit method made at the end of each reporting period as per the requirements of Ind AS 19 "Employee Benefits". Actuarial gain/ (loss) in the valuation are recognized as other comprehensive income for the period.

1.21. Dividends

Annual dividend distribution to the shareholders is recognized as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognized on approval by Board of Directors. Dividend payable is recognized directly in equity.

1.22. Recent Accounting Pronouncement

The Company applied for the first time these amendments of Ind AS 8 , Ind AS 1 and Ind AS 12 and there is no material impact on financials.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

1.23 Recent accounting pronouncements

a) Application of new and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 applicable to the Company w.e.f. 1st April, 2025.

i) **Amendments to Ind AS 21 - Lack of exchangeability**

The amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

The amendments do not have a material impact on the Company's financial statements.

ii) **Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Noncurrent**

Liabilities with Covenants

Amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8. The amendments have not resulted in additional disclosures and have not had an impact on the classification of Company's liabilities.

iii) **Amendments to Ind AS 12 – International Tax Reform Pillar Two Model Rules**

Amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and

- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.

iv) **Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements**

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments have resulted in additional disclosures in Note 21(a) but did not have an impact on the classification and recognition of Company's liabilities in financial statements.

b) Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, up to the date of issuance of the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

2 Property, Plant and Equipment & Intangible Assets

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31st March 2025	Additions	Deletions	As at 31 March 2026	Upto 31st March 2025	For the year	On Deletions	As at 31 March 2026	As at 31 March 2026	As at 31 March 2025
(A) Property, Plant and Equipment:										
1 Land										
Freehold#	229.32	-		229.32	-			-	229.32	229.32
Leasehold (ROU) See note 33.16	571.87	-		571.87	35.96	6.31		42.27	529.60	535.91
2 Buildings:										
Factory	8,802.66	2.14		8,804.80	4,478.39	274.99		4,753.38	4,051.42	4,324.27
Non Factory Building	3,137.37	-		3,137.37	1,234.39	74.88		1,309.27	1,828.10	1,902.98
Township	934.12	35.87		969.99	191.78	14.83		206.61	763.38	742.34
Non Factory Building (ROU) See note 33.16	58.80	-		58.80	50.78	3.56		54.34	4.46	8.02
3 Plant & Machinery										
Workshop equipment	8.14	-		8.14	7.73	0.01		7.74	0.40	0.41
Plant and Machinery	45,340.86	1,006.46	718.00	45,629.32	30,365.28	1,268.82	649.08	30,985.02	14,644.30	14,975.58
Testing Equipment	396.00	9.92		405.92	362.53	13.33		375.86	30.06	33.47
Electrical Installations	7,047.28	2.98		7,050.26	3,587.24	240.32		3,827.56	3,222.70	3,460.04
Weighing Machines	50.34	0.62		50.96	43.21	1.35		44.56	6.40	7.13
Water Works	463.00	-		463.00	408.37	18.97		427.34	35.66	54.63
4 Furniture and Fixtures	379.06	37.16		416.22	318.01	16.04		334.05	82.17	61.05
5 Vehicles	320.41	-		320.41	182.14	23.33		205.47	114.94	138.27
6 Data Processing Equipment	89.07	18.99		108.06	82.40	9.67		92.07	15.99	6.67
TOTAL (A)	67,828.30	1,114.14	718.00	68,224.44	41,348.21	1,966.41	649.08	42,665.54	25,558.90	26,480.09
(B) Capital Work-in-progress	0.30	3,097.03	1,050.29	2,047.04					2,047.04	0.30
Total (B)	0.30	3,103.74	1,057.00	2,047.04					2,047.04	0.30

Includes 50.12 Acres of Land in the Denim Division under conversion into non agricultural use at Ramtek, Maharashtra

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

2 Property, Plant and Equipment & Intangible Assets

Capital work in progress (CWIP) ageing schedule as at March 31, 2026

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,047.04	-	-	-	2,047.04
Projects temporarily suspended	-	-	-	-	-
Total	**2,047.04**	**-**	**-**	**-**	**2,047.04**

3 Other Intangible Assets

(All amounts in ₹ Lakhs, unless otherwise stated)

Sl. No	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 31st March 2025	Additions	Deletions	As at 31 March 2026	Upto 31st March 2025	For the year	On Deletions	Upto 31 March 2026	As at 31 March 2026	As at 31 March 2025
	Other Intangible Assets:										
	Computer Software	52.82	1.17	-	53.99	34.91	0.34	-	35.25	18.74	17.91
	Total	**52.82**	**1.17**	**-**	**53.99**	**34.91**	**0.34**	**-**	**35.25**	**18.74**	**17.91**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

2 Property, Plant and Equipment & Intangible Assets

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31st March 2024	Additions	Deletions	As at 31 March 2025	Upto 31st March 2024	For the year	On Deletions	As at 31 March 2025	As at 31 March 2025	As at 31st March 2024
(A) Property, Plant and Equipment:										
1 Land										
Freehold#	229.32			229.32	-			-	229.32	229.32
Leasehold (ROU) See note 33.16	571.87	-		571.87	29.65	6.31		35.96	535.91	542.22
2 Buildings:										
Factory	8,776.35	26.31		8,802.66	4,203.07	275.32		4,478.39	4,324.27	4,573.28
Non Factory Building	3,137.37			3,137.37	1,159.39	75.00		1,234.39	1,902.98	1,977.98
Township	924.57	9.55		934.12	176.95	14.83		191.78	742.34	747.62
Non Factory Building (ROU) See note 33.16	48.11	10.69		58.80	48.11	2.67		50.78	8.02	-
3 Plant & Machinery										
Workshop equipment	8.14			8.14	7.72	0.01		7.73	0.41	0.42
Plant and Machinery	45,113.11	1,807.28	1,579.53	45,340.86	30,749.19	1,078.20	1,462.11	30,365.28	14,975.58	14,363.92
Testing Equipment	574.78		178.78	396.00	509.81	31.51	178.79	362.53	33.47	64.97
Electrical Installations	6,891.38	358.44	202.54	7,047.28	3,519.32	270.47	202.55	3,587.24	3,460.04	3,372.06
Weighing Machines	49.55	0.79		50.34	41.38	1.83		43.21	7.13	8.17
Water Works	463.00			463.00	389.04	19.33		408.37	54.63	73.96
4 Furniture and Fixtures	374.27	4.79		379.06	303.43	14.58		318.01	61.05	70.84
5 Vehicles	326.27	10.28	16.14	320.41	174.66	22.81	15.33	182.14	138.27	151.61
6 Data Processing Equipment	76.50	12.57		89.07	75.54	6.86		82.40	6.67	0.96
TOTAL (A)	**67,564.59**	**2,240.70**	**1,976.99**	**67,828.30**	**41,387.26**	**1,819.73**	**1,858.78**	**41,348.21**	**26,480.09**	**26,177.33**
(B) Capital Work-in-progress	87.18	2,143.13	2,230.01	0.30				-	0.30	87.18
Total (B)	87.18	2,143.13	2,230.01	0.30	-	-	-	-	0.30	87.18

Includes 50.12 Acres of Land in the Denim Division under conversion into non agricultural use at Ramtek, Maharashtra

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

2 Property, Plant and Equipment & Intangible Assets

Capital work in progress (CWIP) ageing schedule as at March 31, 2025

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.30	-	-	-	0.30
Projects temporarily suspended	-	-	-	-	-
Total	**0.30**	**-**	**-**	**-**	**0.30**

3 Other Intangible Assets

(All amounts in ₹ Lakhs, unless otherwise stated)

Sl. No	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
		As at 31st March 2024	Additions	Deletions	As at 31 March 2025	Upto 31st March 2024	For the year	On Deletions	Upto 31 March 2025	As at 31 March 2025	As at 31 March 2024
	Other Intangible Assets:										
	Computer Software	93.89	-	41.07	52.82	75.38	0.60	41.07	34.91	17.91	18.51
	Total	**93.89**	**-**	**41.07**	**52.82**	**75.38**	**0.60**	**41.07**	**34.91**	**17.91**	**18.51**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

4 Other Financial Assets(Unsecured, considered good)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 Mar 2026	As at 31 Mar 2025
Deposits - Recoverable	792.09	619.12
(Telephone, APSEB, Electricty ,Coal deposits and others)		
Security Deposit	0.10	0.10
(NSC pledged as security for ₹10,000/- with Sales Tax Dept.)		
Claims Receivable	418.12	978.60
(Power & Sales Tax subsidy, Insurance claim)		
Less: Expected Credit loss provision	(39.56)	(46.00)
Total	**1,170.75**	**1,551.82**

4 (A) Other Non Current Assets

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance for Capital Items	115.31	328.98
Total	**115.31**	**328.98**

5 Inventories

(All amounts in ₹ Lakhs , unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
	At Cost		
A	Raw materials		
	- Cotton	4,690.98	4,412.62
	- Yarn	1,215.86	1,156.81
	- Polyster Staple Fibre	449.59	384.14
	- Viscose Staple Fibre	48.97	300.62
	At lower of cost or Net Realisable Value		
B	Work-in-progress	7,058.78	6,312.00
C	Finished goods		-
	Stock - in - Transit	101.63	118.51
	Stock - at - Factory	4,722.69	6,203.28
	Stock - in - Trade	81.58	356.43
	At Cost		
D	Stores and spares		-
	- Dyes & Chemicals	609.16	580.90
	- Coal / Husk	86.22	62.94
	- Other Stores & Spares	817.01	838.06
	At Realisable Value		
E	Others -Cotton & PV waste	96.37	94.50
	Total	**19,978.84**	**20,820.81**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

6 Investments

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Investment in Equity Instruments at Fair Value through Other Comprehensive Income.		
(i) Suryavanshi Spinning Mills Ltd	6.58	9.62
(37,777 Equity Shares (Previous Year 37,777) of ₹10/- each)		
(ii) Aananda Lakshmi spinning Mills Ltd	2.43	3.79
(26,546 Equity Shares (Previous Year 26,546) of ₹10/- each)		
(iii) Sheshadri Industries Ltd	5.38	5.94
(37,777 Equity Shares (Previous Year 37,777) of ₹10/- each)		
Total	14.39	19.35

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
a. Aggregate amount of Quoted Investments - Book Value	105.19	105.19
b. Aggregate amount of Quoted Investments - Market Value	14.39	19.35
c. Aggregate amount of Unquoted investments		-
d. Aggregate amount of impairment in value of investments	90.80	85.84

7 Trade Receivables

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good	17,738.07	18,136.00
Less : Expected Credit loss provision	(202.38)	(220.61)
Total	17,535.69	17,915.39

(All amounts in ₹ Lakhs , unless otherwise stated)

Sl.	Particulars	2025-26					
		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Undisputed Trade receivables - considered good	17,466.23	98.31	0.24		-	17,564.78
2	Undisputed Trade receivables - considered doubtful						
3	Disputed Trade receivables - considered good						
4	Disputed Trade receivables - considered doubtful	-	-	-	-	173.29	173.29
	TOTAL :	17,466.23	98.31	0.24	-	173.29	17,738.07
	Expected Credit Loss Provision		28.85	0.24		173.29	202.38
	Net Trade receivables	17,466.23	69.46	-	-	-	17,535.69

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

7 Trade Receivables (Contd..)

(All amounts in ₹ Lakhs , unless otherwise stated)

