SURYALATA SPINNING MILLS LIMITED
CIN-L18100TG1983PLC003962 - GST No : 36AADCS0823M1ZA
(An ISO 9001 : 2015 Certified Company)

To
Date: 31st July 2026

The Listing Department
BSE limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
Maharashtra, India

Dear Sir/Madam,

Sub: Submission of Notice of 43rd Annual General Meeting (AGM) and Annual Report for the financial year 2025-26 under Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reference the captioned subject, please find enclosed herewith the Annual Report of the Company for the Financial Year 2025-26 along with the Notice convening the 43rd Annual General Meeting ("AGM") scheduled to be held on Monday, 24th August, 2026 at 11:00 a.m. (IST) through Video Conferencing/ Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and SEBI.

In compliance with the aforesaid circulars, the Annual Report along with the Notice of the AGM is being sent only by electronic mode to those shareholders whose email addresses are registered with the Company/ Registrar and Transfer Agent of the Company/Depository Participants.

The aforesaid Notice is also available on the website of the Company i.e www.suryalata.com

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended), and Regulation 44 of SEBI Listing Regulations, 2015, the Company is providing the facility to its Members (holding shares either in physical or demaIerialized form) to exercise their right to vote by electronic means through Remote e-voting or voting through electronic means during the AGM, on the businesses specified in the Notice convening the 43rd AGM of the Company.

Members who have not registered their emails IDs with the Company/RTA/Depositories, a separate letter with web link of the annual report 2025-26 is being sent at the address registered in the records of RTA/Company/Depositories Participants in compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company shall send physical copy of the Annual Report along with Notice to those member(s) who request for the same at cs@suryalata.com and mentioning their Folio No/DP ID and Client ID.

This is for your information and record.

Thanking you,
Yours faithfully,

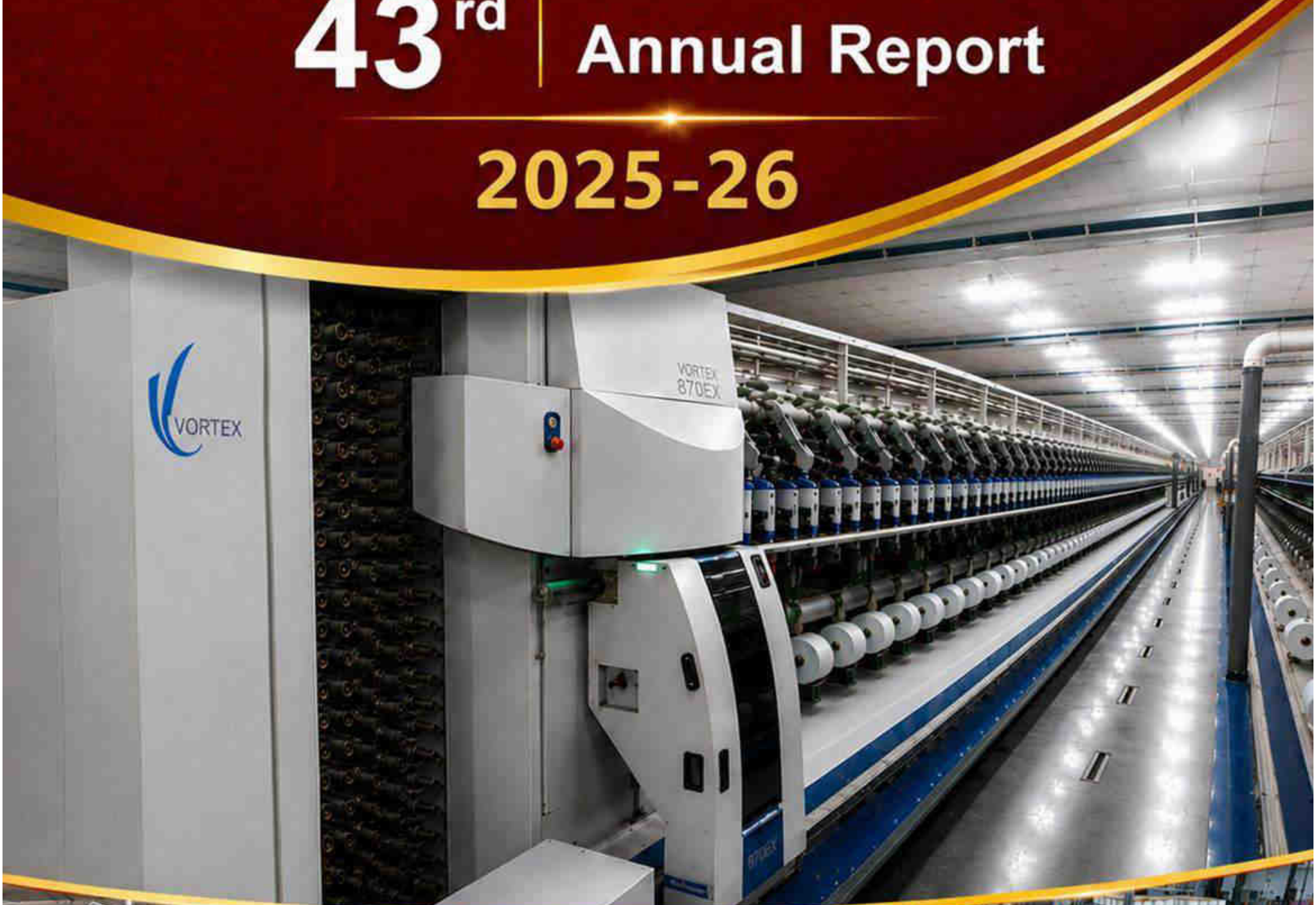
For SURYALATA SPINNING MILLS LIMITED

SURYALATA SPINNING MILLS LIMITED

VITHALDAS AGARWAL
MANAGING DIRECTOR
DIN: 00012774

SURYALATA
SPINNING MILLS LIMITED

43rd | Annual Report
2025-26



Intelligent Movement – Seamless Performance

Every year, we return to cherish the
memories you left behind.
Though time passes, it still feels as if
you are with us every day—we miss
you beyond measure.

- Suryalata Team

Contents

ADDRESS FOR COMMUNICATION TO

REGISTERED OFFICE

Surya Towers, 1st Floor,
105, Sardar Patel Road, Secunderabad - 500 003.

Tel : 040 - 2777 4200
E-mail : cs@suryalata.com
Website : www.suryalata.com
ISIN : INE132C01027
CIN : L18100TG1983PLC003962
GST : 36AADCS0823M1ZA
Listed on : B S E Limited
Scrip Code : 5 1 4 1 3 8

REGISTRAR & TRANSFER AGENTS

KFin Technologies Limited
CIN: U72400TG2017PLC117649
Unit: Suryalata Spinning Mills Limited
Selenium, Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032.
Rangareddi, Telangana, India
Phone No.: 040 6716 1500 / 6716 2222,
E-Mail: einward.ris@kfintech.com
Website: www.kfintech.com

CHAIRMAN 'S SPEECH

On behalf of the Board of Directors, I extend a warm welcome to all our shareholders, esteemed members of the Board, and distinguished invitees to the 43rd Annual General Meeting of your Company.

Dear Shareholders,

During the financial year 2025–26, your company demonstrated resilience amid a challenging global economic environment. According to the International Monetary Fund (IMF), the global economy continued to face persistent inflationary pressures, geopolitical uncertainties, fragmented trade relationships, and subdued consumer demand. These factors affected productivity, economic growth, and international trade across many sectors.

Despite these challenges, your company recorded and maintained a standalone revenue of Rs. **490.12** cr, the wholly subsidiary Suntree Solar Energy Private Limited maintained revenue of Rs.**11.80** cr, and the consolidated revenue is **Rs. 499.23** crore, EBIDTA from the standalone operations increased to **11.98%** with the implementation of cost-reduction initiatives, financial discipline and on grant & receipt of Industrial incentives from the Government of Telangana. EBIDTA from the consolidated operations increased to **13.36**% for the financial year 2025-26.

I am happy to inform you that the company expanded **Vortex Yarn** capacities with the installation of 8 machines and total No. of machines, increased to 16 machines which is an equivalent to 24000 ring spindle capacities. The Quality of Vortex Spin Yarn proved in forward segment of weaving process. The increased volumes are able to sell at Par with Ring Spin Yarns. Technological advancements and on-going innovation playing a pivotal role in product quality and in the operational process costs. Considering the positive market response and the cost efficiencies associated in the process of Vortex Yarn product, the company is looking forward to replace ring spindle capacities with the Vortex spinning machinery in the coming years.

Looking forward, the Indian textile and apparel market, valued at USD 248.70 billion in 2025, is expected to reach USD 656.31 billion by 2034, reflecting a compound annual growth of 11.38%, this growth is being driven by rising domestic consumption, increasing fashion awareness, expanding e-commerce penetration, and sustained export demand. Beyond this growth factor and the economic contribution, the industry plays a pivotal role by generating rural employment encouraging women's participation in garment manufacturing. Regional clusters developed in Maharashtra & Gujarat for Synthetic textiles, in addition to industrial scale power loom facilities. Government initiatives such as the Production Linked Incentive (PLI) Scheme, PM MITRA Textile Parks, and the "Make in India" programme are further strengthening India's manufacturing capabilities.

In view of this, I remain optimistic about the prospects of the synthetic yarn industry. Increasing scarcity of natural fibres, evolving consumer preferences, and growing demand for value-added textile products are expected to create new opportunities for synthetic yarn manufacturers. Your Company has built a strong foundation based on sustainable business practices, operational excellence, and customer confidence. We are therefore well positioned to strengthen our leadership in the industry and improve our overall performance in the years ahead.

During the financial year, the Company achieved a **consolidated Profit After Tax of Rs.35.52 crore on a consolidated revenue of Rs. 499.23 crore**. In recognition of this performance, the Board of Directors has recommended a **dividend of 20%** on the paid-up equity shares held by the non-promoter shareholders, subject to your approval.

I take this opportunity to express my sincere appreciation to our management team and all our employees and workers for their unwavering commitment, dedication, and relentless efforts in achieving the Company's objectives. Your hard work and determination continue to be the foundation of our success.

I also extend my heartfelt gratitude to our Independent Directors for their valuable guidance, rich experience, and continued support in the Board's deliberations, which have significantly contributed to the Company's growth and strategic direction.

My sincere thanks also to all our shareholders, investors, and stakeholders for the confidence and trust they have consistently reposed in the Company.

Finally, I express my gratitude to the Government and regulatory authorities, our valued customers, suppliers, vendors, bankers, and business associates for their continued cooperation and support.

With your continued encouragement and the dedication of our entire team, I am confident that your Company will continue to grow sustainably and create lasting value for all its stakeholders.

Thanking you all.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Sri K Harishchandra Prasad (DIN: 00012564)	Chairman & Non-Executive Independent Director
Sri Vithaldas Agarwal (DIN: 00012774)	Managing Director
Sri Mahender Kumar Agarwal (DIN: 00012807)	Joint Managing Director
Smt. Madhavi Agarwal (DIN: 06866592)	Whole-Time Director
Sri K R Suresh Reddy (DIN: 00074879)	Non-Executive and Non Independent Director
Sri. R.Raghuram Reddy (DIN: 02431417)	Non-Executive Independent Director
Sri. Meka Yugandhar (DIN: 00012265)	Non-Executive Independent Director
Sri. Gautam Damodar Sawang (DIN: 1121971)	Additional Director (Independent Director Category) w.e.f 25th May 2026
Sri K Nageswara Rao (M.No. 027129 of ICAI)	Chief Financial Officer (CFO)
Sri S. Venkata Rao (M.No. F4809 of ICSI)	Company Secretary & Compliance Officer

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Sri R Raghuram Reddy, Chairman

Sri K Harishchandra Prasad, Member

Sri K R Suresh Reddy, Member

Sri. Meka Yugandhar, Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Sri Meka Yugandhar, Chairman

Sri Vithaldas Agarwal, Member

Sri Mahender Kumar Agarwal, Member

NOMINATION & REMUNERATION COMMITTEE

Sri. Meka Yugandhar, Chairman

Sri K Harishchandra Prasad, Member

Sri K R Suresh Reddy, Member

Sri R Raghuram Reddy, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sri.R Raghuram Reddy, Chairman

Sri Vithaldas Agarwal, Member

Sri Mahender Kumar Agarwal, Member

STATUTORY AUDITORS

K S Rao & Co.,

Chartered Accountants, Hyderabad

SECRETARIAL AUDITORS

Prerna & Co,

Company Secretaries, Hyderabad.

BANKERS

IDBI Bank Limited, Chennai

HDFC Bank limited, Hyderabad

IndusInd Bank Limited, Hyderabad

INTERNAL AUDITORS

Brahmayya & Co.,

Chartered Accountants, Hyderabad.

COST AUDITORS

Aruna Prasad & Co.,

Cost Accountants, Chennai.

FACTORIES

(i) Sy No. 187 to 190 Marchala Village, Kalwakurthy Mandal, Nagar Kurnool District, Telangana – 509 320

(ii) Sy No. 161 to 166 Urukondapet Village, Urukonda Mandal, Nagar Kurnool District, Telangana – 509 320

Book Closure dates: August 17,2026 to August 24,2026 (Both days Inclusive)

Notice:

Notice is hereby given that the 43rd Annual General Meeting of the Members of Suryalata Spinning Mills Limited (the Company) will be held on Monday, August 24,2026, at 11.00 A.M. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following items of business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Cumulative Redeemable Preference Shares of the Company for the financial year ended March 31, 2026.
3. To declare dividend @ 20% (Rs. 2/- per equity share of 10/- each) to Non-Promoter Equity Shareholders of the Company for the financial year ended March 31, 2026.
4. To appoint a Director in place of Smt Madhavi Agarwal, (DIN: 06866592) Whole time Director of the Company who retires by rotation and being eligible, offers herself for re-appointment

SPECIAL BUSINESS:

5. **Appointment of Sri. Gautam Damodar Sawang (DIN: 11219711) as an Independent Director of the Company. (Brief Profile: Annexure A to this Notice)**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

" **RESOLVED THAT** Sri. Gautam Damodar Sawang (DIN: 11219711) who was appointed as an Additional Director (Independent Director Category) of the Company with effect from May 25, 2026 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

" **RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Sri. Gautam Damodar Sawang that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, for a term of 5 years, w.e.f. from May 25, 2026 to May 24, 2031 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved ."

6. **Continuation of directorship of Sri. Meka Yugandhar (DIN:00012265), as a Non-Executive Independent Director of the Company. (Brief Profile : Annexure A to this Notice)**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the continuation of Sri Meka Yugandhar (DIN: 00012265) as a Non-Executive Independent Director of the Company and that he shall not be liable to retire by rotation and shall continue as an Independent Director beyond the age of 75 years up to the expiry of his present term, i.e., June 28, 2029.

"**RESOLVED FURTHER THAT** the Managing Director or Company Secretary of the Company be and are hereby severally authorized to file all necessary e-forms with the Registrar of Companies and to do all such acts, deeds, matters and things and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

7. To ratify the remuneration of the Cost Auditor Smt. Aruna Prasad (M/s. Aruna Prasad & Co., Cost Accountants) for financial year ending March 31, 2027:

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

" **RESOLVED THAT** pursuant to the Provisions of Section 148 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment(s) thereof, for the time being in forces, the remuneration of Rs.55,000/- (Rupees Fifty Five Thousand Only)and reimbursement of out-of-pocket expenses incurred by M/s. Aruna Prasad & Co., Cost Accountants (Firm Registration No. 100883) appointed by the Board of Directors to conduct the Audit of the cost records of the Company for the Financial Year ended March 31, 2027, be and is hereby approved and ratified."

For and on behalf of the Board
Suryalata Spinning Mills Limited

Sd/-
Vithaldas Agarwal
Managing Director
DIN:00012774

Place: Secunderabad
Date: 25th July, 2026

NOTES :

1. The Ministry of Corporate Affairs, Government of India ("MCA") permitted holding of the AGM through VC/OAVM, without physical presence of the Members at a common venue. Accordingly, in compliance with the MCA Circulars AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM. [General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 03/2025 dated September 22, 2025, collectively referred to as "MCA Circulars"]

2. Pursuant to Section 103 of the Companies Act, 2013 ("Act"), members attending the AGM through VC/OAVM shall be counted for the purpose of determining the quorum.

3. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on 14th August , 2026 ("cut-off date") will be entitled to vote during the AGM.

4. Shareholders desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries to the registered office of the company at least seven days before the date of the AGM, so that the information requested may be made available.

5. Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf, and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for this AGM, and hence, the proxy form, attendance slip and route map of AGM are not annexed

6. The Explanatory Statement pursuant to Section 102 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ('Rules') and other applicable provisions, as amended from time to time, setting out all material facts relating to the Resolution mentioned in this Notice of AGM, along with the reasons thereof and additional information as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is attached hereto and forms part of this Notice of AGM. The relevant details with respect to "Directors seeking Appointment or re-appointment at this AGM" are provided as Annexure A.

7. All the documents referred to in this Notice are available for inspection by the shareholders. Those who desire to obtain the same may write to cs@suryalata.com

8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the shareholders during the AGM.

9. Circulation of Notice of the AGM along with Annual Report electronically: Notice of the AGM along with the Annual Report for financial year ("FY") 2026 is being sent by electronic mode to those Members whose email address is registered with the Company, Registrar & Share Transfer Agent ("RTA") or National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL"), collectively ("Depositories").