Sl.	Particulars	2024-25					
		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Undisputed Trade receivables - considered good	17,793.24	147.18	1.51	18.63	2.14	17,962.70
2	Undisputed Trade receivables - considered doubtful						
3	Disputed Trade receivables - considered good						
4	Disputed Trade receivables - considered doubtful	-	-	-	-	173.30	173.30
	TOTAL :	17,793.24	147.18	1.51	18.63	175.44	18,136.00
	Expected Credit Loss Provision		25.03	1.51	18.63	175.44	220.61
	Net Trade receivables	17,793.24	122.15	-	-	-	17,915.39

8 Cash and cash equivalents

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- In current accounts	13.36	83.42
- Cash on Hand	2.07	1.86
Total	15.43	85.28

9 Other Bank Balances

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks		
- Margin money deposits (on LCs and Bank Guarantees) with balance maturity of less than 12 months	856.98	1,272.39
- Fixed Deposits with balance maturity of more than 3 months and less than 12 months	-	1,000.00
Total	856.98	2,272.39

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

10 Loans (Unsecured, considered good)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances to staff(including advances to officers)	22.38	18.24
Total	**22.38**	**18.24**

Disclosure pursuant to Note no.B(V)(iv) of Part I of Division II of Schedule III

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Other officers of the Company	13.07	14.36
Total	**13.07**	**14.36**

11 Other financial assets (Unsecured, considered good)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Other advances	570.92	1,068.28
Interest Accrued	91.41	99.49
Interest subsidy receivable	441.15	441.15
Deposits recoverable	2.69	2.69
Derivatives - Forward Exchange Contracts	21.11	-
Less : Expected credit loss provision	(4.41)	-
Total	**1,122.87**	**1,611.61**

12 Current tax assets (net)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance Income tax & TDS Receivable (Net of provision)	198.35	166.67
Total	**198.35**	**166.67**

13 Other current assets (Unsecured, considered good)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance for purchase of raw material, stores and others	1,476.20	795.37
Balance with Statutory Authorities	1,907.83	2,049.00
Prepaid Expenses	262.39	254.60
Export Benefit Entitlement Receivable	159.54	301.85
CVD Refund Receivable :		
(i) At ICD Nagpur	-	134.34
(ii) At JNPT, Mumbai	5.49	5.49
Total	**3,811.45**	**3,540.65**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31 March, 2026

14 Assets Held for Sale

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Property Plant & Equipment		
Plant and Equipment - Garment	59.31	67.78
Total	**59.31**	**67.78**

Note: The Company has identified certain Property, Plant and Equipment assets pertaining to Garment Division costing of Rs. 59.31 lakhs (March 31, 2025 – Rs. 67.78 lakhs) which are available for sale in present condition. Despite the passage of time beyond one year, the Company continues to classify these assets as held for sale as the delay in sale is due to events or circumstances beyond the Company's control and the Company remains committed to its plan to sell the assets. The Company is taking necessary steps and expects the sale to be completed in due course.

15 Equity Share Capital

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
a. Authorised:		
3,00,00,000 Equity Shares of ₹10/- each	3,000,00	3,000,00
2,00,000 5% Non Cumulative Reddemable Preference Share of ₹ 100/- each	200.00	200.00
6,72,000 10% Cumulative Reddemable Preference Share of ₹ 100/- each	672.00	672.00
	3,872.00	**3,872.00**
b. Issued:		
2,23,51,059 Equity Shares of ₹ 10/- each	2,235.11	2,235.11
2,00,000 5% Non Cumulative Reddemable Preference Share of ₹ 100/- each	200.00	200.00
5,00,000 10% Cumulative Reddemable Preference Share of ₹ 100/- each	500.00	500.00
	2,935.11	**2,935.11**
c. Subscribed and fully paid:		
1,88,05,290 (Previous year 1,88,05,290) Equity Shares of ₹ 10 each	1,880.53	1,880.53
Add: Forfeited Shares	177.30	177.30
	2,057.83	**2,057.83**

a. Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	1,88,05,290	1,880.53	1,88,05,290	1,880.53
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,88,05,290	1,880.53	1,88,05,290	1,880.53

b. Terms/ rights attached to equity shares

(i) The company has only one class of equity shares having a face value of ₹10 per share.

(ii) Each holder of equity share is entitled to one vote per share.

(iii) The dividends recommended by the Board of Directors if any, are subject to the approval of the shareholders in the ensuing Annual General Meeting.

(iv) In the event of liquidation of the Company, the equity share holders are entitled to receive the remaining assets of the Company after distribution of all preferential claims, in proportion to the number of shares held.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

15 Equity Share Capital (Contd..)

c. Shareholding of promoters

Shares held by promoters at the year end	As on 31.03.2026			As on 31.03.2025		
Promoter Name	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Late Smt Satyabhama Bai	1,000	0.01%	0.00%	1,000	0.01%	0.00%
Shri LN Agarwal	48,39,348	25.73%	0.00%	48,39,348	25.73%	0.00%
Paritosh Agarwal	19,71,272	10.48%	0.00%	19,71,272	10.48%	0.00%
Padmini Agarwal	12,95,715	6.89%	0.00%	12,95,715	6.89%	0.00%
Vedant Agarwal	11,28,664	6.00%	(6.35%)	23,22,664	12.35%	0.00%
LN Agarwal (HUF)	4,01,890	2.14%	0.00%	4,01,890	2.14%	0.00%
LN Agarwal (Family Trust)	16,87,000	8.97%	6.35%	4,93,000	2.62%	0.00%
Paritosh Agarwal (HUF)	1,33,000	0.71%	0.00%	1,33,000	0.71%	0.00%
Total :	**1,14,57,889**	**60.93%**	**0.00%**	**1,14,57,889**	**60.93%**	**0.00%**

d. 2,00,000 5% Non Cumulative Redeemable Preference Share of ₹100/- each and 5,00,000 10% Cumulative Redeemable Preference Share of ₹100/- each were issued and reclassified as Financial Liability and shown as Unsecured Loan. (Refer Note:17)

16 Other Equity

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
A. Capital Reserve	214.35	214.35
B. Securities Premium	9,851.76	9,851.76
C. Other Reserves		
Capital Redemption Reserve	2.09	2.09
Preference Capital Redemption Reserve	671.60	671.60
General Reserve	4,260.81	4,260.81
Equity portion on Preference shares	131.02	131.02
Equity portion on unsecured loan from Directors	231.32	231.32
Other Reserves	**5,296.84**	**5,296.84**
D. Retained Earnings	10,161.20	9,849.66
E. Accumulated Other Comprehensive Income		
Remeasurements of net defined benefit plans	(335.00)	(313.07)
Equity Instruments through OCI	6.43	11.38
Accumulated Other Comprehensive Income	**(328.57)**	**(301.69)**
Total	**25,195.58**	**24,910.92**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31 March, 2026

17 Borrowings

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Non-current portion		Current Maturities	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Secured				
(i) Term loans:				
(a) from banks				
(i) State Bank of india (Term Loan Converted to FCNR)	459.33	1,173.13	800.00	500.00
(ii) Punjab National Bank Ltd	1,476.43	-	110.00	-
(b) from others				
(i) Vehicle loans	3.66	35.77	20.49	20.13
(ii) Candi Solar IN 1 Private Limited	962.83	1,243.05	283.18	259.20
Unsecured				
(a) Preference Shares (Issued to Related parties, at amortised cost)				
- 2,00,000 5% Non-Cumulative Redeemable Preference shares of ₹ 100/- each	-	178.56	195.53	-
- 5,00,000 10% Cumulative Redeemable Preference shares of ₹ 100/- each	500.00	500.00	-	-
(b) Loans from related parties				
- from Directors, Promoters and close Members of KMP	3,588.35	3,585.06	-	-
- Inter-corporate Deposits	889.91	702.42	23.30	-
Total (i)	**7,880.51**	**7,417.99**	**1,432.50**	**779.33**
(ii) Lease Obligations				
- Lease Liability (relating to ROU asset) See note 33.16	4.81	8.28		-

A. All the installments falling due within 12 months from the date of Balance Sheet have been classified as current maturities, the aggregate amounts are shown under 'Short Term Borrowings'.

B. Security Details of Term Loans from Banks

1. The term loan referred at (a)(i) & (a)(ii) above are secured by mortgage of (present & future) movable and immovable properties of the company on first charge pari passu & second charge pari passu on the current assets of the company with existing term lenders and guaranteed by two directors (Sri L N Agarwal, Sri Paritosh Agarwal), and Chief Executive (Sri Vedant Agarwal) of the company in their personal capacities.

C. Security Details of Term Loans from Others

(i) Vehicle loans are secured by hypothecation of the respective vehicles and guaranteed by one of the directors of the company.

(ii) Term Loans from Candi Solar in 1 Pvt. Ltd. Is secured by hypothecation of Solar Plant acquired and situated at Spinning Division in Amangallu, Telangana. This Loan is further secured by an unconditional and irrevocable personal guarantee of Mr. Paritosh Agarwal (Managing Director).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

17 Borrowings (Contd..)

D Terms of Repayment:

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Rate of Interest	31st March 2026		31st March 2025	
		No of Instalments due	Amount	No of Instalments due	Amount
Term loans:					
(a) from bank (Non TUFS)					
(i) State Bank of india (Term Loan Converted to FCNRB)	SOFR + Spread (3.63+2=5.63)	6 (Quarterly)	1,259.33	10	1,673.13
(ii) Punjab National Bank Limited	10.00%	60 (Monthly)	1,586.43	-	-
(b) from Others					
(i) Candi Solar In 1 Pvt Ltd., - 1st Term Loan	10.00%	46 (Monthly)	594.88	58	716.17
(ii) Candi Solar In 1 Pvt Ltd., - 2nd Term Loan	10.00%	42 (Monthly)	378.03	54	463.84
(iii) Candi Solar In 1 Pvt Ltd., - 3rd Term Loan	10.00%	51 (Monthly)	273.10	63	322.24

E There have been no breach of covenants mentioned in the loan agreements during the reporting years.

F The Company has not defaulted in the repayment of the principal and interest during the year.

G Redemption terms of the Preference Shares

No of shares	Date of Repayment	Purpose
2,00,000 of ₹ 100/- each	30.06.2026	These shares are issued to the preference shareholders of erstwhile Suryakiran International Ltd., as per the scheme of amalgamation.
5,00,000 of ₹ 100/- each	17.08.2029*	These shares are issued to part finance Company's spinning project at Amravathi, Near Nagpur, Maharastra.

(*) The repayment date of Preference shares which was earlier 18.08.26, has been extended by 3 years.

H Repayment Terms of Loans from related parties

Particulars	Rate of Interest	Repayment Terms
- from Directors	7%	Repayable after three years
- Inter-corporate Deposits	9%	Repayable after three years
- Inter-corporate Deposits	9.75%	Repayable in ten years

18 Provisions

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Non-current portion		current portion	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits				
Gratuity (unfunded)	1,115.62	1,037.66	191.59	144.89
Compensated absences (unfunded)	93.96	72.72	31.91	22.42
Bonus		-	225.81	220.37
Total	**1,209.58**	**1,110.38**	**449.31**	**387.68**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

19 Deferred Tax

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31st March 2026	Recognised in Statement of Profit & Loss (both continuing and discontinued operations)	Recognised in Other Comrehensive Income	As at 31 March 2025
Deferred Tax Liabilities				
Property, Plant & Equipment (including ROU assets) & Intangible assets and Assets Held for Sale	4,351.90	(118.74)	-	4,470.64
Fair Value adjustments of financial liablities				
	4,351.90	(118.74)	-	4,470.64
Deferred Tax Assets				
Other Financial Current Assets	-	-	-	-
Fair Value adjustments of financial liablities	28.32	-	1.55	26.77
Expected Credit Loss	76.87	25.39	-	51.48
Employee Benefits & Statutory Liabilites allowed on Payment Basis	543.43	8.44	10.64	524.35
MAT Credit entitlement	790.00	(237.73)	-	1,027.73
	1,438.62	(203.90)	12.19	1,630.33
Net Deferred Tax Liability/(Asset)	2,913.28	85.16	(12.19)	2,840.31

20 Short term Borrowings

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
A. Secured (payable on demand)		
(i) from banks		
(a) State Bank of India		
Cash Credit	1,888.81	2,557.98
Packing Credit	2,920.54	2,989.41
Working Capital Loan	4,034.99	-
FCNRB - WCDL	-	3,923.05
(b) Punjab National Bank		
Cash Credit	154.63	-
Packing Credit	1,273.52	1,074.89
Working Capital Loan	810.00	-
(c) Union Bank of India (erstwhile Andhra Bank)		
Cash Credit	4,009.44	4,382.16
Total	15,091.93	14,927.49
(ii) Current Maturities of Long-term debt (Refer Note - 17)	1,432.50	779.33
Total (A)	16,524.43	15,706.82
B. Unsecured		
From others:		
(i) Export Bills Discounted (Refer note (b) below)	1,378.07	3,680.35
(ii) Bajaj Finance Limited (Refer note (c) below)	-	1,500.00
Total (B)	1,378.07	5,180.35
Total (A+B)	17,902.50	20,887.17

a. Secured:

(i) Working capital loans from (a) to (c) are secured by hypothecation of stocks of raw materials, yarn, fabric, stock-in-process, stores and spares and book debts and by a second mortgage over the (present and future) movable & immovable properties of the company on pari-passu basis and further guaranteed by two Directors, and Chief Executive of the Company in their personal capacities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

20 Short term Borrowings (Contd..)

b. Export bills are discounted with the banks and the net amount after deduction of discounting charges is received by the company. Once the bills are realised the same is Utilized to settle the outstanding amount with the bank.

c. Its short Term Revolving Loan with a validity of 12 months.

21 (a) Acceptances

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Acceptances	4,474.92	5,612.63
Total	4,474.92	5,612.63

Considering the emerging practices on disclosures of trade credits and recent amendments to Ind AS, the Company has reassessed its presentation of amount, covered under supplier finance arrangements. Accordingly, short term acceptances in the nature of trade credits which are within the normal working capital cycle of the Company have now been disclosed as a separate line under financial liabilities as 'Acceptances'.

*Acceptances are availed from domestic banks at interest rate ranging from 9.25% - 9.75% (March 31, 2025 - 9.25% - 9.75%) per annum. These acceptances are payable within 90 days from the date of drawdown

21 (b) Trade Payables*

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
(a) dues of micro, small and medium enterprises	412.10	1,017.24
(b) dues of creditors other than micro enterprises and small enterprises	8,086.21	6,634.85
Total	8,498.31	7,652.09

(All amounts in ₹ Lakhs , unless otherwise stated)

Sl.	Particulars	2025-26 Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	MSME	412.10	-	-	-	412.10
2	Others	7,906.71	88.31	16.35	74.84	8,086.21
3	Disputed dues - MSME	-	-	-	-	-
4	Disputed dues - Others					-
	TOTAL :	8,318.81	88.31	16.35	74.84	8,498.31

(All amounts in ₹ Lakhs , unless otherwise stated)

Sl.	Particulars	2024-25 Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	MSME	1,017.24	-	-	-	1,017.24
2	Others	6,295.09	145.14	45.81	148.81	6,634.85
3	Disputed dues - MSME					-
4	Disputed dues - Others					-
	TOTAL :	7,312.33	145.14	45.81	148.81	7,652.09

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

22 Other financial liabilities

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
i. Interest accrued but not due	5.21	18.05
ii. Interest accrued on Cumulative preference shares liability	350.00	300.00
iii. Derivatives - Forward Exchange Contracts (Refer Note (a))	-	136.33
iv. Dues to others	780.59	722.25
v. Creditors for capital goods	37.86	45.73
vi. Employee benefits payable	433.35	425.47
Total	1,607.01	1,647.83

a) The Company has entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of Foreign Currency Loan, these contracts are not designated as hedge and are measured at fair value through profit or loss. Derivative instruments at fair value through profit or loss reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected payment of Borrowings.

23 Other current liabilities

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
i. Advances from customers	146.32	171.34
ii. Statutory remittances	115.69	120.36
iii. Contributions to PF & ESI	34.09	35.77
iv. Advances received against Sale of Plant & Machinery	36.69	36.69
Total	332.79	364.16

24 Revenue from operations

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
(A) Sale of products (net of GST) *		
a. Yarn	40,406.54	38,732.69
b. Fabric	45,873.96	46,524.39
c. Trading of Cotton / PSF	1,068.10	135.92
Less:		
Inter Division sale - Yarn	9,525.16	8,121.58
	77,823.44	77,271.42
(B) Sale of Services		
a. Job work	0.84	1.98
(C) Other Operating Revenue		
a. Sale of Waste	971.01	1,079.25
Less: Inter Division sale - Waste	223.62	347.13
	747.39	732.12
b. Export Benefit entitlement	861.75	1,125.79
c. Packing & Forwarding collection charges	11.15	11.58
d. Scrap Sales	27.23	33.57
Total	79,471.80	79,176.46

* Net of rejections and returns

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

24 Revenue from operations (Contd..)

a) Reconcilation of revenue as per contract price and as recognised in statement of profit and loss:

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Revenue as per contracted price	78,086.35	77,682.23
Less: Discounts & Sales Return	262.91	410.81
Revenue from contract with customers	77,823.44	77,271.42

b) The following table provides information about receviables,contract assets and conctract liabilities from the contracts with customers

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Trade Receivables (Refer note 7)	17,535.69	17,915.39
Contract Liabilities (Refer note 23)	146.32	171.34

c) Performance Obligation:

All sales are made at a point in time and revenue recognised upon satisfction of the performance obligation which typically upon dispatch/delivery. The company does not have any remaining performance obligation for sale of goods or rendering of services which remains unsatisfied as at march 31, 2026 and march 31, 2025.

d) Disaggregation revenue:

Refer Note 33.15 for disaggregated revenue information. The management determines that the segment information is reported is sufficent to meet the disclosure objectives with respect to disaggregation of revenue under Ind As 115 Revenue from contract with customers.

25 Other Income

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
(A) Interest Income on		
a. Interest Income from Bank Deposits	42.10	67.05
b. Interest Income from Others	131.40	48.83
(B) Other Non-operating Income (Net of Expenses)		
a. Rent Received	-	0.83
b. Provisions written back:		
i. Credit Balances written back	109.90	27.19
ii. Excess Provision written back	0.59	1.20
c. Gain on Foreign currency transactions (Net)	214.84	207.50
d. Power Incentive / Subsidy	498.82	-
e. Miscellaneous Receipts (Net)	16.67	33.77
f. Profit on sale Assets	8.03	71.91
Total	1,022.35	458.28

26 Cost of materials consumed

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Opening Stock	6,254.20	6,866.80
Add: Purchases during the year	46,454.80	45,239.87
	52,709.00	52,106.67
Less: Closing Stock	6,405.40	6,254.20
TOTAL	46,303.60	45,852.47

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31 March, 2026

26 Cost of materials consumed (Contd..)

Details of raw materials consumed

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Cotton	29,446.70	28,888.01
Yarn	4,730.09	5,113.69
Polyster Staple Fibre	9,500.16	9,536.09
Viscose Staple Fibre	2,626.65	2,314.68
	46,303.60	45,852.47

27 Changes in inventories of finished goods and work-in-progress

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Opening Stock:		
Yarn	1,443.89	1,359.34
Fabric	5,234.33	3,771.65
Work-in-progress	6,312.00	5,443.30
Cotton Waste	94.50	110.46
	13,084.72	10,684.75
Less: Closing Stock:		
Yarn	1,347.96	1,443.89
Fabric	3,557.94	5,234.33
Work-in-progress	7,058.78	6,312.00
Cotton Waste	96.37	94.50
	12,061.05	13,084.72
	1,023.67	(2,399.97)
(Increase)/ Decrease in stocks	1,023.67	(2,399.97)

28 Employee Benefits Expense

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Salaries and Wages	6,475.60	6,070.96
Contribution to provident funds	371.03	369.44
Gratuity	163.93	160.06
Staff welfare expenses	274.40	250.50
Contribution to ESI	49.28	51.19
Directors' Sitting fees & Travelling expenses	6.73	5.71
Total	7,340.97	6,907.86

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

29 Finance Costs

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Interest on Term Loans from Banks	243.59	364.71
Interest on Unsecured Loans (Refer Related Party Note 33.10)	322.76	283.49
Interest on Short Term Borrowings and Working Capital Loans	1,244.47	1,461.81
Interest on Liability component of Preference Shares	66.96	65.49
Interest on lease liability	0.60	0.65
Other Borrowing Costs	1,110.75	1,248.18
Total	**2,989.13**	**3,424.33**

30 Other Expenses

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Consumption of stores & spare parts		
(i) Consumable Stores	583.94	505.68
(ii) Dyes and Chemicals	3,756.38	3,755.71
(iii) Packing Material Consumed	719.54	626.87
Power and fuel		
(i) Electricity Charges	6,387.89	6,038.53
(ii) Fuel Consumed	1,053.76	1,042.28
Rent	13.95	17.88
Security Charges	37.76	41.46
Rates & taxes	165.40	152.00
Printing & Stationery	5.86	7.24
Postage, Telegrams & Telephones	88.11	75.66
Travelling & Conveyance	204.70	200.39
Advertisements	1.90	2.30
Expenses on Sales	981.25	1,182.18
Commission on Sales	392.99	299.14
Insurance	261.82	263.70
Legal & Professional Charges	305.49	273.29
Payments to auditors :		
- As auditor	5.00	5.00
- for Tax Audit	1.00	1.00
- for Other Services	0.86	0.71
- Cost Auditor	1.20	1.20
Repairs to :		
- Buildings	22.74	29.78
- Machinery	1,043.38	868.29
- Other Assets	296.18	328.13
Vehicle Maintenance	47.06	44.18
Upkeep & Maintenance	1,235.40	1,197.76
Miscellaneous Expenses	359.79	284.16
Expenses on Corporate Social Responsibility	16.04	23.45
Donations	3.47	3.68
Loss on Sale of Assets	16.50	30.14
Expected Credit loss provision	0.30	63.08
Bad debts and Debit Balances written off	4.69	10.77
Other Manufacturing expenses	308.16	410.01
Total	**18,322.51**	**17,785.65**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

31 Exceptional Items

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Exceptional Items (Refer note below)	26.17	53.86
Total	**26.17**	**53.86**

Note:

For the year ended 31 March, 2026

a) Interest income of ₹ 483.87 lakhs received on refund of deposit from Department of Customs

b) Write off of insurance claim receivable amounting to ₹ (457.70) Lakhs following dismissal of the appeal filed by the Company