Additionally, the Company will also send a letter to shareholders providing the web-link and QR code for accessing the Annual Report to those Members who have not registered their email address with the Company, RTA or Depositories. [Regulation 36(1) of the SEBI Listing Regulations]

i. Those Members who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure given below:

- Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
- Members holding shares in physical form may register their e-mail address and mobile number with KFin by sending an email to einward.ris@ kfintech.com along with a signed, scanned copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and a copy of the share certificate for receiving the Notice and the e-voting instructions
- Further, those members who have not registered their e-mail addresses and mobile nos. and, as a consequence, could not be served the Notice, may temporarily get themselves registered with KFin, by clicking the link:
- Members are requested to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail going forward. ii. With a view to helping us serve better, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/RTA to consolidate their holdings in one folio.

ii. Members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/ update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, in case the shares are held in physical form.

The Notice of the AGM, along with the Annual Report for FY 2026, is available on the following websites: (a) Company – https://www.Suryalata.com .com, (b) BSE Limited - https://www.bseindia.com,

10. Institutional shareholders/Corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board Resolution/ Power of Attorney/Authority Letter, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. pursuant to Section 113 of the Act, together with attested specimen signature(s) of the duly authorised representative(s), be sent to::

    (i) the Company Secretary at the E-mail: company. cs@suryalata.com
    (ii) the Scrutinizer at E-mail: pcsprerna@gmail.com
    (iii) a copy marked to evoting@kfintech.com The scanned image of the above–mentioned documents should be in the naming format "Corporate Name and Event No."

11. In terms of SEBI Circular Nos. SEBI/HO/OIAE/OIAE_ IAD-1/P/ CIR/2023/131 dated 31 July 2023, as further amended by the Corrigendum cum Amendment circular No. SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated 4 August 2023 and the Master Circular No. SEBI/ HO/OIAE/OIAE_IAD-3/P/CIR/2023/195, the SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for the resolution of disputes arising in the Indian Securities Market.

12. The Register of Members and the Share Transfer Books of the Company will remain closed from August 17,2026 to August 24 ,2026 (both days inclusive) in connection with the AGM.

13. The certificates from the secretarial auditors of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, will be available for inspection by the shareholders at the AGM.

APPLICATION(S) BY KFIN :

Members are requested to note that, as part of its continuous efforts to enhance shareholder experience and leverage technology-driven solutions, KFin 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-/P/CIR/2023/72) dated Jun 08, 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 email ID. Post registration, the user can log in via OTP and execute activities like raising Service Request, Query, Complaints, checking for status, KYC details, Dividend, Interest, Redemptions, eMeeting and eVoting Details.

Summary of the features and benefits is as follows:

The provision for the shareholders to register online.

1. OTP based login (PAN and Registered mobile number combination)
2. Raise service requests, general queries, and complaints.
3. Track the status of the request.
4. View KYC status for the folios mapped with the specific PAN.
5. Quick links for SCORES, ODR, e-Meetings and eVoting.
6. Branch Locator
7. FAQ's

Senior Citizens investor cell :

To enhance the investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed within KFINTECH to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries.

The special cell shall closely monitor the complaints coming from Senior Citizens through this channel and handholding them at every stage of processing till closure of the grievance

The Senior Citizens wishing to avail this service can send the communication with the below details to the email 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

Alternatively, you can also contact our Toll-free number: 1-800-309-4006 dedicated for Senior Citizens for any queries or information

Online Physical Verification:

In today's rapidly evolving digital environment, ensuring security, robust systems, and efficient identity verification processes has become increasingly critical. We recognise the importance of safeguarding the interests of shareholders while ensuring compliance with applicable KYC requirements. In an increasingly remote and digital ecosystem, maintaining security and KYC compliance remains a key priority. Digital identity verification mechanisms, including biometric authentication and digital document verification, assist in preventing fraudulent activities even in the absence of physical interaction. To mitigate potential spoofing risks, advanced technologies such as liveness detection and facial comparison are also deployed

We are pleased to inform you that our Registrar and Transfer Agent ("RTA") has introduced an Online Personal Verification ("OPV") process incorporating liveness detection and document verification technology

Key Benefits:

a. A fully digital process, only requiring internet access and a device.
b. Effectively reduces fraud for remote and unknown applicants.
c. Supports KYC requirements.

Here's how it works:

i. Users receive a link via email 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).

14. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. The Members/Claimants whose shares, unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 which is available on www.iepf.gov.in and on the website of the Company www.suryalata.com along with requisite fee as decided by it from time to time.

Members who have not yet encashed the dividend warrants from the financial year ended March 31, 2019 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on March 31 2018, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at www.suryalata.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in.

Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends

15. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated.

16. Retirement of Directors by rotation: Smt. Madhavi Agarwal, (DIN: 06866592) Whole time Director of the Company, retires by rotation at the ensuing AGM and, being eligible, offers herself for re-appointment. The Board of Directors recommends the re-appointment of Madhavi Agarwal, (DIN: 06866592) Whole time Director, whose office is liable to retire by rotation.

E-VOTING

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is offering e-voting facility to all Members of the Company. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date i.e.,August 14, 2026.
2. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. August 14, 2026, shall only be entitled to avail the facility of remote e-voting/e-voting at the AGM. KFintech will be facilitating e-voting to enable the Members to cast their votes electronically.

   A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
3. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting:	From 9.00 A.M. (IST) on August 20, 2026
End of remote e-voting:	At 5.00 P.M. (IST) on August 23, 2026

   The remote e-voting will not be allowed/available beyond the aforesaid date and time and the remote e-voting module shall be disabled/blocked by KFintech upon expiry of aforesaid period. Once the vote on a Resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.
4. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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/register their mobile number and email Id in their demat accounts in order to access e-Voting facility.
5. The details of the process and manner for remote e-Voting are explained herein below:

   Step1 Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

   Step2 Access to KFintech e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

STEP1:LOGIN METHOD FOR REMOTE E-VOTING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

Individual Shareholders holding securities in demat mode with NSDL	Individual Shareholders holding securities in demat mode with CDSL
1. User already registered for IDeAS facility: I.Visit URL: https://eservices.nsdl.com. II.Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting". IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasinew/home/login or URL: www.cdslindia.com II. Click on New System Myeasi. III. Login with your registered User ID and Password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote.
2. User already registered for IDeAS facility: I. Visit URL: https://eservices.nsdl.com. II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting".	**2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasinew/Registration/Easi Registration II. Proceed with completing the required fields. III. Follow the steps given in point 1

Individual Shareholders holding securities in demat mode with NSDL	Individual Shareholders holding securities in demat mode with CDSL
Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.User not registered for IDeAS e-Services I. To register click on link : https://eservices.nsdl.com. II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. III. Proceed with completing the required fields. IV. Follow steps given in points 1.	
.3**Alternatively, by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/. II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. 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. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period. Vi. Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.	**3.Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin. II. Provide your Demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP, i.e. KFintech where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant NSDL Mobile App is available on App Store Google Play	I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility. II. Once logged-in, 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. III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID / Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll Free Number: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

STEP 2: LOGIN METHOD FOR E-VOTING FOR SHAREHOLDERS, OTHER THAN INDIVIDUAL SHAREHOLDERS, HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE.

(A) Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://eMeetings.kfintech.com/.

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'xxxx - AGM" and click on "Submit".

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as displayed/ disclosed on the screen. You may also choose the option ABSTAIN. If the Member does not indicate either FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the Resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(B) Members whose email IDs are not registered with the Company/Depository Participant(s), and consequently on whom, the Annual Report, Notice of AGM and e-voting instructions cannot be served, will have to follow the following process:

I. Member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions.

II. After receiving the e-voting instructions, please follow all steps narrated/mentioned above to cast your vote by electronic means.

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 the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399.

1. Example for NSDL: MYEPWD <SPACE> IN12345612345678
2. Example for CDSL: MYEPWD <SPACE> 1402345612345678
3. Example for Physical: MYEPWD <SPACE> 1234567890

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 may call KFintech toll free number 1-800-309-4001 for all e-voting related matters. Member may send an e-mail request to einward.ris@kfintech.com for all e-voting related matters.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE E-AGM:

a. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the start of AGM and will be closed on expiry of 15 minutes after such scheduled time of AGM

b. Facility of joining the AGM through VC / OAVM shall be available for at least 1,000 members on first come first served basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

c. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://eMeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the Meeting etiquettes to join the Meeting. 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 above.

d. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

e. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members 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 WiFi or LAN Connection to mitigate any kind of aforesaid glitches.

f. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://eMeetings.kfintech.com and clicking on the tab 'Speaker Registration' and mentioning their registered e-mail id, mobile number and city, during the period starting from August 20, 2026 (9.00 A.M. IST) up to August 22, 2026 (5.00 P.M. IST). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM and the maximum time per speaker will be restricted to 3 minutes, depending on the number of speakers and available time. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that questions of only those Members will be entertained/ considered who are holding shares of Company as on the cut-off date i.e. August 14, 2026.

g. Alternatively, Members holding shares as on the cut-off date may also visit https://eMeetings. kfintech.com and click on the tab 'Post Your Queries' and post their queries/ views/questions in the window provided, by mentioning their name, demat account number/ folio number, email ID and mobile number. Members may post their queries from August 20 2026 (09.00 A.M. IST) up to August 22, 2026. (05.00 P.M IST).

h. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https:// cruat04.kfintech.com/eMeetings/video/ howitworks.aspx.

i. Members who need technical or other assistance before or during the e-AGM can contact KFintech by sending email at eMeetings@kfintech.com or Helpline: 1800 309 4001 (toll free)..

VOTING AT E-AGM:

a. Only those members/shareholders, who will be participating in the e-AGM through VC/OAVM facility and who have not cast their vote earlier through remote e-voting are eligible to vote through e-voting during the e-AGM

b. Members who have voted through remote e-voting will also be eligible to attend the e-AGM. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum of AGM under Section 103 of the Companies Act, 2013

c. Upon declaration by the Chairperson about the commencement of e-voting at e-AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the e-AGM, which will take them to the instapoll' page d. Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

OTHER INFORMATION:

The Board of Directors have appointed M/s. Prerna & Co, Company Secretaries as Scrutiniser, to scrutinise the e-voting process in a fair and transparent manner. The Scrutiniser shall, after the conclusion of voting at the AGM, submit his report within the prescribed timelines, to the Chairperson of the Company or any person authorized by the Chairperson and the results of voting will be announced within two working days from the conclusion of the AGM of the Company. The results declared along with the Scrutiniser's report shall be placed on the Company's website at www.suryalata.com and on the website of KFintech viz. https://evoting.kfintech.com and shall also be communicated to the stock exchange viz. BSE Limited, where the shares of the Company are listed. The resolutions shall be deemed to be passed at the AGM of the Company subject to obtaining requisite votes thereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF

THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

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 herein, to enable the Members to consider for approval of the Resolution No's 5,6, and 7.

Item No 5:

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board appointed Sri. Gautam Damodar Sawang (DIN: 11219711) as an Additional Director of the Company and also an Independent Director not liable to retire by rotation, for a term of 5 years, w.e.f May 25, 2026 to May 24, 2031 (both days inclusive), subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Act and provisions of SEBI (LODR) Regualtions, 2015, Sri. Gautam Damodar Sawang shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from a Member, proposing his candidature for the office of Director.

Sri. Gautam Damodar Sawang has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Sri. Gautam Damodar Sawang is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management. Given his experience, the Board considers it desirable and in the interest of the Company to have Sri. Gautam Damodar Sawang on the Board of the Company and accordingly the Board recommends the appointment of Sri. Gautam Damodar Sawang as an Independent Director as proposed in the Resolution set out at Item No. 5 of the accompanying Notice for approval by the Members.

No director, key managerial personnel or their relatives, except Sri Gautam Damodar Sawang to whom the resolution relates, is interested in or concerned with the resolution. The Board recommends the resolution set forth in Item no. 5 for the approval of the Members

Item No 6:

Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, and subject The Leadership, Nomination & Remuneration Committee (LNRC) and the Board of Directors have unanimously recommended the continuation of the directorship of Sri Yugandhar Meka, considering his vast experience, vision and valuable contributions to the Company's growth and corporate governance. Sri Yugandhar Meka is not disqualified from continuing as a Director in terms of Section 164 of the Companies Act, 2013. In compliance with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval of the members by way of a Special Resolution is sought for the continuation of Sri Yugandhar Meka as a Non-Executive Independent Director of the Company beyond the age of 75 years up to the expiry of his present term, i.e., June 28, 2029.

In the opinion of the Board, and based on the performance evaluation carried out by the Board, Sri Yugandhar Meka fulfils the conditions specified under the Companies Act, 2013, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his continuation or re-appointment as an Independent Director of the Company and is independent of the management of the Company. The Board is of the view that the continued association of Sri Yugandhar Meka would be of immense benefit to the Company and it is desirable to continue to avail of his services as an Independent Director.

Accordingly, the Board recommends the resolution in relation to the continuation of Sri Yugandhar Meka Kanuri as an independent director, for the approval by members of the Company by way of special resolution(s).

No director, key managerial personnel or their relatives, except Sri Yugandhar Meka to whom the resolution relates, is interested in or concerned with the resolution. The Board recommends the resolution set forth in Item no. 6 for the approval of the Members

Item No 7:

The Board of Directors of the Company on the recommendation of the Audit Committee, appointed M/s. Aruna Prasad & Co., Cost Auditors, Chennai, as Cost Auditors of the Company at a remuneration of Rs. 55,000/- plus reimbursement of out of pocket expenses, for conducting audit of cost records for the F.Y. 2026-27. In terms of the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder the remuneration payable to the Cost Auditor is to be ratified by the members of the Company in general meeting.

Accordingly, the members are requested to ratify the above said remuneration payable to the Cost Auditor during the financial year 2026-27. The ratification by the Members to this Remuneration is being sought in this resolution.

The Board recommends the resolution for approval of the Members. None of the Directors, Key Managerial personnel, and their relatives of the company is directly / indirectly interested in the above resolution.

For and on behalf of the Board
Suryalata Spinning Mills Limited

Sd/-
Vithaldas Agarwal
Managing Director
DIN:00012774

Place: Secunderabad
Date: 25th July, 2026

Annexure-A

Details of Directors seeking re-appointment at the 43rd Annual General Meeting to be held on August 22, 2026

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015[

S. No.	Name of the Director	Sri. Gautam Damodar Sawang (DIN: 11219711)	Sri. Meka Yugandhar (DIN : 00012265)
1	Date of Birth and Age	July 10, 1963, and 63 Years	July 10, 1951 and 75 Years
2	Date of first appointment	May 25, 2026	June 29, 2024
3	Nature of appointment (appointment / reappointment)	Independent Director not liable to retire by rotation	Independent Director not liable to retire by rotation
4	Qualifications	Bachelor of Arts (B.A.)	Fellow Member of the institute of Chartered Accountants of India since 1977 (Membership No. 19156)
5	Experience and Expertise in specific functional areas	A highly respected and decorated retired Indian Police Service (IPS) officer with 38 years of distinguished public service as a civil servant, having served as the Director General of Police of Andhra Pradesh State (2019 – 2022), post which appointed as The Chairman of the Andhra Pradesh Public Service Commission (2022-2024). He also served as Commissioner of Police, Vijayawada and Director General of the Vigilance and Enforcement Department of AP State Govt. His career reflects a deep commitment to institutional governance, public accountability, and ethical leadership. In addition to his extensive national service, he brings rich international experience from his tenure in the United Nations as Police Commissioner of United Nations Police (2008-2012), where he collaborated extensively with various UN agencies and international stakeholders. This global exposure has equipped him with a strong understanding of cross-border coordination, multicultural collaboration, and international best practices in governance, development and security. Throughout his career, he has demonstrated core competencies highly relevant to the corporate sector. These include strategic leadership, crisis and risk management, and the ability to oversee large, complex organizations. His background in compliance, vigilance, and internal controls aligns closely with corporate governance and regulatory standards. Moreover, his experience in human resource management, policy implementation, and stakeholder engagement adds value to areas such as organizational development, ethical leadership and public interface. With a proven record of principled leadership and a broad perspective shaped by both national and international experience, he brings depth of insight and strategic clarity, and a strong commitment to governance and institutional integrity.	More than four decades of experience in the field of financial services as a chartered Accountant

6	Directorships in other Listed Companies	1.Pokarna Limited	1. Alufluoride Ltd 2.Lokesh Machines Limited
7	Relationship with other Directors, Manager and Other Key Managerial Personnel of the company	Not related to Directors, Manager and other Key Managerial Personnel of the Company	Not related to Directors, Manager and other Key Managerial Personnel of the Company
8	Shareholding in the Company	Nil	Nil
9	Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Nil	Nil
10	The number of Meetings of the Board attended during the year	Not applicable	2 out of 4
11	Membership / Chairmanship of Committees of other Boards	Member of Nomination & Remuneration Committee and CSR Committee of Pokarna Limited	Chairman of Audit Committee, Member of Nomination & Remuneration Committee and CSR Committee of Alufluoride Ltd. Chairman of Audit Committee and Corporate Social Responsibility Committee and Member of Nomination & Remuneration Committee of Lokesh Machines Limited

Statutory Reports

BOARDS' REPORT

To
The Members
Suryalata Spinning Mills Limited

Your Board of Directors are pleased to present the 43rd Annual Report of the Company together with the Standalone and Consolidated Audited Financial Statements of Accounts for the financial year ended 31st March 2026.