For the year ended 31 March, 2025

a) Arrears of Workers Wages Rs 106.72 Lakhs

b) Pursuant to a settlement arrived with the Successful Resolution Applicant, M/s. Vasavi Realty Private Limited, in the CIRP (Corporate Insolvency Resolution Process) against Rajvir Industries Limited, an amount of ₹ 25 lakhs against the Company's claim lodged with Resolution Professional of Rajvir Industries Limited was received and the National Company Law Appellate Tribunal (NCLAT) has duly taken the same on record and the same is shown as exceptional item.

c) The Company received ₹ 135.58 Lakhs (including salvage value) Lakhs from the Insurance Company for the claim lodged against the fire accident in the Denim Division and the same is shown as exceptional item

32 Items that will not be reclassified to profit or loss

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Remeasurements of defined benefit plans	(34.12)	1.53
Equity Instruments through Other Comprehensive Income	(4.95)	(1.20)
Income Tax on items that will not be reclassified to the Profit or Loss	12.19	(0.10)
Total	**(26.88)**	**0.23**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

Explanatory Notes & Other Disclosures

33.1 Contingent Liabilities and commitments not provided for in respect of:

(All amounts in ₹ Lakhs , unless otherwise stated)

Sl	Particulars	As at 31 March 2026	As at 31 March 2025
(i)	Against Bank Guarantees	1,095.40	1,030.14
(ii)	TSPDCL raised demand for Interest/Late payment of charges/dues on the company arising out of delayed receipt of R&C charges and towards wheeling charges. The Company is of the opinion that this liability may not arise as there was no delay in payment of dues from Company.	453.91	1,414.67
(iii)	Company purchased power from Power exchange for its Spinning division at Amangallu, R R District, Telangana. TSPDCL imposed Cross subsidy and Wheeling Charges to be paid on power drawn from power exchange at the rate of ₹ 1.29 per unit. On a challenge by the Company of the Order of TSERC, the Hon'ble High Court of Telangana was pleased to stay the cross subsidy rate of ₹ 1.29 per unit and allowing the Writ petition, directed the DISCOM to levy only 30 paisa per Unit. Accordingly the Company has been advised that no liability on account of the differential cross subsidy of ₹ 0.99 paise per unit is likely to arise.	874.38	328.64
(iv)	Cases relating to Industrial disputes with workers pending at labour and Industrial Courts, Nagpur	90.49	84.09
(v)	Siri Consultants Ltd filed a suit for recovery against the Company, which was decreed by the City Civil Court, Secunderabad. The Company has challenged the decree in the High Court and the High Court of Telangana was pleased to stay the execution of Decree pending payment. The matter is pending in the High Court. ₹ 5.78 Lakhs is pre-deposited pursuant to Hon'ble High Court Order.	13.97	13.97
(vi)	Demand raised by Office of the Commissioner CGST, Palghar, Mumbai, for disallowance of GST ITC. The Company has filed appeal before Commissioner Appeals, CGST, Mumbai. The same issue was raised by Office of the Commissioner of GST, Nagpur II and the Company has filed writ petition before Bombay High Court, Nagpur Bench and the Company is of the opinion that the liability may not arise.	41.40	20.70

33.2 Estimated amount of contracts to be executed on capital account

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
(i) Contracts to be executed on capital accounts	693.45	4,514.45

33.3 Other Litigations:

The office of JDGFT, Hyderabad had passed an Order-in-Original against the company alleging violation of Target Plus Scheme for recovering benefits, interest and penalties under the scheme against which the Company's Writ Petition in the Hon'ble High Court of Telangana was allowed and the Department has been directed to refund the deposit of ₹ 500 lakhs that the company had made. This has been appealed against by the department which is pending and there is no stay against this order. The company has been advised that no liability is likely to arise under the notice from DGFT in view of the High Court allowing the Writ Petition filed by the company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.4 Other Statutory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company does not have any transactions with struck off companies.

iii) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

iv) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

v) As at March 31, 2026, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Company. There are certain charges which are historic in nature and it involves practical challenges in obtaining no objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. The Company is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines,as and when it receives NOCs from the respective charge holders.

vi) The Company has not revalued its property plant and equipment during the year.

vii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender

viii) The Company does not have any subsidiary.

ix) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

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

xi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

xii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiarie

33.5 Analytical Ratio's:

Sl. No	Particulars	Numerator	Denominator	FY 2026	FY 2025	% Variance	Reason for variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.31	1.27	4.10%	NA
2	Debt-Equity Ratio (in times)	Debt	Equity	0.95	1.05	-9.9%	NA
3	Debt Service Coverage Ratio (in times)	EBITDA	Interest + Principal	1.24	1.36	-9.8%	NA
4	Return on Equity Ratio	PAT - Pref. Dividend	Average equity	1.15	1.36	-15.3%	NA
5	Inventory turnover ratio(in times)	Cost of goods sold **	Average Inventory	3.67	3.68	-0.4%	NA
6	Trade Receivables turnover ratio(in times)	Revenue from Operations	Average trade receivable	4.44	4.35	2%	NA
7	Trade payables turnover ratio(in times)	Net Purchases	Average trade payable	4.27	3.62	18.1%	NA

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.5 Analytical Ratio's: (Contd..)

Sl. No	Particulars	Numerator	Denominator	FY 2026	FY 2025	% Variance	Reason for variance
8	Net capital turnover ratio(in times)	Revenue from Operations	Working capital $	7.68	7.94	-5.1%	NA
9	Net profit ratio	Net Profit/(Loss) After Tax	Revenue from Operations	0.39	0.46	-14.6%	NA
10	Return on Capital employed	EBIT	Average capital employed	6.20	6.84	-8.1%	NA
11	Return on investment	Income from Investments	Time Weighted Average Investment	-34.41	-5.84	-489%	Note a)

Note : Previous Year Ratios were reworked and shown due to regrouping of figures in Financial Statements.

** Cost of Goods Sold = Cost of Material Consumed + Purchases of Stock in Trade + Changes in inventories of FG + Manufacturing and operating Expenses

$ - Working Capital = Current Assets - Current Liabilities

Notes:

a) Return on Investment- Decrease in the ratio is due to decrease in market value of investments in the current year.

33.6 Corporate Social Responsibility:

(All amounts in ₹ Lakhs , unless otherwise stated)

Sl.	Particulars	2025-26 Amount (₹)	2024-25 Amount (₹)
(i)	Amount required to be spent by the Company during the year	14.39	18.26
(ii)	Amount of expenditure incurred	16.04	23.45
(iii)	shortfall at the end of the year	NIL	NIL
(iv)	total of previous years shortfall	NIL	NIL
(v)	reason of shortfall	NIL	NIL
(vi)	nature of CSR Activities	Promoting Education, Police Welfare Fund, Sports Animal Welfare,Health Care, Etc.	
(vii)	details of related party transactions, contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standards Suryalaksmi Foundation	10.00	NIL
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NIL	NIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.7 Capital Management

The company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the company.

The company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short term borrowings.

The company's policy is aimed at combination of short term and long-term borrowings. The company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the company.

Gearing Ratio

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Debt	25,783.01	28,305.16
(b) Cash & Cash Equivalents	15.43	85.28
(c) Net Debt (a) - (b)	25,767.58	28,219.88
(d) Total Equity	27,253.41	26,968.76
Capital Gearing ratio (c)/(d)	0.95	1.05

33.8 Income Taxes

(i) Reconciliation of Tax Expense and Accounting profit multiplied by Applicable tax rate

(All amounts in ₹ Lakhs , unless otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025
(i) Tax expense recognized in Statement of Profit and loss (from continuing operations)		
Current Tax	85.75	105.50
Deferred Tax (including MAT Credit Entitlement from Continuing operation)	85.16	83.52
Total	**170.91**	**189.02**
(ii) Effective tax Reconciliation		
(a) Profit/(loss) before tax	482.45	552.24
(b) Applicable tax rate	34.944%	34.944%
(c) Tax expense on Net profit (a*b)	168.58	192.97
(d) Increase/(decrease) in tax expenses on account of:		
- Expenses not allowed under income tax	2.33	(3.95)
- Due to decrease in rate of tax	Nil	Nil
- Others	-	-
Total (d)	**2.33**	**(3.95)**
(e) Tax Expense as per Statement of Profit and loss (c+d)	170.91	189.02

33.9 Post-Employment Benefits

Contributions to Defined Contribution Plans

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Contribution to Provident and other funds	371.03	369.44
Contribution to Employee State Insurance	49.28	51.19
Total	**420.31**	**420.63**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

Defined Benefit Plans:

(i) Gratuity (Unfunded)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
A Changes in Present Value of Defined Benefit Obligation		
Opening defined benefit obligation	1,182.55	1,145.00
Interest cost	78.49	78.30
Current services cost	83.82	81.76
Past service cost	1.62	-
Benefits paid	(73.40)	(120.98)
Actuarial(gains)/losses on obligation	34.12	(1.53)
Closing defined benefit obligation	1,307.20	1,182.55
B Changes in Fair Value of Plan Assets		
Opening Fair value of plan assets		
Adjustments to opening balance		
Expected Return		
Contributions	73.40	120.98
Benefits paid	(73.40)	(120.98)
Actuarial Gain/(loss)	-	-
Closing fair value of plan assets	-	-
C Expenses recognized in statement of profit and loss		
Current Service Cost	83.82	81.76
Interest Cost on benefit obligation	78.49	78.30
Past service cost	1.62	
Expected return on plan assets		
Total	**163.93**	**160.06**
D Expenses recognized in Other Comprehensive Income		
Actuarial(gains)/losses on obligation	34.11	(1.53)
Return on plan assets (greater)/lesser than discount rate		
Total	**34.11**	**(1.53)**
E Actuarial Assumptions		
Salary Escalation*	0%	0%
Rate of Discounting	7.52%	6.85%
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100%	100%
Disability Rate (as % of above mortality rate)	0%	0%
Withdrawal Rate	2% to 10%	2% to 10%
Normal Retirement Age	58 years	58 years
Average Future Service	15.94	16.41

The estimates of future salary increases, generally between 4% to 6%, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

F. Sensitivity Analysis

The financial results are sensitive to the actuarial assumptions. The changes to the Defined Benefit Obligations for increase / decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below:

Particulars	31 March 2026	
	Increase	Decrease
Salary escalation	7.80%	(7.02%)
Withdrawal rate	3.88%	(4.23)%
Rate of Discounting	(6.06)%	6.80%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.9 Post-Employment Benefits (Contd..)