FINANCIAL HIGHLIGHTS :

The Company has prepared Standalone and consolidated financial statements in accordance with the relevant applicable Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), under the provisions of the Companies Act, 2013 ("the Act") and Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013.

The financial performance of the Company for the financial year ended 31st March 2026 is summarized below: **(Rs. in Lakhs)**

Particulars	Standalone Results		Consolidated Results	
	2025-26	2024-25	2025-26	2024-25
Total Revenue	49,012	49,106	49,923	49,945
Profit before Interest Depreciation and Tax after Exceptional/ Extraordinary Items	5,873	3,561	6,670	4,269
Profit Before Tax after exceptional / Extraordinary items	3,943	1,312	4,605	1,890
Less:Provision for taxes (Including Deferred Tax)	1,049	330	1,053	353
Profit After Tax	2,894	982	3,552	1,537
Add: Balance brought forward from last year	3,372	3,415	4,851	4,339
Amount available for appropriation	6,266	4,397	8,403	5,876
Appropriations:				
Transfer to				
(a) General Reserve	2,000	1,000	2,000	1,000
(b) Dividend on Equity Shares	25	25	25	25
Balance Carried forward to Balance Sheet	4,241	3,372	6,378	4,851

STATE OF AFFAIRS AND COMPANY'S PERFORMANCE:

The Company's Standalone and Consolidated performance during the financial year under review maintained its volumes and Turnover almost remain at same level compared to previous year, despite global resilience and Geopolitical Uncertainties. The Company Profitability increased compared to last year with the grant and release of Industrial Incentives by the state government of Telangana. The major highlights of the Company's Standalone performance for the financial year 2025-26 are as under:

- Total Revenue is Rs.490.12 crores as compared to Rs. 491.06 crores in the previous year.
- Exports are maintained at Rs 31.98 Crores as compared to Rs 31.42 crores in the previous year. (FOB Value)
- Production quantities maintained at 30,472 MTs as against 31,016 MTs in the previous year.
- Annual Average yarn realization decreased by Rs. 1.03 i.e., to Rs.155.56 per kg. as against Rs.156.59 per kg in the previous year.
- Annual Average input (raw material) cost per Production decreased by Rs.4.71 i.e., to Rs.98.71 per kg. as against Rs.103.42 in the previous year.
- Contributions from operations increased by Rs. 3.68 per kg. i.e., Rs. 56.85 as against Rs.53.17 per kg in the previous year.
- Operational cost decreased by Rs.4.69 per kg. (i.e) Rs. 43.42 as against Rs. 48.37 per kg in the previous year.
- Profit before Tax for the year is Rs.39.43 Crores as compared to Rs. 13.12 Crores in the previous year.
- Profit after Tax is Rs. 28.94 Crores as against Rs. 9.82 Crores in the previous year.

Subsidiary Company:

The Company has one wholly owned subsidiary 'Suntree Solar Energy Private Limited' ("Suntree") Suntree is in the business of generation of solar energy and the generated power units supplied to TGSPDCL as per terms of power purchase agreement.

The statement containing highlights of performance of the Subsidiary Company, salient features of its financial statements for the financial year ended on March 31, 2026, and its contribution to the overall performance of the Company is attached as Annexure-I.

The audited accounts of the Subsidiary Company are available and are open for inspection by the registered shareholder of the Company at its Registered Office of the Company. The Company will also make available copies of these documents to the registered shareholder upon receipt of the request in writing from them.

Consolidated Financial Results:

The consolidated financial statements of your company for the financial year 2025-26, are prepared in compliance with applicable provisions of the Act, Indian Accounting Standards and the SEBI Listing Regulations. The consolidated financial statements have been prepared on the basis of audited financial statements of the company and its subsidiaries, as approved by their respective Board of Directors.

Sustainable Development Goals:

Sustainability development has emerged as a new paradigm in industrial environment Your company believes that sustainability relies on the adoption of technology innovation, optimum utilization of capacities, consistency in quality, In addition the spinning sector can become more sustainable in the long run on cost optimization of power and personnel. As a step towards the cost reduction of power, the Company has installed Solar Power Plants of 15.75 MW within the manufacturing units for Captive consumption of power generation. These installed capacities mitigate 26% of the company annual power requirements and reduce the dependence on DISCOM power supplies, reduce the carbon footprint. Up gradation of technology and Innovation techniques can reduce the cost of personnel. To become more sustainable in the long run, the company adopts further initiatives for the sustainability from time to time with the availability sources.

Capital expenditure:

During the year, the company had spent capital expenditure of Rs 25.88 Crores per Installation of plant and machinery, Rs 2.32 Crores per Installation of 0.850 Ground mounted solar plant, Workers Quarters Rs 3.69 Crores and Rs 1.65 Crores for other assets that is total Rs 33.54 Crores.

Further Capital Expenditure incurred Rs 18.32 Crores for Procurement of Plant and Machinery to the second phase of vortex project is under process of installation, stated as machinery work in progress.

Thus the Total Capital expenditure incurred Rs.51.86 Crores in this year.

Share Capital :

1.The Particulars of share capital of the Company are as follows:

Particulars	Amount (₹)
The Authorized Share Capital 90,00,000 Equity Shares of Rs. 10/- each and 8,00,000 Preference Shares of Rs.100/- each	17,00,00,000
Issued, subscribed and paid-up share capital 42,67,000 equity shares of Rs. 10/- each and 3,85,000 8% Cumulative Redeemable Preference Shares of Rs. 100/- each.	8,11,70,000
The listed share capital of the Company 42,67,000 Equity shares of Rs. 10/- each.	4,26,70,000

2. Shares allotted during the FY 2026:

a) Public issue, rights issue, preferential issue:
No such shares were issued during the FY 2026.

b) Issue of Shares under ESOP:
No such shares were issued during the FY 2026.

c) Issue of Shares with differential rights as to dividend, voting or otherwise:
There were no issue of equity shares with differential rights as to dividend, voting or otherwise.

(d) Issue of Sweat Equity Shares:
No Sweat Equity Shares were issued during the FY 2026.

(e) Issue of Bonus Shares:
No Bonus Shares were issued during the FY 2026

There was no change in the share capital of the Company during the financial year under review.

Transfer to Reserves:

The Company has decided to transfer Rs.20 Crores to the general reserve for the financial year ending March 31, 2026.

Dividends:

Your directors have recommended the payment of dividend on the Cumulative Redeemable Preference Shares as per the terms and conditions of the Issue for the Financial Year 2025-26. The said dividend, if approved will result in cash outflow of Rs. 30,80,000/-.

Further, your directors have recommended the payment of a 20% dividend on the paid up value of the Equity Shares i.e., Rs 2/- per share of Rs.10/- each to all Non Promoter equity shareholders of the Company for the year 2025-26. The dividend, if approved, will result in cash outflow of Rs.25,29,380/-.

Investor Education and Protection Fund (IEPF):

As per the provisions of section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendments thereto ("the Rules"), all shares in respect of which dividends have not been paid or claimed for seven consecutive years or more shall be transferred to Investor Education and Protection Fund (IEPF). In line with the aforesaid provisions, unclaimed dividends (interim and final) declared for the FY 2017-18 along with the underlying shares on which the dividend remained unclaimed for seven consecutive years have been transferred to IEPF during the year.

Deposits:

During the year under review, the Company did not accept any deposits within the meaning of Sections 73 and 74 of the Act. Accordingly, no amount towards principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

Annual Return:

Pursuant to Section 134 (3) (a) & Section 92 (3) of the Companies Act, 2013 read with Rules 12 of the Companies (Management Administration) Rules, 2014, the Annual Return of the company for Financial Year 2025-26 will be placed on the company's website at https: www.suryalata.com.

Business Responsibility Report

The Provision relating to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time regarding submission of Business Responsibility Report is not applicable to your Company.

Industrial Relations

The employee relations have remained cordial throughout the year and industrial harmony was maintained. Measures for the safety, training and development of the employees continued to receive top priority. The Directors wish to place on record their appreciation of the valuable contribution made by the employees of the Company at all levels towards the performance and growth of the Company

Number of Meetings of the Board of Directors and Committees:

4 (Four) Board Meetings & 4 (Four) Audit Committee Meetings were held during the Financial Year 2025-26 as below:

S.No	Date of Board Meetings	S.No	Date of Audit Committee Meetings
1	May 29, 2025	1	May 29, 2025
2	August 09, 2025	2	August 09, 2025
3	November 13, 2025	3	November 13, 2025
4	February 11, 2026	4	February 11, 2026

The Meetings of the following Committees were held on the dates as mentioned below:

1. CSR Committee Meeting – May 29, 2025.
2. Nomination and Remuneration Committee – May 29, 2025
3. Stakeholders Relationship Committee Meeting – February 11, 2026.

For details pertaining to attendance of Directors for the said Meetings, please refer to the Corporate Governance Report, which forms part of this report.

Directors Responsibility Statement:

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

a) In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures and the annual accounts have been prepared in compliance with the provisions of the Companies Act, 2013.

b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the said period.

c) They have 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) They have prepared the annual accounts on a going concern basis.

e) They have laid down internal financial controls in the Company that are adequate and are operating effectively.

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and operating effectively.

Statement on declaration given by Independent Directors under Sub-Section (6) of Section 149 of the Companies Act, 2013:

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Sub-Section (7) Section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in (6) of section 149 of Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Related Party Transactions:

All the related party transactions are entered in the ordinary course of business and on an arm's length basis they are in compliance with the applicable provisions of Companies Act, 2013 and listing regulations. The disclosures relating to related party transactions as required in Form AOC-2 is enclosed to this report as Annexure-II.

The Company has adopted a related party transactions policy and the said policy as approved by the board is uploaded on the Company's website www.suryalata.com.

Particulars of Loans, Guarantees and Investments:

During the year under review, the Company has continued to maintain corporate loan to its wholly owned subsidiary, Suntree Solar Energy Private Limited. However, the Company has not provided any guarantees.

Particulars of Employees:

The details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure III.

Details of Directors and Key Managerial Personnel's appointed or resigned during the year :

The appointments/re-appointments of Directors made up to the earlier Annual General Meeting held on September 27, 2025, were obtained approvals from the shareholders of the Company.

Subsequently, Mr. Gautam Damodar Sawang was appointed as an Additional Director in the category of Independent Director by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee. The said appointment is proposed to be placed before the members for their approval in this Annual General Meeting of the Company

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Smt.Madhavi Agarwal ,Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible , offers herself for re-appointment.

Committees of the Board:

Currently the Board has four Committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibility Committee; &
4. Stakeholders Relationship Committee.

Audit Committee:

The Audit Committee comprises of Sri. R Raghuram Reddy, Chairman, Sri. Harishchandra Prasad Kanuri, Member, Sri,M.Yugandhar, Member and Sri. K R Suresh Reddy, Member. All the recommendations made by the members of Audit Committee were accepted by the Board.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of Sri. M. Yugandhar, Chairman, Sri. Raghuram Reddy, Member, Sri. K R Suresh Reddy, Member and Sri. Harish chandra Prasad Kanuri, Member.

Stakeholders Relationship Committee:

Stakeholders Relationship Committee comprises of Sri. M. Yugandhar Chairman, Sri. Vithaldas Agarwal, Member and Sri. Mahender Kumar Agarwal, Member.

The Scope of the committee shall include considering and resolving the grievances of the security holders of the company which may arise due to any of the reasons cited in the Stakeholders Relationship Committee of the company.

Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee consists of Sri. R. Raghuram Reddy, Chairman, Sri. Vithaldas Agarwal, Member and Sri. Mahender Kumar Agarwal, Member.

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the welfare & sustainable development of the community at large.

Corporate Social Responsibility (CSR) Policy :

The core theme of the Company's Corporate Social Responsibility (CSR) policy is giving back to the society from which it draws its resources by extending helping hand to the needy and the underprivileged.

The CSR Policy of your Company as approved by the Board of Directors, is hosted on your Company's website www.suryalata.com.

The Report on Corporate Social Responsibility as per Rule 8 of (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as Annexure IV and forms part of this Directors Report.

Policy on director's appointment and remuneration and other details:

The Company follows a policy on remuneration of directors and other senior managerial personnel. The Policy is recommended by the Nomination and Remuneration Committee and approved by the Board. More details of the same is given in the Corporate Governance Report.

Statutory Auditors and Auditors' Report:

M/s. K.S. Rao & Co., Chartered Accountants (ICAI Firm Registration Number 003109S) were appointed as Statutory Auditors of the Company in the 39th Annual General Meeting (AGM) held on September 29, 2022, to hold office for a period of 5 years i.e., up to the conclusion of 44th Annual General Meeting.

K. S. Rao & Co., Chartered Accountants, the Statutory Auditors of the company has issued an Auditor's Report (standalone and consolidated) for Financial Year ended March 31, 2026 and the Auditors have not reported any matter under Section 143 (12) of the companies Act 2013 and therefore no details are required to be disclosed under Section 134 (3) of the Companies Acts 2013.

The Auditor's Report to the Shareholders for the financial year under review does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Secretarial Auditor :

The Board has appointed Prerna & Co, Company Secretaries a firm of Practicing Company Secretaries, Hyderabad as the Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year ended March 31, 2026, in compliance with the provisions of Section 204 of the Companies Act, 2013.The Secretarial Audit Report issued by Prerna & Co, Company Secretaries, in Form MR-3 is enclosed as Annexure V.

Internal Auditor:

The Board of Directors of the Company have appointed M/s. Brahmayya & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended March 31, 2026.

Cost Auditor:

In terms of the Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records pertaining to textile products division.

M/s. Aruna Prasad & Co., Cost Auditors were appointed as Cost Auditor for conducting the cost audit of the Company for the financial year 2025-26 and paid remuneration of Rs. 50,000/-. /-.(Rupees Fifty Thousand only) the same was ratified by the member of the company at the 42nd Annual General Meeting of the Company. Cost audit report for the financial year ended March 31, 2025, was filed with the Central Government.

The Board after considering the recommendations of its Audit Committee, reappointed the aforesaid firm as cost auditors for the financial year 2026-27 at a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) (exclusive of out-of-pocket expenses and applicable taxes). and appropriate resolution in this connection has been included in the notice convening the ensuing annual general meeting of the Company for ratification of remuneration of the Cost Auditors. Cost auditors have certified that their appointment is within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified to undertake the Cost Audit assignment within the provisions of the Act.

During the year under review Cost Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be provided under section134(3)(ca) of the Act.

Corporate Governance Report:

The report on Corporate Governance as per Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations is included as a part of this Annual Report. The requisite certificate from Prerna & Co, Company Secretaries conforming the compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

Management Discussion and Analysis:

In terms of provisions of Regulation 34(2) of SEBI Listing Regulations report on Management Discussion & Analysis for the year under review is provided in a separate section forming part of this Annual Report.

Vigil Mechanism/Whistle Blower Policy :

The Board of Directors of the Company has adopted Whistle Blower Policy. This policy is formulated to provide an opportunity to employees and an avenue to raise concerns and to access in good faith the Audit Committee, to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

The Policy on vigil mechanism/whistle blower policy may be accessed on the Company's website www.suryalata.com.

Details of adequacy of internal financial controls :

The company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

The details of significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future:

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the year under review.

Material changes and Commitments, if any, affecting the financial position of the Company occurred after the closure of financial year till the time of adoption of this report :

No other material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company. Further there is no change in the nature of business of the Company.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information with respect to Conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014, are provided in the Annexure VI to this Report.

Risk Management Policy :

The Company has policy for identifying risk and established controls to effectively manage the risk. Further the company has laid down various steps to mitigate the identified risk. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Declaration with the compliance with the code of conduct by Members of the Board and Senior Management personnel:

The Company has complied with the requirements about code of conduct for Board members and Sr. Management Personnel. The said policy is available on the website of the Company www.suryalata.com.

Mechanism for Board Evaluation :

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the schedule IV of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision, objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc.

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 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 which reviewed performance of non-independent directors, performance of the board as a whole and performance of the chairman after taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Policy on Sexual Harassment :

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company regularly conducts awareness programs for its employees.

Disclosure pertaining to sexual harassment of women at workplace:

During the Financial year ended March 31, 2026, the Company has neither received any complaints nor there are any pending complaints pertaining to sexual harassment and the Company has constituted an Internal Complaints Committee.

Compliance Under Posh Act, 2013

During the Financial year ended March 31, 2026, the Company has neither received any complaints nor there are any pending The Company has in place a policy for prevention, prohibition and redressal against sexual harassment of women at workplace to protect women employees and enable them to report sexual harassment at workplace. An Internal Committee has been constituted consisting of optimum number of women for the said purpose. During the year under review, details of the complaints are mentioned below:

Particulars	Details
Number of complaints received during the year	NIL
Number of complaints at the beginning of the year	NIL
Number of complaints at the end of the year Details	NIL

Compliance with Secretarial Standards:

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

Prevention of Insider Trading Code

The Company has a policy i.e., code of conduct prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and designated persons for trading in the securities of the Company.

The trading window closures are intimated in advance to all the concerned during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the company.

Acknowledgments:

Your directors thank the government authorities, financial institutions, banks, customers, suppliers, members, employees and other business associates of your Company, who through their continued support and co-operation, have helped as partners in your Company's progress and achievement of its objectives.

For and on behalf of the Board
For Suryalata Spinning Mills Limited

Mahender Kumar Agarwal
Joint Managing Director
DIN: 00012807

Vithaldas Agarwal
Managing Director
DIN: 00012774

Place: Secunderabad
Date: 25th July 2026

Annexure - I

FORM NO. AOC.1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures (Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 ofCompanies (Accounts) Rules, 2014)

Part "A": Subsidiaries

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

1. Sl. No.: **1**
2. Name of the subsidiary: **Suntree Solar Energy Private Limited**
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: **March 31, 2026**
4. Reporting currency and Exchange rate as on the last date of the relevant financial year inthe case of foreign subsidiaries: **NA**
5. Share capital: **Rs. 81,50,000**
6. Reserves & surplus: Rs. 21,36,70,538
7. Total assets: Rs. 45,01,91,010
8. Total Liabilities: Rs. 22,83,70,743
9. Turnover: **Rs. 11,80,21,948**
10. Profit before taxation: Rs. 6,62,69,439
11. Provision for taxation Rs. 4,73,271 (Net of MAT Credit and Inclusive of Deferred Tax)
12. Profit after taxation: **Rs. 6,57,96,168**
13. % of shareholding: **100%**

For and on behalf of the Board
For Suryalata Spinning Mills Limited

Place: Secunderabad
Date: 25th July 2026

Vithaldas Agarwal
Managing Director
DIN: 00012774

Mahender Kumar Agarwal
Joint Managing Director
DIN: 00012807

Annexure-II

FORM NO. AOC -2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

   There are no contracts or arrangements entered into by the company with related parties referred to in sub- section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis.

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

   Contracts or arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are on an arm's length basis.

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount (in Rs)
1.	Suryaamba Spinning Limited (Enterprise having common Director)	Sale of Yarn	2025-2026	As per the Agreement	1,71,74,192

For and on behalf of the Board
For Suryalata Spinning Mills Limited

Place: Secunderabad
Date: 25th July 2026

Vithaldas Agarwal
Managing Director
DIN: 00012774

Mahender Kumar Agarwal
Joint Managing Director
DIN: 00012807

PARTICULARS OF EMPLOYEES

Annexure-III

Details Pertaining to Remuneration as Required Under Section 197(12) of The Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26, are as under:

Name of Director	Designation	Remuneration in FY 25-26	Remuneration in FY 24-25	% of increase in remuneration	Ratio of remuneration to MRE
Executive Directors					
Vithaldas Agarwal	Managing Director	57,76,875	51,00,000	13.23	22.74
Mahender Kumar Agarwal	Joint Managing Director	66,78,592	60,03,430	11.24	26.29
Madhavi Agarwal	Whole-Time Director	52,53,208	51,08,947	2.82	20.68
Key Managerial Personnel					
K Nageswara Rao	Chief Financial Officer	40,22,496	35,74,140	12.54	15.83
S.Venkata Rao	Company Secretary	3,60,000	3,60,000	Nil	1.41

2. The Median Remuneration of the employees of the Company during the financial year was Rs. 2,54,028/- (Previous Year Rs. 2,30,386/-).

3. There are 499 permanent Employees on the rolls the Company of as on March 31, 2026.

4. There was a 8.49 % increase in the salaries of employees other than the managerial personnel in the current financial year 2025-26 as against 8.24 % in the previous financial year.

5. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.

6. It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.

7. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the list of top ten employees remuneration drawn in terms of Section 136 of the Act, is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary of the Company at cs@suryalata.com

For and on behalf of the Board
For Suryalata Spinning Mills Limited

Place: Secunderabad
Date: 25th July 2026

Vithaldas Agarwal
Managing Director
DIN: 00012774

Mahender Kumar Agarwal
Joint Managing Director
DIN: 00012807

Annexure - IV

Annual Report on CSR Activities for Financial Year
Commencing after April 01, 2025

1. **Brief outline on CSR Policy of the Company:** CSR is an integral part of the Suryalata Spinning Mills Limited culture which is imbibed by one and all of the employees of the Company. Our vision is to actively contribute to the social and economic development of the communities in which we operate. In doing so, to build a better and a sustainable way of life for the weaker sections of society and raise the country's human development index.

2. **Composition of CSR Committee:**

S. No	Name of Director	Designation / Nature of Directorship	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
1	R Raghuram Reddy	Chairman	1	1
2	Vithaldas Agarwal	Member	1	1
3	Mahender Kumar Agarwal	Member	1	1

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company -** https://www.suryalata.com/investors.html.

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

5. **(a) Average net profit of the company as per Section 135(5)** –Rs 24,51,67,701/-.

   (b) Two percent of average net profit of the company as per section 135(5) – Rs. 49,03,354/-

   (c) Amount Spent during the Financial Year - 47,15,710/-

   (d) Surplus available out of the CSR projects or programs or activities of the previous financial Years - Rs. 3,93,147/-

   (e) Amount required to be set off for the financial year, if any – Rs.1,87,644 /-

   (f) Total CSR obligation fulfilled for the financial year [d+e] – Rs. 49,03,354 /-

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

Total Amount Spent for the Financial Year (in Rs)	Amount Unspent (in Rs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
47,15,710	-	-	-	-	-

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

1	2	3	4	5		6	7	8	9	10	11
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No	Location of the Project		Project Duration	Amount allocated for the project (in Rs	Amount spent in the current financial Year (in Rs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Direct/ Through Implementing Agency
				State	District						
1	Promoting education, including special education and employment enhancing vocational skills among children and women.	Clause (ii) of Schedule VII	Yes	Telangana	Nagarkurnool	-	30,00,000	30,00,000	NA	Yes	Sri Gayathri Vedavidyalam, Marchala Village, Kalwakurthy, Nagar Kurnool District,Telangana
	Total						30,00,000	30,00,000			

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

1	2	3	4	5		6	7	8	
S.No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the Project		Amount spent for the project (in Rs).	Mode of implementation – Direct (Yes No)	Mode of implementation – Direct / Through implementing Agency.	
				State	District			Name	CSR Registration Number
1	Promotion of health care and Sanitation including prevention of health care	Clause (i) of Schedule VII	No	New Delhi		30,000	Yes	The Leprosy Mission Trust India	Direct

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

1	2	3	4	5		6	7	8	
S.No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the Project		Amount spent for the project (in Rs).	Mode of implementation – Direct (Yes No)	Mode of implementation – Direct / Through implementing Agency.	
				State	District			Name	CSR Registration Number
2	Promotion of setting up old age homes, day care centres and such other facilities for senior citizens.	Clause (iii) of Schedule VII	Yes	Telangana	Nagarkurnool	50,000	NA	Prajala Bhagaswamya Samstha	Direct
3	Promoting education, including special education and employment enhancing vocational skills among children and women.	Clause (ii) of Schedule VII	No	Uttar Pradesh	Varanasi	11,50,000	Yes	Shree Swami Dungji Maharaj Chairatable Trust - Varanasi	Direct
4	Promoting education, including special education and employment enhancing vocational skills among children and women.	Clause (v) of Schedule VII	No	Telangana	Hyderabad	81,110	Yes	Iskon Secunderabad	Yes
5	Promoting education, including special education and employment enhancing vocational skills among children and women.	Clause (v) of Schedule VII	No	Telangana	Nagarkurnool	2,89,100	Yes	Govt Junior College Kalwakurthy, Nagar Kurnool	Yes
6	Promoting education, including special education and employment enhancing vocational skills among children and women.	Clause (v) of Schedule VII	No	Telangana	Kalwakurthy,	1,15,500	Yes	Old age home Kalwakurthy, Nagar Kurnool	Yes
	Total					**17,15,710**			

(d) Amount spent in Administrative Overheads : **Not Applicable**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total Amount spent for the Financial Year : (8b+8c+8d+8e) : Rs. **47,15,710/-**

(g) Excess amount for set off, if any : (8(f)-7(a)

S.No	Particulars	Amount (In Rs)
1	Two percent of average net profit of the company as per section 135(5)	49,03,354
2	Total amount spent for the Financial Year	47,15,710
3	Excess/(short) amount spent for the financial year [2-1]	(1,87,644)
4	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	3,93,147
5	Amount available for set off in succeeding financial years (3-4)	2,05,503

7. **(a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable**

S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs)	Balance Amount in Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding Financial years. (in Rs)	Deficiency, if any
					Name of the Fund	Amount (in Rs)	Date of Transfer		
1	FY 1								
2	FY 2	-		-	-	-	-	-	
3	FY 3								
	Total								

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

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

The CSR committee confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company

Place: Secunderabad
Date: 25th May 2026

Vithaldas Agarwal
Member of CSR Committee

R Raghuram Reddy
Chairman of CSR Committee

ANNEXURE-V

Form MR 3
Secretarial Audit Report
For the Financial Year Ended 31st March, 2026

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

To
The Members
Suryalata Spinning Mills Limited
Surya Towers, 1st Floor. 105, Sardar Patel Road,
Secunderabad –500003, Telangana, India.

We have concluded the Secretarial Audit of the Compliance of the applicable statutory provisions and the adherence to good corporate practices by SURYALATA SPINNING MILLS LIMITED (CIN: L18100TG1983PLC003962) (hereinafter called the company") Secretarial Audit was conducted in a manner provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on verification of the Suryalata Spinning Mills Limited books, paper, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company, its officers, consultants and authorised representatives during the secretarial audit we hereby report that in our opinion, the Company has during the audit period covering for the Financial year ended 31st March 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

I) The Companies Act, 2013 (the Act) (to the extent applicable) and 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 made thereunder. However, the provisions of Foreign Director Investments, Overseas Director Investment and External Commercial Borrowings are not applicable;

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

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

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

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

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018.- Not applicable to the company during the year under review.

   e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity)Regulations, 2021 - Not applicable to the company during the year under review.

   f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities)Regulations, 2021 - Not applicable to the company during the year under review.

   g. The Securities and Exchange Board of India(Registrars to an Issue and Share Transfer Agents)Regulations, 1993 regarding the Companies Act,2013 and dealing with client - Not applicable to the company during the year under review.

   h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the company during the year under review.

   i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable to the company during the year under review.

   j. The Securities and Exchange Board of India (Merchant Bankers) Regulations,1992 - Not applicable to the company during the year under review.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the company has complied with the provisions of the Act, rules and regulations. Guidelines, standards etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on a test-check basis, the Company has complied with the applicable labour and employment-related laws and any other laws, rules and regulations applicable to the Company.

We further report that:

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

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

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

4 The management is responsible for compliance with all business laws. This responsibility includes maintenance of statutory registers/ files required by the concerned authorities and internal control of the Concerned department.

We further report that as represented by the Company and relied upon by me there are adequate systems and processing the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no event/action having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. have taken place.

For Prema & Co.
Company Secretaries

Prerna Heda
M.No. 29164
C.P.No.: 18212
PR No. 6852/2025
UDIN : A029164H000938578

Place: Hyderabad
Date: 25th July, 2026

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

ANNEXURE – A TO THE SECRETARIAL AUDIT REPORT

To
The Members
Suryalata Spinning Mills Limited
Surya Towers, 1st Floor. 105, Sardar Patel Road,
Secunderabad – 500003, Telangana, India.

My Report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of 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 area son able basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, 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. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by them or obtained from the Company electronically and also the information provided by the company and its officers by audio and/or visual means.

For Prema & Co.
Company Secretaries

Prema Heda
M.No. 29164
C.P.No.: 18212
PR No. 6852/2025
UDIN : A029164H000938578

Place: Hyderabad
Date: 25th July, 2026

Annexure-VI

Information as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of Directors Report for the year ended 31st March 2026.

The information as per Section 134 of the Companies Act, 2013 has to be presented:

A. Conservation of energy

(i) The steps taken or impact on conservation of Energy:

Synchronized Maintenance schedules, installed horizon series, screw, and compressor conducted regular energy audit and taken immediate steps to curtail power consumption.

(ii) The Steps taken by the Company for utilizing alternate sources of Energy: Solar Power utilization

(iii) The Capital Investment on energy conservation equipment's: Nil

A. Technology absorption:

I	The efforts made towards technology absorption	The company has adapted indigenous technology and made innovation on the same.
II	The benefits derived like product Improvement, cost reduction, product Development or import substitution	Product quantities increased with increased capacities and quality increases with advanced technology equipment, resulted to establish the Market reputation for products.
III	**In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**	
	the details of technology imported	Nil
	the year of import	------
	whether the technology been fully absorbed	Completely absorbed
	if not fully absorbed, areas where absorption has	Not Applicable
	not taken place, and there as on thereof; and	

B. Foreign exchange earnings and outgo:

The details of foreign exchange earnings in terms if actual inflow and outflows during the year are detailed below:

I.	**Inflow :**	
	Export sales - USD 36,31,605.36	
	INR in lakhs 3.197.91	
II.	**Outflow:**	
	Imports - Machinery - USD 38,01,600	
	INR in lakhs	3,500.13
	Commission on Export sales	8.21

For and on behalf of the Board
for Suryalata Spinning Mills Limited

Place: Secunderabad
Date: 25th July 2026

Vithaldas Agarwal
Managing Director
DIN: 00012774

Mahender Kumar Agarwal
Joint Managing Director
DIN: 00012807

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company strongly believes that robust corporate governance is essential and important for sustainable performance, achieving long-term corporate goals and enhancing stakeholder's value. The timely disclosures, transparent accounting policies coupled with a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximising long-term corporate value.

The Company believes that high standards of Corporate Governance are critical to ensure the business success. We feel proud that we are an ethical and fully compliant Company. The Company has always been conducting its affairs in a fair and transparent manner and maintained ethical standards in its dealings with all its constituents. Suryalata's mission is to constantly review its systems and procedures to achieve the highest level of Corporate Governance in the overall interest of all the stakeholders.

The Company's philosophy on Corporate Governance aims at facilitating effective management of the Company in the conduct of business. The Company endeavours to achieve optimum performance at all levels of management by adhering to the following:

A. Fair and transparent business practices.

B. Effective management control by Board.

C. Adequate representation of Promoter, Executive and Independent Directors on the Board.

D. Monitoring of executive performance by the Board.

E. Compliance of laws.

F. Transparent and timely disclosure of financial and management information.

2. BOARD OF DIRECTORS:

The Company has an experienced, diverse, active and a well-informed Board. The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures. It regularly reviews the Company's governance, strategies, risk and compliance framework and business plans.

The Board acts in long term interests of the shareholders and other stakeholders without conflict and make informed decisions and exercise due care and diligence in overseeing the management of the business of the Company.

a) Composition and attendance record for the year 2025-26 :

The Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 governs the composition of the Board of Directors. The Board comprises a combination of Executive and Non-Executive Directors. Presently it consists of Seven Directors out of which three are Executive Directors and three are Non-Executive Independent Directors, one Non-Executive Non-Independent Director. The Company has a Non-Executive Chairman. Non-Executive Directors bring independent views and judgment in the decision-making process of the Board.

Constitution of the Board, their category, participation of Directors at meetings of the Board during the year 2025-26 and attendance at the last Annual General Meeting held on September 27, 2025.