(ii) Leave Encashment (unfunded)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
A Changes in Present Value of Defined Benefit Obligation		
Opening defined benefit obligation	95.15	97.00
Interest cost	6.02	5.86
Current services cost	29.45	37.14
Benefits paid	(14.52)	(31.76)
Actuarial(gains)/losses on obligation	9.77	(13.09)
Closing defined benefit obligation	125.87	95.15
B Expenses recognized in statement of profit and loss		
Current Service Cost	29.45	37.14
Interest Cost on benefit obligation	6.02	5.86
Total	35.47	43.00
C Expenses recognized in Other Comprehensive Income		
Actuarial(gains)/losses on obligation	9.77	(13.09)
Total	9.77	(13.09)
D Actuarial Assumptions		
Salary Escalation	0%	0%
Rate of Discounting	7.52%	6.85%
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100%	100%
Disability Rate (as % of above mortality rate)	0%	0%
Attrition Rate	2.0% to 10.0%	2.0% to 10.0%
Normal Retirement Age	58 years	58 years
Leave Encashment Rate during employment	10%	10%
Leave Availment Rate	2%	2%

The estimates of future salary increases, generally between 4% to 6%, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

E. Sensitivity Analysis

The financial results are sensitive to the actuarial assumptions. The changes to the Defined Benefit Obligations for increase / decrease of 1% from assumed salary escalation, Attrition and discount rates are given below:

Particulars	31 March 2026	
	Increase	Decrease
Salary escalation	4.30%	(4.00)%
Attrition rate	1.00%	(1.10)%
Rate of Discounting	(3.20)%	3.40%

33.10 Related Party Disclosures

	Name of Related Parties	Nature of Relationship
a.	Shri L N Agarwal (Chairman & Managing Director)	Key Managerial Personnel
b.	Shri Paritosh Agarwal (Managing Director)	
c.	Shri E V S V Sarma (Company Secretary)	
d.	Shri S K Agarwal (CFO)	
e.	Shri Vedant Agarwal (Senior Exicutive)	Close members of Key Managerial Personnel
f.	Smt Padmini Agarwal	
g.	L N Agarwal (HUF)	Enterprises over which key managerial personnel and their relatives have significant influence
h.	Paritosh Agarwal (HUF)	
i.	M/s Jayman Dealers Pvt Ltd	
j.	M/s SVP Distributors Pvt. Ltd	
k.	Suryalakshmi Foundation	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.10 Related Party Disclosures (Contd..)

(i) Transactions with Key Managerial Personnel

(All amounts in ₹ Lakhs , unless otherwise stated)

Nature of transactions	For the year ended 31-03-2026	For the year ended 31-03-2025	Receivable/ (Payable) as on 31-03-2026	Receivable/ (Payable) as on 31-03-2025
Remuneration:				
Shri L N Agarwal	78.11	78.10	(4.50)	(4.00)
Shri Paritosh Agarwal	70.78	74.74	(3.85)	(3.35)
Shri Vedant Agarwal	30.07	30.07	(2.02)	(1.52)
Shri E V S V Sarma	17.76	22.48	(1.96)	(1.56)
Shri S K Agarwal	18.83	4.71	(1.19)	(1.41)
Shri B M Vijaya Kumarl	-	20.07	-	-
Interest Expense:				
Shri L N Agarwal	47.02	51.97	(8.81)	(10.96)
Shri Paritosh Agarwal	80.51	82.55	(16.69)	(18.25)
Smt Padmini Agarwal	84.44	89.66	(17.08)	(20.14)
L N Agarwal (HUF)	10.54	2.66	(2.34)	(2.37)
Paritosh Agarwal (HUF)	14.21	3.29	(3.16)	(2.96)
Vedant Agarwal	9.91	-	(6.27)	-
Unsecured Loan:				
Shri L N Agarwal	(200.00)	25.00	(505.68)	(705.68)
Shri Paritosh Agarwal	(100.00)	50.00	(1,074.82)	(1,174.82)
Smt Padmini Agarwal	(196.37)	50.00	(1,100.00)	(1,296.37)
L N Agarwal (HUF)	-	150.50	(150.50)	(150.50)
Paritosh Agarwal (HUF)	-	203.00	(203.00)	(203.00)
Shri Vedant Agarwal	500.00	-	(500.00)	-

(ii) Sitting Fees paid to Independent Directors:

(All amounts in ₹ Lakhs , unless otherwise stated)

Nature of transactions	For the year ended 31-03-2026	For the year ended 31-03-2025	Receivable/ (Payable) as on 31-03-2026	Receivable/ (Payable) as on 31-03-2025
Shri R Surender Reddy	0.35	0.23	Nil	Nil
Shri Arvind Sadashiv Mokashi	-	0.28	Nil	Nil
Shri Dhruv Vijai Singh	0.40	0.38	Nil	Nil
Smt Aruna Prasad	0.40	0.28	Nil	Nil
Shri M Balaji Chowda Reddy	0.28	0.10	Nil	Nil

(iii) Transaction with close members of Key Managerial Personnel

(All amounts in ₹ Lakhs , unless otherwise stated)

Nature of transactions	For the year ended 31-03-2026	For the year ended 31-03-2025	Receivable/ (Payable) as on 31-03-2026	Receivable/ (Payable) as on 31-03-2025
Rent:				
Smt. Sabita Jain	-	3.40	-	-

(iv) Transaction with Enterprises over which key managerial personnel have significant influence:

(All amounts in ₹ Lakhs , unless otherwise stated)

Nature of transactions	For the year ended 31-03-2026	For the year ended 31-03-2025	Receivable/ (Payable) as on 31-03-2026	Receivable/ (Payable) as on 31-03-2025
Interest:				
M/s. Jayman Dealers Pvt Ltd.	66.30	32.38	(12.26)	(27.86)
M/s.SVP Distributors Pvt. Ltd	9.83	16.72	-	(17.70)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.10 Related Party Disclosures (Contd..)

(All amounts in ₹ Lakhs , unless otherwise stated)

Nature of transactions	For the year ended 31-03-2026	For the year ended 31-03-2025	Receivable/ (Payable) as on 31-03-2026	Receivable/ (Payable) as on 31-03-2025
Unsecured Loans:				
Inter corporate Deposits:				
M/s Jayman Dealer Pvt Ltd.,	360.00	250.00	(900.94)	(550.00)
M/s SVP Distributors Pvt Ltd	(131.00)	(100.00)	-	(131.00)
Purchase of Yarn:				
M/s. Jayman Dealers Pvt Ltd		12.54	-	-
Sale of Cotton & Fabric :				
M/s. Jayman Dealers Pvt Ltd	1,344.90	460.04	704.70	-
Purchase of Cotton & Fabric:				
M/s. Jayman Dealers Pvt Ltd	72.35	623.68	-	-
Rent:				
M/s. Jayman Dealers Pvt Ltd*	2.40	2.40	-	(0.43)
Corporate Social Responsibility Expenses:				
Suryalakshmi Foundation	10.00	-	-	-

33.11 Earnings per share (Basic and diluted)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
(a) Profit/(loss) after tax from continuing operations (₹ in lakhs)	311.54	363.32
(b) Weighted average number of Equity shares during the year (face value of ₹ 10 each)	188.05	188.05
(c) Earnings per Equity Share from continuing operations - Basic & Diluted (in ₹)	1.66	1.93
(d) Profit/(loss) after tax from discontinued operations (₹ in lakhs)	-	-
(e) Weighted average number of Equity shares during the year (face value of ₹ 10 each)	188.05	188.05
(f) Earnings per Equity Share from discontinued operations - Basic & Diluted (in ₹)	-	-
(g) Earnings per Equity share (for discontinued & continuing operations) – Basic & Diluted (In ₹)	1.66	1.93

33.12 Non Current Assets Held for sale and discontinued operations

As required by the Ind AS 105 Current Assets held for Sale and Discontinued Operations, Some of the Assets of Spinning & Garment division are lying in Asset held for sale and the same is expected to be sold in due course.

33.13 Financial Instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3 as described below.

Level 1 – Quoted prices in an active market:

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of Listed Equity shares.

Level 2 – Valuation techniques with observable inputs:

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.13 Financial Instruments (Contd..)

Level 3 - Valuation techniques with significant unobservable inputs:

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial Assets and Liabilities

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Carrying Amount				Fair Value Hierarchy		
	Amortised cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
As at 31st March 2026							
Financial Assets							
Investments (Refer note below)			14.39	14.39	14.39		
Trade Receivables	17,535.69			17,535.69			
Cash and cash equivalents	15.43			15.43			
Bank balances other than (ii) above	856.98			856.98			
Loans	22.38			22.38			
Others (Current and Non Current)	2,293.62			2,293.62			
Financial Liabilities							
Borrowings	25,783.01			25,783.01			
Acceptances	4,474.92			4,474.92			
Trade Payables	8,498.31			8,498.31			
Others	1,607.01			1,607.01			
As at 31st March 2025							
Financial Assets							
Investments (Refer note below)			19.35	19.35	19.35		
Trade Receivables	17,915.39			17,915.39			
Cash and cash equivalents	85.28			85.28			
Bank balances other than (ii) above	2,272.39			2,272.39			
Loans	18.24			18.24			
Others	3,163.43			3,163.43			
Financial Liabilities							
Borrowings	28,305.16			28,305.16			
Acceptances	5,612.63			5,612.63			
Trade Payables	7,652.09			7,652.09			
Others	1,647.83			1,647.83			

Note: Investments in equity instruments are measured at FVTOCI in accordance with paragraph 5.7.5 of Ind AS 109.

33.14 Financial Risk Management Objectives and Policies

The company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, market risk, credit risk and liquidity risk. The company has a risk management policy which not only covers the foreign exchange risks, but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management framework aims to:

1. Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the company's business plan.
2. Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives policies and processes for the management of these risks.

(i) Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk, currency rate risk, interest rate risk and other price risks such as equity risk. Financial instruments affected by market risk include investments in equity shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31 March, 2026

33.14 Financial Risk Management Objectives and Policies (Contd..)

a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. Since the Company has only fixed interest-bearing debts, exposure to interest rate risk is minimal.

b. Foreign Currency Risk

C Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from goods supplied or received that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars ($). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the company's profit before tax due to changes in the fair value of monetary assets and liabilities is given below:

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Change in Rate	For the year ended 31 March 2026	For the year ended 31 March 2025
USD	+ 0.50%	(11.36)	(14.44)
	- 0.50%	11.36	14.44

c. Other price risk

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company is exposed to price risk arising mainly from investments in Equity shares recognized at FVTOCI.

Sensitivity analysis of 1% change in price of security as on reporting date.

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Impact on Profit & Loss		Impact on OCI	
	2025-26	2024-25	2025-26	2024-25
Listed Equity shares (1% change in price)	Nil	Nil	0.14	0.19
Total	Nil	Nil	0.14	0.19

(ii) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

Long outstanding receivable from customer are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivable.

(iii) Liquidity Risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.14 Financial Risk Management Objectives and Policies (Contd..)

The company ensures that it has sufficient cash on demand to meet expected operational demands including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Total	On Demand	< 1 year	1 to 5 years	> 5 years
As at 31 March 2025					
Borrowings – Non-Current	7,417.99	-	-	7,417.99	
Borrowings – Current	20,887.17	16,427.49	4,459.68		
Acceptances	5,612.63	5,612.63			
Trade Payables	7,652.09	7,652.09			
Other financial liabilities	1,647.83	1,647.83			
As at 31 March 2026					
Borrowings – Non-Current	7,880.51			7,880.51	
Borrowings – Current	17,902.50	16,524.43	1,378.07		
Trade Payables	8,498.31	8,498.31			
Acceptances	4,474.92	4,474.92			
Other financial liabilities	1,607.01	1,607.01			

33.15 Operating Segments

The company's operating segments are established on the basis of those components of the company that are evaluated regularly by the Chairman & Managing Director (the 'Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

There is only one operating and reporting segment namely, "**Textiles**"

(a) Information about Products and Services

(All amounts in ₹ Lakhs , unless otherwise stated)

Products	Revenues
a. Yarn	30,881.38
b. Fabric	45,873.96
c. Trading of Cotton/PSF	1,068.10
d. Sale of Waste	747.39
e. Job work income	0.84
f. Export Benefit entitlement	861.75
g. Packing & Forwarding collection charges	11.15
h. Scrap Sales	27.23
Total Revenue from operations	**79,471.80**

(b) Information about geographical areas

(All amounts in ₹ Lakhs , unless otherwise stated)

Geographical Location	Revenues	Non Current Assets other than financial instruments and deferred tax assets
(A) Within India	64,088.09	27,624.68
(B) Outside India		
- Bangladesh	11,583.46	
- Colombia	1,009.14	
- Guatemala	1,932.14	
- Venezuela	506.66	
- Other Countries	352.31	
- TOTAL	79,471.80	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.15 Operating Segments (Contd..)