Name of Director	Category	No. of Board Meetings		Attendance at last AGM
		Held	Attended	
Sri. Vithaldas Agarwal	Executive/ Promoter	4	4	Present
Sri. Mahender Kumar Agarwal	Executive/ Promoter	4	4	Absent
Sri. K. Harishchandra Prasad	Non-Executive Independent	4	4	Absent
Smt. Madhavi Agarwal	Executive Director	4	3	Present
Sri. R Raghuram Reddy	Non-Executive Independent	4	4	Present
Sri. Meka Yugandhar	Non-Executive Independent	4	2	Absent
Sri. K. R. Suresh Reddy	Non-Executive Non-Independent	4	3	Present

b) Number of other Companies Directorships & Committee Membership /Chairmanship:

Name of Director	No. of Other Directorship		Chairmanships/ Memberships in other Companies		Name of other listed entities where he/she is a director and the category of directorship
	Private	Public	Chairmanship	Membership	
Sri K. Harishchandra Prasad	2	4	1	2	1. Lakshmi Finance and Industrial Corporation Limited 2. B.N. Rathi Securities Limited
Sri K. R. Suresh Reddy	1	-	-	-	-
Sri. R Raghuram Reddy	1	-	2	2	-
Sri. Meka Yugandhar	-	3	3	3	1. Lokesh Machines Ltd 2. Alufluoride Ltd
Sri Vithaldas Agarwal	1	-	-	-	-
Sri Mahender Kumar Agarwal	2	-	-	-	-
Smt. Madhavi Agarwal	-	-	-	-	-

*Chairmanship/Membership in Audit & Stakeholders Relationship Committees were only taken into consideration.

c) Number of Board meetings:

In compliance with the provisions of Regulation 17 of the Listing Regulations, the intervening period between two Board Meetings was within the maximum gap of one hundred and twenty days. During the year under review, Four Board meetings were held during the year on:

1. May 29, 2025.
2. August 09, 2025.
3. November 13, 2025.
4. February 11, 2026.

d) Disclosure of relationships between inter-se:

S. No.	Name of the Director	Relationship
1.	Sri Vithaldas Agarwal	Father of Sri Mahender Kumar Agarwal (Joint Managing Director) and Father-in- Law of Smt. Madhavi Agarwal (Whole Time Director)
2.	Sri Mahender Kumar Agarwal	Son of Sri Vithaldas Agarwal (Managing Director) and Husband of Smt. Madhavi Agarwal (Executive Director)
3.	Smt. Madhavi Agarwal	Wife of Sri Mahender Kumar Agarwal (Joint Managing Director) and Daughter-in-law of Sri Vithaldas Agarwal (Managing Director)

e) Number of shares and convertible Instruments held by Non-executive Directors:

S. No.	Name of the Director	Number of shares	Number of convertible instruments
1.	Sri. K. R. Suresh Reddy	-	-
2.	Sri. K. Harishchandra Prasad	-	-
3.	Sri. R Raghuram Reddy	-	-
4.	Sri. Meka Yugandhar	-	-

f) Details of familiarization programmes imparted to independent Directors: https://www.suryalata.com/images/IndependentDirectors.pdf

g) **Details of Director's individual competence, expertise and skills:**

Name	Skills/expertise/competencies				
	Global Business	Strategy and Planning	Governance	Leadership	Finance
R Raghuram Reddy	✓	✓	✓	✓	✓
Vithaldas Agarwal	✓	✓	✓	✓	✓
Mahender Kumar Agarwal	✓	✓	✓	✓	✓
K R Suresh Reddy	✓	✓	✓	✓	✓
K Harishchandra Prasad	✓	✓	✓	✓	✓
Meka Yugandhar	✓	✓	✓	✓	✓
Madhavi Agarwal	✓	✓	✓	✓	✓

h) **Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management:**

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

i) **Detailed reasons for the resignation of Director and Independent Director, if any:**

During the year under review there was no resignation by any Director or Independent Director

3. AUDIT COMMITTEE:

The Audit Committee of the Board of Directors was constituted inconformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

a) **Brief description of terms of reference:**

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Scrutiny and review of all financial transactions, inter corporate loans, investments, funds utilization, related party transactions and the general financial condition of the Company;

iii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and approval of remuneration of auditors;

iv. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

v. Reviewing, with the management, the periodic financial statements and auditor's report thereon before submission to the Board for approval;

vi. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

vii. Evaluation of internal financial controls and risk management systems;

viii. To review the functioning of the Whistle Blower mechanism;

ix. To review statement of deviations in reporting to monitoring agencies.

b) **Composition :**

In compliance with Regulation 18 of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013, the Board of Directors of the Company has constituted an Audit Committee comprising of the following three Non-Executive Independent Directors and One Non-Executive non Independent Director:

S. No.	Name of the Member	Designation
1.	Sri. R. Raghuram reddy	Chairman
2.	Sri. K.R. Suresh Reddy	Member
3.	Sri. K. Harishchandra Prasad	Member
4.	Sri. M.Yugandhar	Member

c) **Meetings and Attendance during the year:**

During the year 2025-26, Four Audit Committee meetings were held on:

1. May 29, 2025.
2. August 09, 2025.
3. November 13, 2025.
4. February 11, 2026.

The attendance of each member of the Committee is given below:

S. No.	Name of the Member	No. of Meetings attended
1.	Sri. Raghuram Reddy	4
2.	Sri. K.R. Suresh Reddy	2
3.	Sri. K. Harishchandra Prasad	4
4..	Sri. M Yugandhar	2

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors was constituted in conformity with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.

a) Brief description of terms of reference:

The functioning and terms of reference of the Nomination and Remuneration Committee are as prescribed under the erstwhile listing agreement and the Listing Regulations. It determines the Company's policy on all elements of the remuneration packages of the directors including the Executive Directors and Key Management Personnel. The role of the committee includes the following:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.

ii. Formulation of criteria for evaluation of performance of Independent directors and the Board of directors.

iii. Devising a policy on diversity of Board of Directors.

iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board of Directors for their appointment and removal;

v. Performance evaluation of Independent Directors; and

vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

b) Composition, names of the members and Chairman:

In compliance with Regulation 19 of SEBI (LODR) Regulations, 2015 and section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted Nomination and Remuneration Committee comprising of the following three Non-Executive Independent Directors and One Non-Executive Non Independent Director:

S. No	Name of the Member	Designation
1.	Sri. M.Yugandhar	Chairman
2.	Sri. K. Harishchandra Prasad	Member
3.	Sri. R.Raghuram Reddy	Member
4.	Sri. K.R. Suresh Reddy	Member

All the members of the Committee are Non-Executive and Independent Directors.

c) Meetings and Attendance during the year:

During the year 2025-26, One Nomination and Remuneration Committee meetings were held on 29rd May, 2025.

The attendance of each member of the Committee is given below:

S. No.	Name of the Member	No. of Meetings Attended
1.	Sri. M.Yugandhar	1
2.	Sri. K. Harishchandra Prasad	1
3.	Sri. R.Raghuram Reddy	1
4.	Sri. K.R. Suresh Reddy	1

d) Performance evaluation criteria:

The Company has devised a Policy for Performance Evaluation of Independent Directors, Board, Committees and other individual Directors. The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being evaluated). On the basis of the report of performance valuation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

Independent Directors are expected to provide an effective monitoring role and to provide help and advice for the executive directors. The broad issues considered in evaluating Independent Directors are:

- Contribution to and monitoring Corporate Governance practices.
- Ability to contribute to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfilment of obligations and responsibilities.

Performance evaluation was done by the respective bodies on February 11, 2025.

5. DIRECTOR'S REMUNERATION:

The Nomination and Remuneration Committee recommends to the Board, the Compensation of the Managing Directors and Executive Director of the Company keeping in view Company's financial status, past performance, past remuneration and future growth potential.

The remuneration of the Non-Executive Directors of the Company is decided by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee. None of the Non-executive Directors of the Company is entitled to receive any payment from the Company other than by way of sitting fees for attending the Meetings of Boards and its Committees.

The pecuniary relationships/transactions of the Non-Executive Directors are as follows:

S. No	Name of the Director	Sitting fees paid for the Board/ committee meetings	Equity Shares held
1.	Sri. K. R. Suresh Reddy	65,000	0
2.	Sri. K. Harishchandra Prasad	1,45,000	0
3.	Sri. M.Yugandhar	65,000	0
4.	Sri. R.Raghuram Reddy	1,50,000	0

Details of remuneration paid to Executive Directors:

A detail of remuneration paid to Managerial Persons of the Company during the year 2025-26 is given below:

Fixed Component		**Commission payable as a % on Profit after tax (Rs.)**	**Contribution to PF (Rs.)**	**Total (Rs.)**
Salary (Including HRA) (Rs.)	**Perquisites (Rs.)**			
Sri Vithaldas Agarwal — Managing Director				
57,75,000	1,875			57,76,875
Sri Mahender Kumar Agarwal — Joint Managing Director				
57,96,600	8,81,992			66,78,592
Smt. Madhavi Agarwal — Whole-Time Director				
45,96,600	6,56,608			52,53,208

The Nomination and Remuneration Policy of the Company can be accessed at the Company's website at the link https://www.suryalata.com/images/POLICY-NOMINATION.pdf.

Notes:

a. The Company has not issued any Stock options.

b. There were no service contracts/Agreements with our Directors.

c. None of our Directors are eligible for severance pay.

d. The terms and conditions with regard to appointments Managing Directors and Executive Directors are contained in the respective resolutions passed by the Board or Members in their respective meetings. There are no severance fees.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Stakeholders Relationship Committee is empowered, inter alia, to review all matters connected with the Company's share transfers and transmissions and redressal of shareholders/investors' complaints like non-transfer of shares, non-receipt of dividend, Annual Report etc.

The composition and the terms of reference of Committee are in line with the requirements of provisions of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

- Brief Description of the terms of reference:

  The terms of reference of the Stakeholder Relationship Committee are extensive covering the mandatory requirements under Regulation 20(4) read with Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations,2015 and Section 178 of the Companies Act, 2013, which includes attending and resolving investors' grievances/ complaints of security holders included but not limited to the matters pertaining to transfer of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividend, etc.

- Meetings:

  During the year under review, Stakeholder Relationship Committee met once on February 11, 2026.

- Composition & attendance in committee meeting(s):

  The Stakeholders Relationship Committee consists of One Non-Executive Independent Directors and Two Executive Directors of the Company.

  Stakeholders Relationship Committee met one-time during the year February 11, 2026, and all the members were present at the committee. The Committee is chaired by Sri. M.Yugandhar, Non-Executive Independent Director and the members are Sri Vithaldas Agarwal, Managing Director and Sri Mahender Kumar Agarwal, Joint Managing Director.

  The status of the shareholders complaints is as follows:

1.	Number of Shareholders complaints received so far	Nil
2.	Number of Shareholders complaints not resolved to the satisfaction of shareholders	Nil
3.	Number of pending complaints	Nil

7. GENERAL BODY MEETINGS

a) Location, date and time for last three Annual General meetings are:

Financial Year	Date	Venue	Time
2024-25	September 27, 2025	Held through Video Conference (VC) or Other Audio Visual Means (OAVM)	11.00 A.M.
2023-24	August 02, 2024	Held through Video Conference (VC) or Other Audio Visual Means (OAVM)	11.00 A.M.
2022-23	September 29, 2023	Held through Video Conference (VC) or Other Audio Visual Means (OAVM)	02.00 P.M.

b) Special Resolution passed in the previous three (3) Annual General Meetings (AGMs)

Date	No. of Special Resolution passed	Particulars of the Special Resolution
September 27, 2025	5	a) Revision in the terms of payment of remuneration to Sri. Vithaldas Agarwal as Managing Director b) Re-Appointment and Revision of remuneration to Sri. Mahender Kumar c) Re-Appointment and Revision of remuneration to Smt. Madhavi Agarwal, Whole-time Director of the Company. d) Appointment of M/s. Prerna & Co, Company Secretaries, as the Secretarial Auditor of the Company for a term of five consecutive years from the Financial Year 2025-26 to the Financial Year 2029-30. e) To ratify the remuneration of the Cost Auditor Smt. Aruna Prasad (M/s. Aruna Prasad & Co., Cost Accountants) for financial year ending March 31, 2026
August 02, 2024	4	a) Re-Appointment of Sri. Vithaldas Agarwal(DIN : 00012774) as Managing Director for a further period of 5 years b) Appointment of Sri.Ramasahayam Raghuram Reddy (DIN: 02431417) as an Independent Director of the Company). Appointment of Sri. Meka Yugandhar (DIN : 00012265) as an Independent Director of the Company. c) Appointment of Sri. K.R.Suresh Reddy (DIN: 00074879) as Non-Executive and Non Independent Director of the Company
September 29, 2023	NIL	NIL

c) Special Resolutions passed through Postal Ballot:

During the last three years, no postal ballot was conducted.

8. MEANS OF COMMUNICATION:

- **Quarterly Results:**

  The quarterly, half-yearly and annual results of the Company are published by the Company in the newspapers.

  Annual reports with audited financial statements are sent to the shareholders through permitted mode.

- Newspapers in which Quarterly results are published:

  The results are published in Business Standard (English Daily, Hyderabad and Mumbai) and Nava Telangana (Telugu Daily, Hyderabad).

- Website, where the results and other official news releases are displayed:

  The results are also displayed on the Company's website: www.suryalata.com

- Whether it also displays official news releases:

  Press releases made by the Company from time to time are also displayed on the Company's website.

9. GENERAL SHAREHOLDER INFORMATION

A	Annual General Meeting Date Time Mode	Through Video Conference (VC) or Other Audio-Visual Means (OAVM).
B	Financial Calendar	April 01 to March 31.
C	Date of Book closure	August 17th 2026 to August 24th 2026 (Both days inclusive)
D	Dividend Payment Date	Within 30 days from the date of AGM
F	Listing on Stock Exchanges	BSE Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.Scrip Code: 514138.

The company has paid listing fees to the BSE within the stipulated time for the year 2025-26.

F. Market Price Data:

Monthly high and low quotations as well as the volume of shares traded at BSE for the financial year 2025-26 are as follows:

Month	High Price (Rs.)	Low Price (Rs.)	Volume
Apr-25	329.50	250.00	38,580
May-25	366.80	280.00	73,857
Jun-25	390.00	325.00	53,068
Jul-25	366.00	335.00	35,992
Aug-25	346.45	297.05	28,793
Sept-25	364.85	312.35	23,736
Oct-25	369.75	315.25	26,813
Nov-25	388.80	314.90	19,613
Dec-25	347.90	311.20	23,167
Jan-26	350.00	280.00	21,916
Feb-26	391.95	302.50	68,936
Mar-26	349.00	282.50	38,475

G. Stock Performance in Comparison to BSE Sensex

Chart given below shows the stock performance at closing prices in comparison to the broad-based index such as BSE Sensex.

B. Share Transfer System:

KFin Technologies Limited, Hyderabad, is the Company's Registrars and Share Transfer Agents. Share Transfers are registered and returned in the normal course within a period of less than 15 days from the date of receipt, if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations. Request for dematerialization of shares is processed and confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. The Registrars and Share Transfer Agents were delegated the power of share transfer to expedite the transfer formalities. It is in line with Schedule VII of the LODR and Reg. 40 of the Listing Regulations.

C. Distribution schedule and shareholding pattern as on March 31, 2026:

SURYALATA SPINNING MILLS LIMITED					
	Distribution Schedule as on 31/03/2026 (Total)				
No	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1-5000	4899	93.64	3666640	8.59
2	5001- 10000	172	3.29	1262710	2.96
3	10001- 20000	74	1.41	994660	2.33
4	20001- 30000	30	0.57	717280	1.68
5	30001- 40000	13	0.25	450500	1.06
6	40001- 50000	9	0.17	402410	0.94
7	50001- 100000	14	0.27	1080510	2.53
8	100001 & Above	21	0.40	34095290	79.90
	Total	**5232**	**100.00**	**42670000**	**100.00**

D. Dematerialization of Shares & Liquidity :

The Company's shares have been mandated for compulsory trading in demat form. Valid demat requests received by the Company's Registrar are confirmed within the statutory period.

International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is INE132C01027. In case a member wants his shares to be dematerialized, he may send the shares along with the request through his depository participant (DP) to the Registrars, KFin Technologies Limited.

The Company's Registrars promptly intimate the DPs in the event of any deficiency and shareholders are also kept abreast. Pending demat requests in the records of the Depositories, if any, are continually reviewed and appropriate action initiated.

As on 31st March 2026, 99.16% of the shares were in Demat mode.

E. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity:

The Company has no GDRs/ADRs or any commercial instrument.

F. Commodity price risk or foreign exchange risk and hedging activities:

The Company is not carrying on any Commodity Business and has not undertaken any hedging activities

G. Plant Locations:

1. Sy No 187 to 190 Marchala Village, Kalwakurthy Mandal, Nagar Kurnool District Telangana Pin Code: 509 320.	2. Sy No 161 to 166, 174 and 175 Urukondapet Village, Urukonda Mandal Nagar Kurnool District Telangana Pin Code: 509 320.

H. Address of Correspondence:

Registrar and Share Transfer Agents:

KFin Technologies Limited
Unit: Suryalata Spinning Mills Limited
Selenium, Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Serilingampally, Hyderabad — 500 032, Telangana, India
Phone No.: 040 6716 1500 / 6716 2222,
E-Mail: einward.ris@kfintech.com
Website: www.kfintech.com

Company Secretarial Department
Suryalata Spinning Mills Limited
Surya Towers, 1st Floor, 105, Sardar Patel Road,
Secunderabad — 500 003, Telangana, India
Phone No: 040-2781 9908/27819909/27774200
E-mail :cs@suryalata.com

I. Credit Rating:

During the year under review your Company has obtained the Credit Rating from India Ratings and Research Private Limited which is as follows:

1.Long Term Rating: IND BBB+/Stable 2.Short Term Rating: IND BBB+/Stable/IND A2

10. DISCLOSURES

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

Pursuant to the Regulation 23 of SEBI(LODR), 2015, the Company and its Directors, the Management or relatives have not entered into any material Related Party Transactions during the period under review. Detailed information on significant related party transactions is enclosed as Annexure - II to the Board's Report and the details of all Related Party Transactions during FY 2025-26 are given at note No. (42) to the Financial Statements.

The Board has approved a Policy for related party transactions which has been uploaded on the Company's Website at www.suryalata.com.

- Cases of Non-Compliances/Penalties:

  There were no instances of non- compliance or imposing penalty, no structure was issued against the company by Stock Exchange or SEBI or any other statutory/regulatory authority for any matter related to capital markets during the year.

- Vigil Mechanism Information relating to Vigil mechanism has been provided in the Board's Report. The Vigil mechanism policy is available on the website of the Company.

- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

  The Company has complied with all the mandatory requirements enumerated in Regulation 17 to 27 of the Listing Regulations, 2015 relating to all matters specified therein.

- Web link where policy for determining 'material' subsidiaries is disclosed:

  The company does not have any material subsidiary.

- Web link where policy on dealing with related party transactions :

  The Board has formulated a policy for related party transactions and revised it in the light of Listing Regulations and including any statutory modification(s) and re-enactment(s) thereof subsequent amendments thereto which is available on the Company's website under the web link: http:/www.suryalata.com/policy.html.

- 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 the same are not applicable to the Company.

- Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A): Not applicable.

- A certificate from the Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed separately to this report.

- Whether the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year: No

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

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

11. Non-compliance of any requirement of corporate governance report of sub-par as (2) to (10) above, with reasons there of:

There are no Non-Compliances during the year under review.

12. The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

A. The Board:

The chairperson of the Board is a Non-Executive Independent Director.

B. Shareholders' rights:

All the quarterly financial results are placed on the Company's Website: www.suryalata.com apart from publishing the same in the Newspapers.

C. Modified opinion(s) in audit report:

There are no modified opinion(s) in the Audit Reports.

D. Reporting of internal auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly.

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 follows:**

Regulation	Particulars of Regulation	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	NA
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity.	Yes
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)	Website	Yes

14. **Unclaimed Dividend Amounts and Transfer to IEPF**

The Company has transferred dividend amounts which remained unpaid or unclaimed for a period of seven years from the date of their transfer to unpaid dividend account, from time to time, on due dates to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 31.03.2026 and on the website of the Company, and on the website of the Ministry of Corporate Affairs as per the due dates.

During the year under review, the Company has credited Rs. 66,594 /-(Rupees Sixty Six Thousand and Five Hundred Ninety Four Only) to the Investor Education and Protection (IEPF) pursuant to Section 125(1) of the Companies Act 2013.

Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows:

Year	Date of Declaration of Dividend	Amount Outstanding as on 31st March 2026 (Rs.)	Due to transfer to IEPF on
2018-19	September 28, 2019	87,109	October 27, 2026
2019-20	October 05, 2020	53,687	November 04, 2027
2020-21	September 29, 2021	1,020	October 28, 2028
2021-22	September 29, 2022	1,02,017	October 28, 2029
2022-23	September 29, 2023	1,30,071	October 28, 2030
2023-24	August 02, 2024	1,02,988	September 01, 2031
2024-25	September 27, 2025	1,89,685	October 26, 2032

In accordance with the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, will be transferred to the demat account of IEPF Authority. The Company has sent notice to all shareholders whose shares are due to be transferred to the IEPF Authority. Members are advised to visit the website of the company to ascertain the details of shares liable for transfer in the name of IEPF Authority.

Shareholders whose unclaimed dividend/ shares are transferred to the IEPF Authority can now claim their unclaimed dividend and shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.

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:

Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code), pursuant to Regulation 17(5) of Listing Regulations, applicable to all the senior management personnel and directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities.

The Code covers duties of independent directors and also gives guidance and support needed for ethical conduct of business and compliance of law. Further a policy on obligation of Directors and senior management personnel for disclosure of committee positions and commercial transitions pursuant to Regulation 26(2) (5) and (6) of Listing Regulation is in place.

A copy of the Code of Conduct has been placed on the Company's website (www.suryalata.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

All the Board members and the senior management personnel have confirmed compliance with the Code.

Declaration on compliance with Code of Conduct is annexed.

Compliance certificate:

A compliance certificate under Regulation 17(8) of the Listing Regulations, signed by the Company's Managing Director and CFO is annexed to this Report.

Certificate from practising company secretary regarding Non-disqualification of Directors is annexed to this report :

Compliance certificate from M/s. Prerna & Co, Company Secretary, regarding compliance of conditions of corporate governance pursuant to Para E of Schedule V to the Listing Regulations is enclosed separately to this Report

For and on behalf of the Board of Directors

Vithaldas Agarwal
Managing Director
DIN: 00012774

Place: Secunderabad
Date: 25th July 2026

Declaration on Compliance with Code of Conduct

Compliance of Code of Conduct for Directors and Senior Management Personnel pursuant to the provisions as provided under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board laid down a Code of Conduct for all Board members and Senior Management personnel of the Company. The Code of Conduct is also posted on the website of the Company.

The Members of the Board and Senior Management personnel have affirmed compliance with code of conduct on an annual basis in respect of the financial year ended March 31, 2026.

For and on behalf of the Board of Directors

Vithaldas Agarwal
Managing Director
DIN: 00012774

Place : Secunderabad
Date : 25th July 2026

Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO) For financial year ended March 31, 2026

To
The Board of Director
Suryalata Spinning Mills Limited

We, Vithaldas Agarwal, Managing Director and K Nageswara Rao, Chief Financial Officer (CFO) of Suryalata Spinning Mills Limited hereby certify to the Board that:

a) We have reviewed the financial statements, and the cash flow statements for the year ended March 31 2026 and certify that to the best of our knowledge and belief;

   i. These statements do not contain any materially untrue statement nor omit any material fact not contain statements that might be misleading; and

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the 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 in violation of the Company's code of conduct;

c) We accept responsibility for establishing and maintaining internal controls in the Company and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take and rectify the identified deficiencies;

d) We have indicated to the auditors and the Audit Committee of:

   i. Significant changes in the internal control over financial reporting during the year;

   ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. There are no instances of significant fraud of which we have become aware.

e) We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct).

f) We further declare that all Board Members and designated Senior Management have affirmed compliance with the Code of Conduct for the Current year.

	Sd/-	**Sd/-**
	Vithaldas Agarwal	**K Nageswara Rao**
Place: Secunderabad	**Managing Director**	**Chief Financial Officer**
Date: 25th July 2026	**DIN: 00012774**	

PRACTISING COMPANY SECRETARY CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with in Part E of Schedule V of SEBI (LODR), 2015]

To
The members of
Suryalata Spinning Mills Limited
Secunderabad

We have examined the compliance of conditions of Corporate Governance by Suryalata Spinning Mills Limited for the year ended March 31, 2026 as stipulated in Chapter IV of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as per the Listing Agreement entered into the by the said Company with stock exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above listing Regulation.

We state that in respect of investor grievances received during the year ended 31st March 2026, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors/ Shareholders Grievance Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Prema & Co.
Company Secretaries

Prerna Heda
M.No. 29164
C.P.No.: 18212
PR No. 6852/2025
UDIN:A029164H000938512

Place: Hyderabad
Date: 25th July 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 read with PARA-C Clause 10 (i) of Schedule V)

To
The Members of

Suryalata Spinning Mills Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Suryalata **Spinning Mills Limited** bearing **CIN L18100TG1983PLC003962** and having registered office Surya Towers, I Floor 105, Sardar Patel Road, Secunderabad-500003, Telangana, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of the Director	DIN
1.	Mr. Vithaldas Agarwal	00012774
2.	Mr. Mahender Kumar Agarwal	00012807
3.	Mr. Suresh Reddy Kethireddy	00074879
4.	Mr. Harishchandra Prasad Kanuri	00012564
5.	Mrs. Madhavi Agarwal	06866592
6.	Mr R. Raghuram Reddy	02431417
7.	Mr. Meka Yugandhar	00012265

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

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Prema & Co.
Company Secretaries

Prerna Heda
M.No. 29164
C.P.No.: 18212
PR No. 6852/2025
UDIN: A029164H000938490

Date: 25th July 2026
Place: Hyderabad

MANAGEMENT DISCUSSION AND ANALYSIS

Corporate Information

Suryalata Spinning Mills Limited (the Company) is a public limited company incorporated on 23rd May, 1983, having its Registered office situated at 105, S P Road. Surya Towers,1st Floor, Secunderabad, Telangana State. The company established to manufacture Synthetic Blended Yarns, Products are proven and established a credible position in the market. These Yarns are designed to deliver uniform quality, durability and process efficiency across weaving and finishing stages, making well suited to have mass manufacturing. The company is listed on the Bombay Stock Exchange.

Organization Overview

The company is engaged in producing the best quality Synthetic Blended Yarns and it is one of the largest producers of Ring Spun Yarns i.e 100% PSF Ring Spin Yarns, 100% PSF-Vortex Yarns, P/V blended yarns and value-added Yarns like Slub yarns, Elite Twist, Sairo Yarns, Compact Yarns and T F O (two for one twister) Yarns etc., counts ranging from 10s to 60s The company is having two manufacturing units at Kalwakurthy and Urukondapet, on Kalwakurthy – Jadcherla Road in Nagerkurnool District, Telangana, only an hour away from the Hyderabad International Airport and the distance between the two units is 5 Kms. The Company is having total installed capacity of 1,19,280 spindles and 16 Nos Vortex Spin machines. Altogether produces the quantity about 90 MTs per day. The units are maintaining standard operational system and certification of "ISO 9001:2015". The company sells its finished goods (Yarn) to various dealers located in the Indian domestic market as well as in the International market.

Global Economic Review

The global economy environment is challenging with geopolitical uncertainties and continued to face inflationary pressures, fragmented trade relationships and subdued consumer demand during the financial year 2025-26. Growth in advanced economies remained subdued, moderating from 1.8% to 1.7%, reflecting tighter financial conditions and weaker demand. The Ongoing geopolitical tensions in West Asia, have contributed to volatility and increase of energy prices, resulted to the inflation in consumer markets. In contrast, emerging economies continued to drive global growth, expanding by 4.4% in 2025, supported by strong domestic demand, increasing infrastructure investments, and improving manufacturing activity. Overall, the global outlook remains uncertain due to geopolitical developments which continue to pose risks to sustained economic growth.

Global Textile Industry:

The global textile industry is a multi-trillion-dollar manufacturing sector projected to reach over USD 1 Trillion by the early 2030s, accounting for approximately 2% of the world's GDP. Asia remains the dominant manufacturing hub, led by China (which produces over 50% of global output), India, and emerging hubs in Vietnam and Bangladesh

The global textile market is anticipated to grow on three major principles: designing, producing, and distributing different flexible materials such as yarn and clothing. Many processes, such as knitting, crocheting, weaving, and others, are primarily used to manufacture a wide range of finished and semi-finished goods in bedding, clothing, apparel, medical, and other accessories.

However, geopolitical risks remain high, particularly in light of the conflict in the Middle East and tensions in Europe, trade tariffs imposed by the USA on various products and on various countries including India, are undermining the global growth outlook.

Indian economic review:

India's economy continued to demonstrate resilience amid continuing the West Asia conflicts, global macroeconomic challenges, inflationary and inconsistency in the global markets Despite back of strong domestic demand. the country has maintained relative economic stability in 2025–26 and maintained growth at 6.8%, supported by across manufacturing, services, and infrastructure sectors. The Reforms undertaken over the last ten years by the Union government have formed the foundation of a resilient, partnership-based governance ecosystem and have restored the ability of the economy to grow healthily. With the policy reforms that the government has already rolled out and which are on the anvil, there is significant optimism and confidence in the Indian economy and its prospects today. India embarks on her 'AmritKaal' with confidence and the attitude that challenges to growth and inclusive development is stepping stones. Going forward, continued investments, rapid digitalization, and a favourable demographic profile are expected to further strengthen India's growth outlook

Indian Textile Industry:

India is the world's second-largest producer of textiles The Indian textile and apparel market, valued at USD 248.70 billion in 2025, is expected to reach USD 656.31 billion by 2034, reflecting a compound annual growth rate of 11.38% between 2026 and 2034. As one of the cornerstones of India's economic development, the sector integrates traditional craftsmanship with modern manufacturing, catering to both domestic consumption and international exports. Beyond its economic contribution, the industry plays a vital social role by generating rural employment, encouraging women's participation in garment manufacturing, and preserving regional textile traditions that form an essential part of India's cultural identity while adapting to evolving consumer preferences.

Functioning as a powerful economic engine, the textile and apparel industry employs millions across the value chain, from cotton farmers to garment workers, while contributing significantly to foreign exchange earnings through exports. The sector maintains a unique balance between heritage and modernity, serving diverse market segments ranging from commodity fabrics to premium fashion textiles.Regional clusters have developed specialized strengths-Maharashtra in integrated mill production, Gujarat in synthetic textiles, Tamil Nadu in cotton spinning, and Uttar Pradesh in handloom traditions. This diversity is exemplified by Varanasi's artisans producing intricate Banarasi silk saris on traditional pit looms, alongside Surat's industrial-scale power loom facilities manufacturing synthetic fabrics for global fast-fashion retailers.

India's textile and apparel sector is poised for sustained expansion, driven by rising domestic consumption, enhanced manufacturing capacity, improved export competitiveness, and diversification into higher-value product segments. The demographic advantage of a young population, rapid urbanization, and the growth of digital commerce platforms are strengthening demand fundamentals across categories. Strategic investments in advanced spinning and weaving technologies, adoption of sustainable production practices to address environmental concerns, and the development of innovative design capabilities will further elevate the industry's global positioning, ensuring long-term growth and resilience.

Government Initiatives For Textile Industry:

The Government announced the continuity of Rebate on PM MITRA Park: Transforming India's textile landscape: The PM MITRA Park initiative is a flagship program aimed at modernizing India's textile sector through world-class infrastructure and integrated value chains. In Tamil Nadu, a J1,894 crore (US$ 216.09 million) investment has been approved for a 1,052-acre park in Virudhunagar, focused on technical textiles and processing, expected to attract 10,000 crore (US$ 1.14 billion) and create one lakh jobs by 2027. Similarly, Madhya Pradesh is developing a 2,100 crore (US$ 239.59 million) park in Dhar, spanning 2,100 acres, supported by an MoU with the Brand & Sourcing Leaders' Association. The state has already secured 3,500 crores (US$ 399.32 million) in investments and is promoting organic cotton under India's Five 'F' Vision. Together, these projects form part of the broader PM MITRA Parks Scheme, which envisions seven mega textile parks nationwide with 4,445 crores (US$ 541.82 million) in government support, expected to draw 85,370 crores (US$ 10 billion) in private investments and elevate India as a global textile hub.

Revival of khadi by KVIC: The Khadi and Village Industries Commission (KVIC) recorded a historic turnover of US$ 20 billion in 2025–26, signaling a strong revival of Khadi. To support artisans, a 20% wage hike for spinners was announced effective April 2025. Rising demand, job creation, and design innovations are reshaping Khadi into a sustainable fashion choice, particularly appealing to younger generations and strengthening its role in India's textile heritage

Samarth scheme extension: The Samarth Scheme, extended for FY25 and FY26 with a budget of 495 crores (US$ 56.6 million), aims to train three lakh people in textile-related skills. As of July 2025, over 4.57 lakh beneficiaries had been trained, with 3.55 lakh successfully placed, including 88% women. The scheme is demand-driven, placement-focused, and covers the textile value chain (excluding spinning and weaving), thereby enhancing productivity and supporting job creation across the sector.

Government e-Marketplace (GeM) Initiative: By March 2027 about 1.50 lakh handloom agencies/weavers and 26,644 artisans, had registered on the Government e-Marketplace (GeM) portal. This digital initiative has expanded market access for traditional artisans, enabling them to connect directly with buyers and strengthen their economic opportunities through transparent and efficient online transactions.

National technical textiles mission: The National Technical Textiles Mission, launched in FY21 and extended until FY26 with a financial outlay of 1,480 crores aims to achieve 86,680 crores in technical textile exports. India's current exports range between 17,336 crore and 26,004 crores and the mission is expected to significantly boost competitiveness in this high-value segment.

India solar energy sector review

The Government announced the continuity of Rebate on India's energy demand is projected to rise faster than any other country in the coming decades, driven by its vast population and strong economic growth potential. Meeting this surge sustainably requires a significant share of additional demand to be met through low-carbon, renewable sources. India has pledged to achieve net-zero emissions by 2070 and ensure that 50% of its electricity generation comes from renewables by 2030, marking a landmark global climate commitment. India solar energy market was valued at USD 8 billion in 2025 and is expected to reach USD 14 billion by 2030.

Government Initiates for Solar

2. PM Surya Ghar: Muft Bijli Yojana (PMSGMBY) has become the world's largest domestic rooftop solar initiative, achieving a milestone of 26 lakh solar-powered homes by March 2026, the scheme is making solar energy widely accessible.

3. Affordable financing and collateral-free loans at a subsidized 6.75% interest rate through 12 Public Sector Banks. ensuring financial inclusion and ease of access to Investments.

1. Empowering citizens and sustainability: With a seamless 15-day subsidy transfer and zero electricity bills for many households, the scheme is not only powering homes but also empowering people.

Expansion in core activity of Spinning :

The company had installed proven technology of Vortex Spin equipment's and the Yarn produced with this technology are proved its quality in the forward segments. The company able to liquidates the entire produced quantities. It is confident to establish further volumes for these Vortex yarns by expand its capacities. The company had installed 16 Nos of Vortex Spin Machineries, equivalent to 24000 Ring Spindles. Considering the cost economics and constraints of manpower availabilities, the company is in the process of increase Vortex Spin capacities by replace the Ring frames in phased manner.

Opportunities & Threats of Company:

Suryalata holding on hand opportunities to strengthen its position with ---

(a) Availability of advanced technology equipment.
(b) Experienced management team.
(c) Emphasis on Quality Products
(d) Timely deliveries to Customers.
(e) Long standing Customer Relations
(f) Simple and Strategic market potentiality.
(g) Rich resources of raw materials like PSF.VSF, Silk and Cotton.