(c) Information about major customers

Revenue from transactions with a single customer exceed 10% or more of entity revenues – During the year under report and in the previous year there is no single customer having transactions with the Company's three operating segments exceeding 10% or more of the entity revenues.

33.16 Leases*

A. The company takes on lease premises (offices/godowns) for operations and storage purposes. Accordingly, the Company recognizes a right-of-use asset and a lease liability for its leases, if the contract conveys the right to control the use of an identified asset.

B. The changes in the carrying value of ROU assets for the year ended march 31, 2026 are as follows.

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Land & Building
Balance at the beginning of the year	543.93
Addition during the year	-
Deletion during the year	-
Amortization	(9.87)
Carrying Amount of ROU assets at the end of the year	534.06

C The movement in lease liabilities are as follows.

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	Year ended March 31, 2026
Balance at the beginning of the year	8.28
Addition during the year	-
Interest on lease liability	0.60
Less: Payment of lease liabilities	(4.07)
Balance at the end of the year	4.81

*This pertains to upfront lease amount of Rs. 356.76 lakhs and Rs. 242.36 lakhs paid to Maharastra Industrial Development Corporation (MIDC) towards factory land lease of Amaravati Unit -1 (Spinning Unit) and Amaravati Unit -2 (Weaving Unit) respectively for a period of 95 years.

Maturity analysis of lease liabilities as of 31st March 2026 on Un-discounted basis

Particulars	Amount (₹ In lakhs)
Less than 1 year	5.10
1-5 years	-
> 5 years	-

Maturity analysis of lease liabilities as of 31st March 2025 on Un-discounted basis

Particulars	Amount (₹ in lakhs)
Less than 1 year	4.08
1-5 years	5.10
> 5 years	-

33.17 Dues to Micro, Small and Medium Enterprises

The information as required to be disclosed w.r.t. Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) is as given below and the information mentioned under Trade Payable w.r.t. dues to Micro and Small Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied on by the Auditors :

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March, 2026

33.17 Dues to Micro, Small and Medium Enterprises (Contd..)

(All amounts in ₹ Lakhs , unless otherwise stated)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(a) The principal amount remaining unpaid as at the end of the year.	412.10	1,017.24
(b) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(c) Amount of interest paid by the Company in terms of Section 16, of (MSMED Act, 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-
(d) Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act, 2006).	-	-
(e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act, 2006).	-	-

33.18 Impact of New Labour Codes:

Pursuant to the notification/implementation of the labour Codes, namely the code on Wages, 2019, the industrial Relations Code, 2020, the code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour codes") the Company has assessed the potential impact of the changes on employee benefit obligations, including gratuity and leave-related benefits, based on the information currently available and applicable guidance. Based on the assessment carried out by the management, the impact of the Labour Codes on the Company's financial statements is not material. Accordingly, the impact, if any, has been considered and recognised as part of employee benefits expenses in the financial results for the year ended March 31, 2026.

33.19 Previous Year's figures have been reclassified, wherever necessary so as to conform with those of Current year.

as per our report of even date attached
for Brahmayya & Co.

Chartered Accountants
Firm's Registration No.: 000513S

(K Shravan)
Partner
Membership No. 215798

Place: Hyderabad
Date: 25.05.2026

For and on behalf of Board of Directors

(E.V.S.V. Sarma)
Company Secretary
M.NO. A5220

(S K Agarwal)
Chief Financial Officer
M.NO. A200290

(L. N. Agarwal)
Chairman & Managing Director
DIN: 00008721

(Paritosh Agarwal)
Managing Director
DIN: 00008738

(Dhruv Vijai Singh)
Director
DIN: 07180749

NOTICE

NOTICE is hereby given that the 63rd Annual General Meeting (AGM) of the Members of Suryalakshmi Cotton Mills Limited will be held on Wednesday, 30 September, 2026 at 11:00 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 6th Floor, Surya Towers, 105, S.P. Road, Secunderabad – 500 003 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be held thereat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of Profit and Loss for the year ended 31 March, 2026 and audited Balance Sheet as on that date and the reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Sri Paritosh Agarwal (DIN: 00008738), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM 3: RATIFICATION OF THE REMUNERATION OF COST AUDITOR.

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION:

"**RESOLVED THAT** the Company do hereby approve and ratify in terms of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s), re-enactment thereof for the time being in force and amended from time to time), the remuneration of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand only) plus out of pocket expenses payable to M/S. S. Hariharan & Associates, (Firm Registration No. 100486), Cost Accountants for the cost audit to be conducted by them of the cost records of the Company for the financial year 2026-27."

"**RESOLVED FURTHER THAT** the Board of Directors and / or the Company Secretary, be and are hereby severally authorized to do the necessary filings with the Registrar of Companies and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

ITEM 4: APPOINTMENT OF SRI VENKATA PHANI KIRAN KUMAR IMMANENI (DIN: 11737207) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY.

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the SEBI Listing Regulations") and on the basis of recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the Members of the Company be and is hereby accorded for appointment of Sri Venkata Phani Kiran Kumar Immaneni (DIN: 11737207), as Non-Executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations and in respect of whom a notice in writing under Section 160 of the Act has been received from a Member proposing his candidature for office of the Director of the Company be and is hereby appointed as a Non-Executive Independent Director on the Board of the Company for a term of five (5) consecutive years with effect from 27 July, 2026, who shall not be liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors and / or the Company Secretary, be and are hereby severally authorized to do the necessary filings with the Registrar of Companies and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

ITEM 5: RATIFICATION AND AUTHORISATION FOR CREATION OF MORTGAGE, CHARGE AND SECURITY INTEREST ON THE ASSETS OF THE COMPANY.

To consider, and, if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:

"**RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof and/or any Director(s) and/or officer(s) authorised by the Board) to create, extend, continue, renew, modify, substitute or otherwise deal with any mortgage, charge, hypothecation, lien, pledge or other security interest, whether by way of first charge, second charge, exclusive charge, pari passu charge or otherwise, on all or any part of the movable and/or immovable properties, assets, undertakings, present and/or future assets of the Company, in favour of any bank(s), financial institution(s), lender(s), security trustee(s) or any other person or entity, for securing the financial facilities, borrowings and/ or other financial assistance availed or to be availed by the Company."

"**RESOLVED FURTHER THAT** the Members hereby ratify, confirm and approve all actions, deeds, matters and things already undertaken or caused to be undertaken by the Board and/or any Director(s) or authorised officer(s) of the Company in relation to the creation, extension, continuation, renewal, modification, substitution or documentation of any mortgage, charge or other security interest on the assets or properties of the Company in connection with the financial facilities and/ or borrowings of the Company."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalise, execute, sign, deliver and register such mortgage deeds, deeds of hypothecation, declarations, undertakings, agreements, security documents, applications, forms, writings and other documents as may be required by any lender(s), bank(s), financial institution(s), security trustee(s), statutory authority or any other person and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this resolution."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred herein to any Director(s), Key Managerial Personnel or other officer(s) of the Company, as may be deemed appropriate."

"**RESOLVED FURTHER THAT** a certified true copy of this resolution be furnished to such bank(s), financial institution(s), lender(s), security trustee(s), Registrar of Companies or any other authority or person as may be required."

By Order of the Board of Directors
For **SURYALAKSHMI COTTON MILLS LIMITED**

E.V.S.V. SARMA
COMPANY SECRETARY &
COMPLIANCE OFFICER
(M No. A5220)

Place :Secunderabad
Date :25 May, 2026

Notes and Shareholder Information:

1. Ministry of Corporate Affairs (MCA), vide General Circular No. 03/2025 dated 22 September, 2025 ("MCA circular") & the Securities and Exchange Board of India vide circular SEBI / HO / CFD / CFD-PoD-2 /P / CIR / 2024 / 133 dated 03 October, 2024 ("SEBI circular") have allowed the Companies to conduct AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circular & SEBI Circular, the AGM of the Company is being held through VC / OAVM. The AGM proceedings will be made available on the Company's website. The deemed venue for the AGM shall be the Registered Office of the Company.

2. Since the ensuing AGM is being held pursuant to the MCA Circulars through VC / OAVM which does not require physical attendance of Members at the AGM, the facility to appoint proxy by the Members will not be available for this AGM and therefore, Proxy Form and Attendance Slip are not annexed to this Notice.

3. Since AGM will be held through VC / OAVM, the Route Map is not required and hence, not annexed to this Notice.

4. Members are requested to carefully read the "Procedure for joining the AGM through VC / OAVM" given in this Notice.

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Only those members, who are present in the meeting through VC / OAVM facility and have not cast their vote on resolutions through remote e-voting and are otherwise not barred from doing so, will be allowed to vote through e-voting system at the AGM ("InstaPoll").

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of its Board or governing body Resolution / authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said resolution / authorization shall be sent by e-mail through the registered e-mail address to KFin Technologies Limited (KFin / RTA) at evoting@kfintech.com and to the Company at cs@suryalakshmi.com.

8. All investor related communication may be addressed to KFin at the following address:

Address for Correspondence / Operations Centre	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032
Contact Person	Mr. Mohammed Shanoor, Deputy Manager - Corporate Registry
E-mail ID	einward.ris@kfintech.com
Toll Free Number	1800 309 4001
WhatsApp Number	(91) 910 009 4099
Investor Support Centre	https://kprism.kfintech.com/
RTA Website	https://ris.kfintech.com
KPRISM (Mobile Application)	https://kprism.kfintech.com/signup

9. (a) In compliance with above mentioned circulars of MCA the Notice calling this AGM along with the Annual Report for FY 26 is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Depository Participants or the Company's RTA. Members may kindly note that the Notice of AGM and Annual Report for FY 26 will also be available on the Company's website viz. www.suryalakshmi.com and website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited (www.bseindia.com and www.nseindia.com).

   (b) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

   If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID, Client ID and PAN to generate a password.

   Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

10. In order to enable the Company to comply with MCA circulars issued for holding AGM via VC / OAVM and to participate in the green initiative in Corporate Governance, members are requested to register their e-mail addresses in respect of shares held in electronic form with their Depository Participant(s) and in respect of shares held in physical form, the shareholder can send an e-mail to evoting@kfintech.com for getting the password from the RTA with details of folio number and self-attested copy of PAN card at KFin Technologies Limited, Unit: SLCM, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 or by sending e-mail to einward.ris@kfintech.com. Members are advised to receive the Notice convening the AGM and Annual Report for FY-26 via e-mail, by updating their e-mail id by sending KYC forms to KFin Technologies Limited, Unit: SLCM, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 or by sending e-mail to einward.ris@kfintech.com. Notice of AGM can be downloaded through https://evoting.kfintech.com/public/Downloads.aspx.

11. Members holding shares in physical form can avail the facility of nomination on their shareholding pursuant to the provisions of Section 72 of the Act and for the same, they are advised to send their nomination in the prescribed Form No. SH-13 to KFin at the above-mentioned address. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

12. In terms of SEBI's circular dated 20 April, 2018, members holding shares in physical form and whose PAN and Bank details are not updated in the records of KFin, are requested to submit their PAN and Bank Account details, along with self-attested copy of PAN Card and original cancelled cheque / attested copy of bank passbook bearing name of the Member to the Company / KFin.

13. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

    Members holding shares in physical mode can submit their PAN to the Company / KFin.

14. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, with effect from 01 April, 2019, securities of listed companies can be transferred only in dematerialised form. Accordingly, the Company will not accept any fresh lodgement of transfer of shares in physical form. The members are therefore advised, in their own interest, to dematerialize the shares held by them in physical form.

15. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's RTA, details of such folios together with the share certificates and KYC proof(s) viz. PAN, Aadhar etc. for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon.

16. Members are requested to send their queries, if any, on the financial statements / operations of the Company, via e-mail to the Company Secretary at cs@suryalakshmi.com atleast 7 days before the AGM, so that the information can be compiled in advance.

17. The documents referred to in this Notice are available for inspection electronically without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) upto the date of AGM. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection electronically by the members during the AGM. Members seeking to inspect such documents may send request from their e-mail id registered with the Company / RTA to the Company at cs@suryalakshmi.com.

18. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI LODR, the Company is providing to its members facility to exercise their right to vote on the Resolutions as set out in notice of AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). The facility for voting through electronic voting system will also be available during the AGM ("InstaPoll") and members attending the AGM who have not cast their vote(s) by remote e-voting, will be able to cast their vote at the meeting through InstaPoll. The Company has engaged the services of KFin as the agency to provide e-voting facility at the AGM.

19. The remote e-voting facility will be available during the following period:

    Commencement of remote e-voting : From 9.00 a.m. (IST) on Friday, 25 September, 2026.

    End of remote e-voting : Up to 5.00 p.m. (IST) on Tuesday, 29 September, 2026.

    Remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFin upon expiry of aforesaid period.

20. **Persons whose name appears in the Register of Members / list of Beneficial Owners as on Wednesday, 23 September, 2026** (Cut-off date) shall be entitled to cast their vote by remote e-voting on the resolutions set forth in this Notice or participating in the AGM and vote through Insta Poll. Any person who is not a Member as on the Cut-off date should treat this Notice for information purposes only.

21. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the **Cut-off date** i.e. **Wednesday, 23 September, 2026.**

22. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23 September, 2026 to Wednesday, 30 September, 2026 (both days inclusive) for the purpose of the Annual General Meeting.

23. The Board of Directors has appointed M/s. K V C Reddy & Associates, Company Secretaries, as Scrutinizer to scrutinize the remote e-voting and InstaPoll process in a fair and transparent manner and he has communicated his willingness to get appointed and will be available for the said purpose.

24. After conclusion of e-voting at the AGM, Scrutinizer will scrutinize the votes cast via InstaPoll and remote e-voting, and make a consolidated Scrutinizer's Report submission to the Chairman / Managing Director.

25. The result of e-voting (remote e-voting and InstaPoll) will be declared within two working days of the conclusion of AGM and the same, alongwith the consolidated Scrutinizer's Report, will be placed on Company's website viz. www.suryalakshmi.com and on the website of KFin viz. https://evoting.kfintech.com. The result will be simultaneously communicated to the stock exchanges viz. NSE and BSE.

26. The resolutions as set out in the notice of AGM shall be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolution(s).

27. Pursuant to SEBI circular no. SEBI / HO / CFD / CMD / CIR / P / 2020 / 242 dated 09 December, 2020 on "e-Voting Facility provided by Listed Entities", individual shareholders holding equity shares in dematerialised form can cast their vote, by way of single login credential, through their demat account / websites of Depositories / Depository Participants.

    The members are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-voting facility

    The process and manner of remote e-Voting, attending AGM through VC / OAVM and e-Voting at AGM is as under:

Procedure for Login for E-voting and Attending AGM through VC / OAVM for Individual Shareholders holding securities in Demat mode.

In terms of SEBI circular dated 09 December, 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 e-mail Id in their Demat accounts to access e-Voting facility.

A. INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCE:

1. Members may access the platform to attend the AGM through VC / OAVM at https://emeetings.kfintech.com by using their remote e-Voting credentials or by using their Registered Mobile number and OTP. The link for the AGM will be available in the Shareholder / Members login where the "event" and the "Name of the Company" can be selected. Please note that the Members who have not registered their e-mail address or 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 this Notice. Further, Members can also use the OTP based login for logging into the e-meeting system.

In order to login using the registered mobile number, Members should follow the instructions below.

a.) On the e-Meeting webpage, use the Mobile OTP option.

b.) Select the Meeting / Name of the Company.

c.) Input the Registered Mobile Number.

d.) Click on Send OTP.

e.) Post validation, join by selecting the Folio.

2. 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.

3. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

4. Further, Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

5. 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.

6. Members who need assistance before or during the AGM, can contact RTA viz., M/s.Kfin Technologies Ltd. or they can call on the toll free number 1800 309 4001.

   Facility of joining the AGM through VC / OAVM shall be open 15 minutes before the time scheduled for the AGM.

   Those Members who register themselves as speaker will only be allowed to express views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

7. AGM Questions prior to AGM: Shareholders who would like to express their views / ask questions during the meeting may log into https://emeetings.kfintech.com/ and click on "Post your Questions" may post their queries / views / questions in the window provided by mentioning the name, demat account number / folio number, e-mail-ID, mobile number. Please note that, member's questions will be answered only if the shareholders continue to hold the shares as of cut-off date BENPOS. The posting of the questions shall commence on KFIN platform from 27 September, 2026 (9:00 AM IST) and close on 28 September, 2026 (05:00 PM IST)

8. Speaker Registration during AGM session: Members may log into https://emeetings.kfintech.com/ and click on "Speaker Registration" by mentioning the demat account number / folio number, city, e-mail id, mobile number and submit. The speaker registration shall commence on 27 September, 2026 (9:00 AM IST) and close on 28 September, 2026 (05:00 PM IST).

B. INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM SESSION:

1. The e-Voting "Thumb sign" on the video screen shall be activated upon instructions of the Chairman during the AGM proceedings. Shareholders shall click on the same to take them to the "Instapoll" page.

2. Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

3. Only those shareholders, who are present in the AGM 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 available during the AGM.

REMOTE E-VOTING THROUGH ELECTRONIC MEANS

In terms of the provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on Wednesday, 23 September, 2026, being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFin or to vote at the AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The details of the process and manner for remote e-voting are given below:

i) Instructions for remote e-voting by Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated 09 December, 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 e-mail ID in their demat accounts in order to access e-Voting facility.

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/evotingloginjsp. 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 e-mail 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. 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 you are 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 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. 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** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders, holding securities in Demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies, where the e-Voting is in progress, as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia. com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

C. **INSTRUCTIONS FOR REMOTE E-VOTING FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE**

i. Launch the internet browser and type the URL: https:// evoting.kfintech.com in the address bar.

ii. Enter the login credentials i.e. User ID and password. Your Folio No. will be your User ID.

iii. After entering the password, click on LOGIN.

iv. On successful login, the system will prompt you to select the EVEN .

v. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting / dissenting to the resolution, enter all shares and click 'FOR' / 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and / or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

vi. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio/demat account.

vii. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

viii. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through e-mail at kvcr133@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'SCML_EVENT No.'

ix. Members can cast their vote online from Friday, 25 September, 2026 from 9:00 AM IST till Tuesday, 29 September, 2026 till 5:00 PM IST. Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.

x. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com or call KFin on 1800 309 4001 (toll free).

D. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company, as on the cut-off date.

E. The Company has appointed M/s. K V C Reddy & Associates, Company Secretaries, as Scrutinizer to scrutinize the remote e-voting and e-voting during the AGM in a fair and transparent manner.

F. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the electronic votes cast during the AGM and thereafter unblock and count the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other person authorised by him.

G. The Results on resolutions shall be declared within 48 hours of the conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.suryalakshmi.com/ and on the website of KFin Technologies Ltd https://www.evoting.kfintech.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange of India Limited (BSE), where the shares of the Company are listed.

H. Process for registration of e-mail address for obtaining Annual Report for e-voting:

Physical Holding	Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37, dated March 16th, 2023, all holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register / update the contact details through submitting the requisite ISR form along with the supporting documents. ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/isrforms.aspx ISR Form(s) and the supporting documents can be provided by any one of the following modes. a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or b) Through hard copies which are self-attested, which can be shared on the address below; or Name: KFIN Technologies Limited Address: Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032. c) Through electronic mode with e-sign by following the link: https://kprism.kfintech.com/ Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html
Demat Holding	Please contact your Depository Participant (DP) and register your e-mail address and bank account details in your demat account, as per the process advised by your DP.

I Application(s) by our RTA KFINTECH

Members are requested to note that as an ongoing endeavor to enhance shareholders experience and leverage new technology, Kfintech has developed the following applications for shareholders:

Investor Support Centre:

Members are hereby notified that our RTA , KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated 08 June, 2023, have created an online application which can be accessed at https://ris.kfintech.com/ default.aspx# > Investor Services > Investor Support.

Members are required to register / signup, using the Name, PAN, Mobile and e-mail -ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend , Interest , Redemptions, e-Meeting and e-Voting Details.

Quick link to access the signup page: https://kprism. kfintech.com/signup

Summary of the features and benefits are as follows:

1. The provision for the shareholders to register online.
2. OTP based login (PAN and Registered mobile number combination)
3. Raise service requests, general query, and complaints.
4. Track the status of the request.
5. View KYC status for the folios mapped with the specific PAN.
6. Quick links for SCORES, ODR, e-Meetings and e-Voting.
7. Branch Locator
8. FAQ's

Senior Citizens investor cell:

As part of our RTA's initiative to enhance the investor experience for Senior Citizens, a dedicated cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints, and queries. The Senior Citizens wishing to avail this service can send the communication with the below details to the e-mail id, senior.citizen@kfintech.com.

Senior Citizens (above 60 years of age) have to provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

The cell closely monitors the complaints coming from Senior Citizens through this channel and assists them at every stage of processing till closure of the grievance.

Online PV:

- In today's ever-changing dynamic digital landscape, security, foolproof systems and efficiency in identity verification are paramount. We understand the need to protect the interests of you (shareholders) and also comply with KYC standards. Ensuring security and KYC compliance is paramount of importance in today's remote world. Digital identity verification, using biometrics and digital ID document checks, helps combat fraud, even when individuals aren't physically present. To counteract common spoofing attempts, we engage in capturing liveness detection and facial comparison technology.

  We are excited to announce that our RTA has introduced an Online Personal Verification (OPV) process, based on liveness detection and document verification.

Key Benefits:

- A fully digital process, only requiring internet access and a device.
- Effectively reduces fraud for remote and unknown applicants.
- Supports KYC requirements.

Here's how it works:

i. Users receive a link via e-mail and SMS.

ii Users record a video, take a selfie, and capture an image with their PAN card.

iii Facial comparison ensures the user's identity matches their verified ID (PAN).