The Company estimates the Threats to Synthetic Industry such as ----

a) Significant changes in raw cotton prices effects to Synthetic Fiber prices .
b) Losgistic costs are adversely affecting its ability to compete in exports.
c) High power costs and High Interest costs are burdened for this Thin margin industry.
d) Long export lead times are eroding India's export competitiveness across the textile chain.
d) Currency fluctuations are highly affecting the synthetic spinning industry.
e) Profitability undermined with inflation and causing to raise wages
f) Fierce competition stressed by e-commerce activities
g) Changing consumer behavior (e.g. fast fashion).

Risks and Concerns:

Risks are integral part of the growth of a business. However, the Company frames the effective risk management which helps to mitigate the risks effectively and ensures business sustainability.

Effective risk management comprises the,

i) Standard policy to pass the cost increases with its premium quality.
ii) Consciously up-keep of equipment and implementing the cost control methods,
iii) Strengthen and widen the customer base with timely supplies.
iv) Change into high count patterns which support high contributions

Future Outlook of the Company Products:

Synthetic Yarn Products are expected to grow at significant rate over the coming years. The growth can be attributed to its beneficial properties such as high strength, chemical & wrinkle resistance, quick drying etc., are towards personal care and hygiene applications. It is also used in households as cushioning & insulating material in pillows and in industries for making carpets, Tyres, air filters, coated fabrics and other products.

Also the fashion segment dominated the market owing to the increasing consumer spending on clothing and apparel. In addition, high consumer requirements for crease-free suiting & shirting fabrics and quality dyed & printed fabrics are likely to drive and to increase the demand for Synthetic products.

Considering all these present applications and forecasting the future requirement of Synthetic Yarn Products, the company focused on technically proved Vortex Yarns to have new product in the basket, increase the volumes, improve the margins and to strengthen the financial position.

Internal Control Systems and their Adequacy:

The Company has a well-established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit, the financial controls of the Company at various locations are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of follow-up action required. The Company conducts its business with integrity and high standard of ethical behavior and in compliance with the laws and regulations that govern its business.

Human Resource Developments / Industrial Relations:

The Company firmly believes that Human Resource Development strategies and practices will continue to provide a sustained competitive advantage and will continuously work towards nurturing and enhancing a competitively superior position in terms of human capital, people processes and employees behaviour.

There were no material developments in the Human resources. The industrial relations were generally found satisfactory.

During the period under review, the total number of people employed by the Company is 449 in addition to indirect employment created.

Corporate Social Responsibility :

The company formulated CSR policy to touch and transform people's lives by promoting health care, education including special education among children and employment opportunities for women, providing alnutrition, sanitation and drinking water, animal welfare etc,.

During the year Suryalata has continued to educate Vedic students thru Vedic Pathasala, in the form of contributions to provide Food & Sanitization for Old Age people to enhance their health in the society.

Cautionary Statement: The statement and views expressed by the management in the above said report are on the basis of best judgment but the actual results might differ from whatever stated in the report. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in future. Readers are cautioned not to place undue reliance on these forward-looking statements.

Review of Financial & Operational performance:

The Standalone performance of the company Turnover of Rs. 491.06 crores and slight decreased compared to previous year despite resilience, uncertainty, trade friction in the fragmented world economy.

Your Company has earned a Consolidated Profit Before Tax Rs. 46.05 crore in comparison to Rs.18.90 crore in the previous year due to price stress in the sluggish market and subdued market conditions. Consolidated Profit after tax is Rs.35.52 crores as against Rs.15.37crore in the previous year.

Key Financial Ratios:

Debtors / Turnover	Current year - 21.95 times (previous year - 21.00 times)	Marginal increase due to drop of sales In March 2026
Inventory/ Turnover	Current year - 16.50 times (previous year - 19.37 times)	Dropped due to increase of Inventory in March 2026
Interest Coverage Ratio	Current year - 14.03 times (previous year - 4 .86times)	Increased with an increase in profit margin on receipt of Industrial Incentives.
Debt / Equity Ratio	Current year - 0.31 % (previous year -0.28%)	Increased due to New Term Loan borrowings for project
Operating Profit Margin (PBT)	Current year - 6.23% (previous year- 2.71%)	Increased with an increase in profit margin
Net Profit Margin (PAT)	Current year - 6.13 % (previous year -2.02%	Increased with an increase in profit margin
Return on Net Worth (equity)	Current year - 10.44 % (previous year - 3.95%)	Increased with an increase in profit margin

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of SURYALATA SPINNING MILLS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of SURYALATA SPINNING MILLS LIMITED ("the company"), which comprise the standalone Balance Sheet as at March 31, 2026, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 Standalone Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 Standalone Financial Statements

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

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

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

- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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 standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, standalone statement of changes in equity and the standalone 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 standalone 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 39(A) to the financial statements;

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

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

      iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (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. a. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b. As stated in note 36 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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 trial(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 trial feature being tampered with and the audit trial has been preserved by the Company as per the statutory requirements for record retention.

for K.S.RAO & CO.
Chartered Accountants
Firm's Regn No. 003109S

(C.Venkateshwara Rao)
Partner
Membership No. 219844
UDIN: **26219844XWZFGL1241**

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 SURYALATA SPINNING 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. a. During the year the Company has not provided Loans, Advances in the nature of Loans, stood guarantee or provided security to Companies, Firms Limited Liability Partnerships or any other entities. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

   b. In our opinion, the Investment made and the terms and conditions of the grant of Loans, prime facie, not prejudicial to the interests of the Company.

   c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated, and the repayments of the principal are regular as per stipulation.

   d. In respect of loans granted by the company, there are no over dues interest amounts for more than 90 days.

   e. There is no loan which have falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same parties.

   f. The Company has not granted any loan or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the investments made.

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 information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to 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 which have not been deposited on account of any disputes except the following:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which amount related	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,24,83,124	FY 2013-14	Income Tax – Appellate Authority

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 wilful defaulter by any bank or financial institution or other lender.

c. In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purpose for which they 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. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f. According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

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 any 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 on going or other than on going project as at the expiry of the financial year. Accordingly, reporting under Para 3(xx) of the Order is not applicable to the Company.

for K.S.RAO & CO.
Chartered Accountants
Firm's Regn No. 003109S

(C.Venkateshwara Rao)
Partner
Membership No. 219844
UDIN: 26219844XWZFGL1241

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 standalone financial statements of SURYALATA SPINNING MILLS LIMITED ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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 standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal 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 K.S.RAO & CO.
Chartered Accountants
Firm's Regn No. 003109S

(C.Venkateshwara Rao)
Partner
Membership No. 219844
UDIN: 26219844XWZFGL1241

Place: Hyderabad
Date: 25.05.2026

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2026

(All amounts in ₹ Lakhs)

Particulars	Note No.	As at 31.03.2026	As at 31.03.2025
I. ASSETS			
1. Non-Current assets			
(a) Property, Plant and Equipment	2.1	26,812.61	24,989.73
(b) Capital work-in-progress	2.2	1,832.03	6.13
(c) Financial Assets			
(i) Loans	3	2,251.18	3,042.28
(ii) Other financial assets	4	3,876.22	1,405.61
(d) Other non-current assets	5	7.85	88.29
Total Non-current assets		**34,779.89**	**29,532.04**
2. Current assets			
(a) Inventories	6	3,348.25	2,593.31
(b) Financial Assets			
(i) Investments	7	98.05	98.16
(ii) Trade receivables	8	1,813.93	2,652.49
(iii) Cash and cash equivalents	9	20.43	25.39
(iv) Other Bank Balances	10	306.66	261.70
(v) Other financial assets	11	128.89	154.50
(c) Other current assets	12	1,892.83	1,295.21
Total Current assets		**7,609.04**	**7,080.76**
Total Assets		**42,388.93**	**36,612.80**
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	13	426.70	426.70
(b) Other Equity	14	27,298.94	24,401.64
Total Equity		**27,725.64**	**24,828.34**
2. Non-Current liabilities			
a) Financial Liabilities			
Borrowings	15	6,576.24	4,052.14
b) Deferred tax liabilities (Net)		3,290.58	3,101.23
c) Other non-current liabilities	16	73.58	110.37
Total Non- current liabilities		**9,940.40**	**7,263.74**
3. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1,959.41	2,819.15
(ii) Trade payables	18		
Micro and small enterprises		37.19	54.20
Other than micro and small enterprises		108.78	270.31
(iii) Other financial liabilities	19	1,983.56	1,034.70
(b) Other current liabilities	20	63.56	60.41
(c) Provisions	21	314.46	271.03
(d) Current tax liabilities (net)	22	255.93	10.92
Total Current liabilities		**4,722.89**	**4,520.72**
Total liabilities		**14,663.29**	**11,784.46**
Total Equity and Liabilities		**42,388.93**	**36,612.80**
Material Accounting policies and Key accounting adjustments & Judgments	1-45		

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Directorr

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

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

(All amounts in ₹ Lakhs)

	Particulars	Note No.	Current Year 31.03.2026	Previous Year 31.03.2025
I.	**Revenue from operations**	23	47,199.49	48,295.82
II.	**Other Income**	24	1,812.62	810.22
III.	Total Income (I + II)		**49,012.11**	**49,106.04**
IV.	**EXPENSES**			
	Cost of Raw material Consumed	25	30,079.53	32,076.14
	Changes in inventories of finished goods, and work in Process	26	(163.99)	(210.88)
	Employee benefits expense	27	4,291.42	3,903.63
	Power & Fuel		4,868.46	5,969.04
	Finance costs	28	418.52	733.59
	Depreciation and amortization expense	29	1,511.81	1,515.35
	Other expenses	30	4,063.69	3,806.85
	Total expenses (IV)		**45,069.44**	**47,793.72**
V.	Profit before exceptional items and tax (III - IV)		3,942.67	1,312.32
VI.	Exceptional items		0.00	0.00
VII.	Profit before Tax (V-VI)		**3,942.67**	**1,312.32**
VIII.	Tax expense:			
	a. Current Tax		868.92	113.02
	b. Deferred Tax		179.74	217.29
	Total Tax Expenses		**1,048.66**	**330.31**
IX.	**Profit for the period after tax (VII-VIII)**		**2,894.01**	**982.01**
X.	Other Comprehensive income	31		
	i. Items that will not be reclassified subsequently to profit or loss		38.20	62.96
	ii. Income tax relating to items that will not be reclassified to profit or loss		(9.62)	(15.85)
	Other Comprehensive Income (net of tax)		**28.58**	**47.11**
XI.	**Total Comprehensive Income for The Year (IX+X)**		**2,922.59**	**1,029.12**
XII.	Earnings per equity share (Face value of Rs 10/- each)	32		
	Basic and Diluted		**67.82**	**23.01**
	Material Accounting policies and Key accounting adjustments & Judgments	1-45		

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

(All amounts in ` Lakhs

STANDALONE STATEMENT OF CHANGES OF EQUITY

A. Equity Share Capital

Particulars	(Amount in Lakhs)
As at April 01,2024	**426.70**
Changes in equity share capita3	-
As at march 31,2025	**426.70**
Changes in equity share capital	-
As at march 31,2026	**426.70**

B. Other Equity

Particulars	Security Premium	Capital Redemption Reserve	Preference capital redemption reserve	General reserve	Retained earnings	Equity components of compound financial Statements	Remeasurement of difined benefit plan	Total
Balance as 1 st April,2024	**1288.20**	**1207.36**	**385**	**17000**	**3415.28**	**29.27**	**72.70**	**23397.81**
Profit for the Year					982.01			**982.01**
Other Comprehensive income for the year (Net)							47.11	**47.11**
Transfer to Capital reseve				1000	(1000.00)			**0**
Transfer to general reserve								**0**
Equity Dividend Paid					(25.29)			**(25.29)**
Balance as at 31 st March, 2025	**1288.20**	**1207.36**	**385**	**18000**	**3372**	**29.27**	**119.81**	**24401.64**
Profit for the Year					2894.01			**2894.01**
Other Comprehensive income for the year (Net)							28.58	**28.58**
Transfer to general reserve				2000	(2000.00)			**0**
General reserve								**0**
Equity Dividend Paid					(25.29)			**(25.29)**
Balance as at 31st March, 2026	**1288.20**	**1207.36**	**385**	**20000**	**4240.72**	**29.27**	**148.39**	**27298.94**

The description of nature and purpose of reserves within equity is as follows :

i) **Security Premium :** Premium received on issue of equity shares credited to security premium reserve, It can be utilized as per the provision of section 63 of the companies act.

ii) **Capital Redemption Reserve :** Created on redemption of preference shares, It can be utilized as per section 63 of the companies act.

iii) **Preference Capital Redemption Reserve :** Created against the profits for redemption of preference shares issued. It can be utilized for redemption of preference shares on due date.

iv) **General reserve :** Reserve is created from time to time by transfer of profits from retained earnings. It can be utilised as per provisions of the companies act.

v) **Retained earnings :** Retained earnings are accumulation of profits earned by the company. It can be utilised for distribution of dividends to equity share holders.

vi) **Re-measurement of defined benefit obligations :**

The reserve represents the re-measurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company.

The re-measurement gains/(losses) are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to profit or loss.

As Per Our Report of even date
for K S RAO & CO.,
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for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026 (All amounts in ₹ Lakhs)

	PARTICULARS	Year Ended 31.03.2026		Year Ended 31.03.2025	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		3,942.67		1,312.32
	Adjustment for:				
	Depreciation	1,511.81		1,515.35	
	Finance Charges	418.52		733.59	
	Fair value (Profit)/Loss on Investments	0.12		0.13	
	Other Comprehensive Income/(Loss)	38.19		62.96	
	(profit) / Loss on sale of Assets (net)	12.61			
	Interest Income	(430.52)		(443.69)	
	Interest subsidy received (T-TAP) from Govt.	(1,298.09)	252.64	(300.00)	1,568.32
	Operating Profit before working capital changes		**4,195.31**		**2,880.64**
	Movement in Working Capital				
	Decrease/(Increase) in Inventories	(754.93)		(115.79)	
	Decrease/(Increase) in Receivables	838.55		(627.58)	
	Decrease/(Increase) Current Assets, in Loans & Advances	(615.87)		33.62	
	(Decrease)/Increase in Non Current Liabilities	(36.79)		(36.79)	
	(Decrease)/Increase in Current Liabilities	793.38	224.34	(77.32)	(823.86)
	Cash Generated from Operations		**4,419.65**		**2,056.78**
	Taxes Paid		(623.92)		(103.29)
	Net Cash flow from Operating Activities (A)		**3,795.73**		**1,953.49**
B	**CASHFLOW FROM INVESTING ACTIVITIES**				
	Investment subsidy (T-TAP) received from Govt.	-		500.00	
	Interest subsidy (T-TAP) received from Govt.	1,298.09		300.00	
	Interest Received	452.84	1,750.93	432.44	1232.44
	Less: OUTFLOW:				
	Decrease/(Increase) in Non-current financial assets	790.00		650.00	
	Decrease/(Increase) in Financial assets	(2470.61)		61.50	
	Acquisition of fixed assets including Capital Work in Progress	(5180.20)		(133.61)	
	(Increase)/Decrease in Advance for Capital equipment	80.44	(6780.37)	4.02	581.91
	Net Cash flow from Investing activity (B)		**(5,029,44)**		**1,814.35**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Term Loans received	3449.08		-	
	Unsecured Loans received	39.50		52.50	
	Hire Purchase Loans Received	-		29.00	
	Increase/(decrease) in Bank Borrowings	(169.99)	3,318.59	(654.75)	(573.25)
	Less: OUT FLOW :				
	Repayment of Term loans	1,368.10		1,883.33	
	Equity Dividends Paid	25.29		25.29	
	Interest on Preference shares	30.80		30.80	
	Repayment of Solar Project loan - Hero	176.60		353.21	
	Repayment of Hire Purchase loans	20.41		18.15	
	Repayment of sales tax loans	87.49		92.53	
	Repayment of Unsecured loans	16.00		110.00	
	Interest Paid	365.15	2,089.84	677.80	3,191.11
	Net Cash flow from financing activities ('C)		**1,228.75)**		**3,764.36**
	Net increase/(decrease) in Cash/Cash Equivalents during the year (A+B+C)		(4.96)		3.48
	Add: Cash/Cash equivalents at the beginning of the year		25.39		21.91
	Cash/Cash equivalents at the end of the year		20.43		25.39

(All amounts in ₹ Lakhs)

Notes :

1 The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind-AS) - 7 on Statement of Cash flow.

2 Previous year comparatives have been reclassified to confirm with current year's presentation, where ever applicable.

3 Cash and Cash equivalents comprises of :

S. No	Particulars	As at 31.03.2026	As at 31.03.2025
A.	Cash on Hand	4.98	5.41
B.	Balances in bank a/c's	15.45	19.98
	a. Current Accounts		
	b. Ear marked balance with Banks - Unpaid dividends		
	Cash and Cash equivalents in Cash Flow Statement	20.43	25.39

As Per Our Report of even date
for K S RAO & CO.,
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for and on behalf of the Board

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Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

Notes to Standalone Financial Statements for the Year Ended 31st March, 2026

CORPORATE INFORMATION

Suryalata Spinning Mills Limited (the "Company") is a public limited company incorporated on May 23rd, 1983 and as its Registered office at 105, S P Road, Surya Towers , 1st Floor, Secunderabad, Telangana State. The Company is engaged in producing the best quality of Synthetic Yarns like 100% Polyester (PSF) Yarns, 100% Viscose (VSF) Yarns, PSF & VSF Blended Yarns, Vortex Yarns and Value Added Yarns like Slub Yarns, Elite Twist and Two for One Twist Yarns (T F O) etc., suitable for suitings, Shirtings and knitting. The Company has established in the domestic market as well as in the international market and sells its products through the multiple channels. The Company is listed on Bombay Stock Exchange.