KPRISM Mobile App:

Mobile applications for all users to review their portfolio being managed by KFINTECH is available in Play store and App Store. User are requested to download the application and register with the PAN number. Post verification, user can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat, Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.

QR Code to access KPRISM:

WhatsApp:

Shareholders can use WhatsApp Number: +(91) 910 009 4099 to avail bouquet of services.

E-VOTING RESULT:

The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: www.suryalakshmi.com and on the website of KFinTech at: https://evoting.kfintech.com. The result will simultaneously be communicated to the Stock Exchanges. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Wednesday, 30 September, 2026.

IEPF RELATED INFORMATION:

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred the unpaid dividend and the corresponding equity shares, in respect of which dividends remained unclaimed for seven consecutive years, to the Investor Education and Protection Fund ("IEPF"), as applicable. Since no dividend has been declared by the Company subsequent to the dividend for the financial year 2016-17, no dividend amount or corresponding equity shares are presently due for transfer to the IEPF.

Members may claim the dividend amount and corresponding equity shares already transferred to the IEPF by making an application in Form IEPF-5 in accordance with the applicable provisions of the Act and the Rules made thereunder.

OTHER INFORMATION:

28. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 01 April, 2019. Accordingly, the Company / KFinTech have stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

29. Members holding shares in physical mode are:

    a. required to submit their Permanent Account Number (PAN) and bank account details to the Company / KFinTech, if not registered with the Company / KFinTech, as mandated by SEBI by writing to the Company at cs@suryalakshmi.com or to KFinTech at einward.ris@kfintech.com along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.

    b. advised to register nomination in respect of their shareholding in the Company.

30. Members holding shares in electronic mode are:

    a. requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with whom they are maintaining their demat accounts.

    b. advised to contact their respective DPs for registering nomination.

31. Non-Resident Indian members are requested to inform KFinTech / respective DPs, immediately of:

    i. Change in their residential status on return to India for permanent settlement.

    ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

32. Share Transfer System

    The Stakeholders Relationship Committee monitors shareholders' requests for transmissions, issue of duplicate share certificates, etc. of the Company's shares. All shareholders' requests are processed through the Company's RTA, Kfin Technologies Limited.

    As per SEBI circular no. SEBI/HO/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022, shareholders' requests for transfer, transmission, issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, etc., will be effected in dematerialised form only.

    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 dematerialisation 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 on submission of necessary documents. In view of this requirement members holding shares in the physical form are requested to consider converting their holdings to dematerialised form at the earliest. During the FY 2025-26, 640 equity shares were transferred to the Company's Suspense Escrow Account pursuant to the dematerialisation of physical share certificates and were subsequently transferred to the concerned shareholder's demat account upon completion of the prescribed formalities.

SEBI has issued a circular on January 30, 2026 on "Ease of Doing Investment and Ease of Doing Business – Doing away with requirement of issuance of Letter of Confirmation ("LOC") and to effect direct credit of securities in dematerialization account of the investor" to simplify and streamline the process of credit of securities to investors' demat accounts pursuant to investor service requests such as issuance of duplicate securities certificates, transmission, transposition, claims from unclaimed suspense account and corporate actions etc.

Under the revised framework, RTAs and listed companies shall directly credit securities to the demat account of the investor, after carrying out necessary due diligence. This measure is expected to reduce the time taken for credit of securities, while also mitigating risks associated with loss or pilferage of LOC. The provisions of this circular shall come into force with effect from 02 April, 2026.

33. Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting on 30 September, 2026 Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India is given as an annexure.

STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, this explanatory statement contains relevant and material information, as detailed here, to enable the Members to consider for approval of the Resolutions below:

ITEM 3: RATIFICATION OF THE REMUNERATION OF COST AUDITOR.

Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rules, 2014 provides for the appointment and the remuneration of the Cost Auditor for the audit of the cost records of the company by the Board and the ratification of the remuneration of the Cost Auditor by the members of the Company. The appointment of M/s. S. Hariharan & Associates, has been approved by Board of Directors as Cost Auditor for carrying out cost audit for the financial year 2026-27 on a remuneration of ₹ 1,20,000/- plus out of pocket expenses. The ratification by the members to this remuneration is being sought in this resolution.

None of the Directors / Key Managerial Personnel / their relatives of the Company is interested in this resolution.

Your Board recommends the Ordinary Resolution as set out at Item No. 3 of this notice for your approval.

ITEM 4: APPOINTMENT OF SRI VENKATA PHANI KIRAN KUMAR IMMANENI (DIN: 11737207) AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY.

Pursuant to recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company appointed Sri Venkata Phani Kiran Kumar Immaneni (DIN: 11737207) as an Additional Director (designated as Non-Executive Independent Director) of the Company effective 27 July, 2026. Considering Sri Venkata Phani Kiran Kumar Immaneni's extensive knowledge, expertise, experience and skill sets and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Sri Venkata Phani Kiran Kumar Immaneni as Non-Executive Independent Director of the Company for the period of five (5) years with effect from 27 July, 2026.

The Company has received a declaration from Sri Venkata Phani Kiran Kumar Immaneni that he meets the criteria of independence prescribed under Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company has also received his consent to act as an Independent Director and declaration that he is not disqualified or debarred from being appointed as a Director in terms of Section 164 of the Act and Listing Regulations.

The Company has received notice in writing from a Member as per Section 160 of the Act proposing the candidature of Sri Venkata Phani Kiran Kumar Immaneni for the office of Independent Director of the Company.

The brief profile and areas of expertise of Sri Venkata Phani Kiran Kumar Immaneni is annexed to the Notice.

Additional information pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India as applicable are annexed to the Notice as Annexure. Copy of the draft Letter of Appointment of the Independent Director setting out the terms and conditions of his appointment is available for inspection electronically, basis the request being sent to the Company for inspection of documents.

In the opinion of the Board, Sri Venkata Phani Kiran Kumar Immaneni fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Sri Venkata Phani Kiran Kumar Immaneni is independent of the management.

Accordingly, it is proposed to appoint Sri Venkata Phani Kiran Kumar Immaneni as a Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five (5) consecutive years w.e.f. 27 July, 2026.

Except Sri Venkata Phani Kiran Kumar Immaneni being the appointee and / or his relatives, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

In view of the above, on the recommendation of the NRC, the Board of Directors recommends Special Resolution as set out at Item No. 4 of the Notice, for approval of the Members of the Company.

ITEM 5: RATIFICATION AND AUTHORISATION FOR CREATION OF MORTGAGE, CHARGE AND SECURITY INTEREST ON THE ASSETS OF THE COMPANY.

The Company, in the ordinary course of its business, avails and may continue to avail various credit facilities, financial assistance and other borrowing arrangements from banks, financial institutions and other lenders.

In connection with such financial facilities and borrowings, the Company may be required, from time to time, to create, extend, continue, renew, modify or substitute mortgage, charge, hypothecation, lien or other security interest on its movable and/or immovable properties and assets in favour of the concerned lenders for securing such facilities and financial assistance.

Further, certain mortgage, charge and/or security arrangements may have been created, documented, modified, extended or otherwise dealt with pursuant to the authority granted by the Board of Directors and/or authorised representatives of the Company in connection with the financial facilities availed by the Company.

Accordingly, in order to ratify and confirm such actions and to provide a general enabling authority to the Board of Directors for creation, continuation, extension, modification, substitution or renewal of mortgage, charge and other security interests on the assets of the Company, the approval of the Members is being sought pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013.

The proposed resolution is intended to provide the Company with the necessary flexibility to comply with the requirements of its lenders and to execute appropriate security and related documentation in respect of its existing and future financial facilities and borrowings, without restricting the authority to any particular lender, property or financial facility.

The Board of Directors recommends the passing of the Special Resolution as set out under Item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

By Order of the Board of Directors
For **SURYALAKSHMI COTTON MILLS LIMITED**

E.V.S.V.SARMA
COMPANY SECRETARY &
COMPLIANCE OFFICER
(M. No. - A5220)

Place: Secunderabad
Date: 25 May, 2026

ANNEXURE

Details of Directors seeking appointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 Secretarial Standard - 2 on General Meetings.

Name of the Director	Sri Paritosh Agarwal	Sri Venkata Phani Kiran Kumar Immaneni
Director Identification Number	00008738	11737207
Date of Birth and Age	18/03/1973 and 53 years	12/11/1966 and 59 years
Nationality	Indian	Indian
Qualification	Graduate	1. B.Tech (Mechanical) from Nagarjuna University in 1989 2. MBA in Marketing from Jawaharlal Nehru Technology, Hyderabad in 1992 3. CAIIB from Indian Institute of Bankers, Mumbai in 1999 4. PGDCS from Hyderabad Central University in 2000
Expertise in Specific functional areas and Brief Resume	Sri Paritosh Agarwal was instrumental in setting up the 10 million meters Denim plant at Ramtek [Maharashtra] in 1997 and at present the capacity of the plant is 40 million meters. Sri Paritosh Agarwal has vast experience in developing export business, having handled the function in the group companies also and in building up the export business for yarn and, fabric segments of Suryalakshmi and in establishing a brand equity for Suryalakshmi in the export market. Has travelled extensively to all the foreign countries on business promotion visits. The Company caters to reputed brands like Walmart, Amazon, Levi's and Kontoor among others.	Sri Venkata Phani Kiran Kumar Immaneni is a seasoned banking professional with over 33 years of experience, including 15 years in China and Hong Kong, with extensive exposure to international banking, business strategy and financial markets. He served as Chief Executive and Country Head in China / Hong Kong for over 12 years and played a key role in establishing overseas branches of Indian banks, involving regulatory coordination, strategic implementation and stakeholder management. He possesses rich experience in business development, market expansion, strategic partnerships, client relationship management and operational leadership, with strong expertise in financial planning, regulatory compliance and team management across diverse business environments.
Experience	32 Years	33 Years
Directorships held in other Indian companies as on the date of this notice	Nil	Nil
Chairmanship / Membership of Committees held in other Indian companies as on the date of this notice	Nil	Nil
Relationship with other Directors & KMP	Yes, Son of Sri L.N. Agarwal, Chairman and Managing Director of the Company.	None

Name of the Director	Sri Paritosh Agarwal	Sri Venkata Phani Kiran Kumar Immaneni
Number of Equity Shares held in the Company	19,71,272	Nil
Number of Board meetings attended during last Financial Year	5	Not Applicable
Terms & Conditions of Appointment / Re-appointment	Re-appointment upon retirement by rotation and the terms remain same as per member's approval dated 30/09/2025 for holding the position of Managing Director of the Company.	Subject to the approval of the Members, appointed as an Independent Director for a period of Five (5) consecutive years, not liable to retire by rotation, from 27 July, 2026.
Details of Remuneration sought to be paid	Re-appointment upon retirement by rotation and the remuneration remain same as per member's approval dated 30/09/2025 for holding the position of Managing Director of the Company.	As per Explanatory Statement of Item No. 4
Remuneration last drawn by the Director (FY 2025-26)	₹ 70.78 Lakhs	Not Applicable
Name of listed entities from which Director has resigned in the last three years	None	None
Date of first appointment on the Board	06/09/1994	27/07/2026

*For other details on the above Directors, please refer to the Corporate Governance Report which is a part of this Integrated Annual Report.

Notes

SURYALAKSHMI COTTON MILLS LIMITED

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