The financial statements of the company for the year ended March 31st, 2026 are approved for issue by the Company's Board of Directors on May 25th, 2026.

MATERIAL ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS.

I Material Accounting Policies:

1. **Statement of Compliance:**

   These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standard) Rules, 2015 notified under section 133 of the Companies Act 2013, amendments there to and other relevant provisions of the Act.

2. **Basis of Preparation and Measurement:**

   These Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

   The financial statements are presented in INR which is also the Company's functional currency and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

3. **Classification of Assets and liabilities as Current and Non-current**

   The company has determined its operating cycle as 12 months for the purpose of classification of current and non-current assets and liabilities. This is based on the nature of product and the time between the acquisition of inventories for processing and their realization in cash and cash equivalents. 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.

   Deferred tax assets and deferred tax liabilities are classified as non-current assets and non-current liabilities.

4. **Use of estimates & judgments:**

   The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

5. **Property, Plant and Equipment-Tangible Assets:**

   i. Property, plant and equipment other than land are stated at cost less accumulated depreciation and impairment losses if any. Freehold land is carried at cost of acquisition. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

   ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

   iii. Subsequent expenditure are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Costs in nature of repairs and maintenance of equipment are recognized in the Statement of Profit and Loss as and when incurred.

iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies act-2013 except the assets costing 5000 or less on which depreciation is charged @100% in the year of acquisition.

v. The Company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

6. Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

7. Inventory:

Inventories are valued at the lower of cost and net realizable value. The cost is determined on Weighted Average basis. Cost of finished goods and work-in-process include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, Stores, spares and packing materials are valued at cost on weighted average basis. Scrap is valued at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of necessary to make sale.

8. Financial Instrument:

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

a. Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

1) Amortized Cost

2) Fair value through profit and loss (FVTPL)

3) Fair value through other comprehensive income (FVTOCI)

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.

Financial Assets 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 de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to ' other income' in the Statement of Profit and Loss.

Financial Assets at fair value through profit or 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.

De-recognition of Financial Assets

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.

Impairment of Financial Assets

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.

b. 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

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. All the financial liabilities of the company are subsequently measured at amortized cost using Effective Interest method.

De recognition of Financial Liabilities

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

9. Government Grants:

Grants from the government are recognized on receipt of the amount from the Government as no time specifies for release of funds against the attached conditions of such grants. Grants related to revenue items are presented as part of profit and loss either as reduction from related expense OR considered as other income. Grants related to Investment on plant & machinery are considered as reduction of the value of plant & machinery (asset). The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

10. Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognized in the Statement of profit and loss.

11. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured a regardless of when the payment made. The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of Products

Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been transferred to the customer, the company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the goods sold, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration that will be derived in the sale of goods.

The Company collects Goods & Service Tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence these are excluded from the revenue. Revenue from export sales is recognized on the date of bill of lading, based on the terms of export.

b. Recognition of Export benefits

Export benefits entitlements in respect of incentives schemes including Duty Drawback, RoDTEP (Export Incentive), Merchandise Export Incentive Scheme (MEIS) of the Government of India are recognized in the year in which Export Sales are accounted for.

c. Interest Income

Interest on deposits with government departments, financial institutions and Loans provided to subsidiary company are recognized in statement of profit and loss when the right to receive/receivable during the period.

13. Taxes on Income

Tax expense comprises of current and deferred tax

a. Current tax

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

b. Deferred tax

Deferred tax is recognised 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. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

14. Dividend Distribution

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 and corresponding tax on dividend distribution is recognized directly in equity.

15. Employee Benefits

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

a. Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution schemes as the Company does not carry any further obligations, apart from the Contributions made on a monthly basis.

b. Defined benefit plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The Company funds the benefit through contributions to SBI Life.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability(assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

16. Provisions

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

17. 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.

18. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

19. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

20. 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.

21. Cash flow statement

Cash flows are reported using the indirect method. Where by profit for the period is adjusted for effects of transactions of a non-cash nature, any deferrals are accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

22. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The operations of the company are related to one segment i.e. spinning in textiles

23. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

24. 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.

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

The amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should 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.

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 do not have a material impact on the Company's 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

25. Critical Accounting Estimates and Judgments

The preparation of financial statements is in conformity with generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions in accounting estimates are recognized prospectively.

The areas involving critical estimates or judgments are –

- Estimates of Useful life of Property, plant and equipment and intangible Assets (refer note 1.5)

- Measurement of defined Employee benefit obligation (refer note 1.15)

- Recognition of Current Tax Expenses and deferred taxes (refer note 1.13)

- Estimation of impairment of Assets and Financial Investments (refer note 1.6 and 1.8)

- Estimation of provision and contingent liabilities (refer note 1.16 and 1.17)

Notes to Standalone Financial Statements For The Year Ended 31st March, 2026

(All amounts in ` Lakhs)

Note No. 2 .1(a) : Property, Plant and Equipment

Sl.No	Particulars	Gross Block	Gross carrying amount			Accumulated Depreciation				Net Carrying amount
		As at 01.04.2025	Additions	Deductions	As at 31.03.2026	Upto 01.04.2025	For the Year	Deductions	Upto 31.03.2026	As at 31.03.2026
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
1	Land (Freehold)	198.15			198.15					198.15
2	Buildings									
	- Factory Buildings	6158.29	5.20		6163.5	2002.36	201.13		2203.49	3960.01
	- Non Factory Buildings	2287.03	364.27		2651.29	427.05	38.89		465.94	2185.35
3	Plant and Equipment									
	- Plant & Machinery	25181.52	2609.05	207.08	27583.5	10698.84	961.23	187.47	11472.6	16110.9
	- Workshop Equipment	52.04	3.45		55.49	32.84	2.37		35.21	20.27
	- Testing Equipment	90.12			90.1	84.13	0.66		84.79	5.33
	- Electrical Installations	1622.73	28.66	4.01	1647.37	1194.59	72.84	4.01	1263.42	383.96
	- Weighing Machinery	14.17	10.44		24.61	13.19	0.72		13.91	10.71
	- Water Works	48.71			48.71	48.71			48.71	0
4	Furniture & Fixtures	131.54			131.54	120.93	2.13		123.06	8.47
5	Office Equipment	102.21	0.88		103.08	92.97	3.66		96.63	6.45
6	Vehicles	338.89			338.89	217.91	30.77		248.68	90.2
7	Data Processing Equipment	69.07	2.63		71.7	65.13	1.44		66.57	5.13
8	Material Handling Equipment	858.98	97.54		956.52	456.84	49.96		506.8	449.72
9	Solar Power Plant	3638.99	232.18		3871.17	347.22	146.02		493.24	3377.93
	Total	**40792.44**	**3354.3**	**211.09**	**43935.64**	**15802.71**	**1511.8**	**191.48**	**17123.04**	**26812.61**

Notes to Standalone Financial Statements For The Year Ended 31st March, 2026

Note No. 2 .1(b) : Property, Plant and Equipment

(All amounts in ` Lakhs)

Sl.No	Particulars	Gross Block	Gross carrying amount			Accumulated Depreciation				Net Carrying amount
		As at 01.04.2024	Additions	Deductions	As at 31.03.2025	Upto 01.04.2024	For the Year	Deductions	Upto 31.03.2025	As at 31.03.2025
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
1	Land (Freehold)	198.15			198.15					198.15
2	Buildings									
	- Factory Buildings	6158.29			6158.29	1801.27	201.09		2002.36	4155.93
	- Non Factory Buildings	2197.96	89.07		2287.03	390.59	36.46		427.05	1859.98
3	Plant and Equipment									
	- Plant & Machinery	24629.97	1051.55	500	25181.52	9737.96	960.88		10698.84	14482.68
	- Workshop Equipment	52.04			52.04	30.7	2.14		32.84	19.2
	- Testing Equipment	87.78	2.33		90.12	83.64	0.49		84.13	5.99
	- Electrical Installations	1622.73			1622.73	1117	77.59		1194.59	428.14
	- Weighing Machinery	14.17			14.17	13.11	0.08		13.19	0.98
	- Water Works	48.71			48.71	45.98	2.73		48.71	0
4	Furniture & Fixtures	131.54			131.54	118.8	2.13		120.93	10.61
5	Office Equipment	101.35	0.86		102.21	89.48	3.49		92.97	9.24
6	Vehicles	308.87	30.02		338.89	187.61	30.3		217.91	120.98
7	Data Processing Equipment	68.89	0.18		69.07	63.77	1.36		65.13	3.94
8	Material Handling Equipment	858.98			858.98	405.17	51.67		456.84	402.14
9	Solar Power Plant	2087.42	1551.57		3638.99	202.28	144.94		347.22	3291.77
	Total	**38566.86**	**2725.58**	**500**	**40792.44**	**14287.36**	**1515.4**	**0**	**15802.71**	**24989.73**

(All amounts in ` Lakhs)

Notes to Standalone Financial Statements For The Year Ended 31st March, 2026

Note No. 2 .2 : Capital work-in-progress (CWIP)

2.2 (a) Ageing Schedule

Capital work-in-progress	Amount in CWIP for a period of				Total as at 31st March 2026
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Project in Progress	1832.03	-	-	-	1,832.03
Project temporarly suspended	-	-	-	-	-

2.2 (b) Ageing Schedule

Capital work-in-progress	Amount in CWIP for a period of				Total as at 31st March 2025
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Project in Progress	6.13	-	-	-	6.13
Project temporarly suspended	-	-	-	-	-

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.		PARTICULARS		As at 31.03.2026	As at 31.03.2025
	Financial Assets				
3	**Loans :**				
	a.	Loan to related party Inter Corporate Loan Suntree Solar Energy Pvt. Ltd.		2,250.00	3,040.00
	b.	Loans to Employees		1.18	2.28
			Total	**2,251.18**	**3,042.28**
4	**Other financial assets :**				
	a.	Security deposits recoverable		1,096.65	1,096.66
		(Telephone, TSSPDCL & Other Deposits)			
	b.	Term Deposits with balance maturity of more than 12 months		2779.57	308.95
			Total	**3,876.22**	**1,405.61**
5	**Other non-current assets(unsecured, considered good):**				
	Advances for Capital Works			7.85	88.29
			Total	**7.85**	**89.29**
6	**Inventories:**				
	(As certified by the management)				
	a.	Raw Materials		1,415.89	828.73
		(Valued at lower of cost or net realisable value basis)			
	b.	Finished Goods		1,229.57	1,044.00
		(Valued at lower of cost or net realisable value basis)			
	c.	Stores & Spares		326.89	323.11
		(Valued at cost on weighted average basis)			
	d.	Stocks-in-process		375.11	396.27
		(Valued at cost)			
	e.	Others - 'PV & PSF Waste (at realisable value)		0.79	1.20
			Total	**3,348.25**	**2,593.31**
7	**Investments - Current:**				
	Investment in Equity Instruments				
	a.	In Subsidiary (At Cost) Unquoted - Non traded 8,15,000 Equity Shares in Suntree Solar P Ltd of Rs.10/- each		97.80	97.80
	b.	In Others (at Fair value through profit or loss)			
		Quoted- Non Trade			
		800 Equity Shares in UCO Bank of Rs.10/-		0.18	0.29
		Unquoted			
		999 Equity Shares in YP Solar P Ltd of Rs.10/- each		0.07	0.07
			Total	**98.05**	**98.16**
		Aggregate book value of quoted investments		0.18	0.29
		Aggregate market value of quoted investments		0.18	0.29
		Aggregate value of unquoted investments		97.87	97.87
		Aggregate amount of impairment in the value of investments in the unquoted equity shares		-	-

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
8	**Trade Receivables:**		
	A. Secured Considered Good		
	B. Unsecured, Considered Good		
	i). related parties		
	ii). Others	1,813.93	2,652.49
	Trade Receivables which have significant increase in credit Risk		
	Trade Receivables - Credit impaired		
	Total	**1,813.93**	**2,652.49**

8.a Trade Receivables ageing Schedule

S NO	Particulars	Outstanding for following periods from due date of payment					Total as at 31 march 2026
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
		INR lacs	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
a)	Undisputed Trade Receivables – considered good	1,813.93					1,813.93
b)	Undisputed Trade Receivables – which have significant increase in credit risk						-
c)	Undisputed Trade receivable – credit impaired						-
d)	Disputed Trade receivables - considered good						-
e)	Disputed Trade receivables – which have significant increase in credit risk						-
f)	Disputed Trade receivables – credit impaired						-

8.b Trade Receivables ageing Schedule

S. NO	Particulars	Outstanding for following periods from due date of payment					Total as at 31 march 2025
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
		INR lacs	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
a)	Undisputed Trade Receivables – considered good	2,652.49					2,652.49
b)	Undisputed Trade Receivables – which have significant increase in credit risk						-
c)	Undisputed Trade receivable – credit impaired						-
d)	Disputed Trade receivables – considered good						-
e)	Disputed Trade receivables – which have significant increase in credit risk						-
f)	Disputed Trade receivables – credit impaired						-

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
9	**Cash and cash equivalents:**		
	a. Cash on Hand	4.98	5.42
	b. Balances in bank a/c's		
	Current Accounts	15.45	19.97
	Total	**20.43**	**25.39**

* Cash and cash equivalents include cash on hand, cheques & drafts on hand and cash at bank.

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
10	**Other Bank balances**		
	Balances with banks		
	a. Term deposits with balance maturity less than 12 months	300.00	256.26
	b. Unclaimed dividend accounts	6.66	5.44
	Total	**306.66**	**261.70**
11	**Other financial assets - Current:**		
	a. Advances to Staff & Workers	12.95	16.24
	b. Interest receivable	115.94	138.26
	Total	**128.89**	**154.50**
12	**Other Current Assets:**		
	a. Advances for Suppliers & Expenses	278.18	158.38
	b. Prepaid Expenses	74.74	58.51
	c. Export Benefit entitlement Receivable	13.06	18.92
	d. GST benefit entitlement	1,526.85	952.49
	e. State Incentive Receivables	-	106.91
	Total	**1,892.83**	**1,295.21**
13	**Equity Share Capital:**		
	A. Authorised Share Capital:		
	(i) 90,00,000 Equity Shares of Rs. 10/- each	900.00	900.00
	(ii) 8,00,000 preference share of Rs 100/- each	800.00	800.00
	Total	**1,700.00**	**1,700.00**
	B. Issued Share Capital:		
	(i) 42,67,000 Equity shares of Rs 10/- each	426.70	426.70
	(ii) 3,85,000 8% Cumulative Redeemable Pref shares of Rs. 100 each	385.00	385.00
	Total	**811.70**	**811.70**
	C. Subscribed and fully paid up capital:		
	(i) 42,67,000 Equity shares of Rs 10/- each	426.70	426.70
	Total	**426.70**	**426.70**
	D. Reconciliation of the shares outstanding at the beginning and at the end of year:		

Particulars	No. of Shares	Value of Shares
(A) Equity Share Capital		
At the Beginning and at the end of the period	42,67,000	4,26,70,000
(B) Preference Share Capital		
(i) 8% Cumulative Redeemable Preference Shares		
At the Beginning and at the end of the period	3,85,000	3,85,00,000

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
E.	**Details of Shareholders holding more than 5% shares in the company:**		
	(A) Equity Shares:		
	a. Vithaldas Agarwal - No of shares held	8,18,844	8,18,844
	- In % of total shares of the Company	19.19%	19.19%
	b. Mahender Kumar Agarwal - No of shares held	12,47,133	12,47,133
	- In % of total shares of the Company	29.23%	29.23%
	c. Madhavi Agarwal - No of shares held	7,45,291	7,45,291
	- In % of total shares of the Company	17.47%	17.47%

F. **Shares held by promoters of the Company**

Promoter's Name	FY 2025-26			% change during the year
	No of Shares held at the start of the year	No of Shares held at the end of the year	% total shares	
Vithaldas Agarwal	8,18,844	8,18,844	19.19%	0.00%
Mahender Kumar Agarwal	12,47,133	12,47,133	29.23%	0.00%
Madhavi Agarwal	7,45,291	7,45,291	17.47%	0.00%

G. **Rights, preferences and restrictions attached to the ordinary Shares**

The Company has only one class of equity shares having par value of Rs .10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees, the dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
14	**Other Equity**		
a.	Securities Premium	1,288.20	1,288.20
b.	Capital Redemption Reserve	1,207.36	1,207.36
c.	Preference Capital Redemption Reserve	385.00	385.00
d.	General Reserve	20,000.00	18,000.00
e.	Retained Earnings	4,240.72	3,372.00
	At the beginning of the period	3,372.00	3,415.29
	(+)For the current year	2,894.01	982.01
	(-)Dividend on Equity Shares	25.29	25.29
	(-)Transfer to General Reserve	2,000.00	1,000.00
f.	Equity portion of Preference Shares	29.27	29.27
g.	Items of Other Comprehensive Income		
	Re-measurement of net defined benefit plans	148.39	119.81
	Total	**27,298.94**	**24,401.64**

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS		As at 31.03.2026	As at 31.03.2025
15	**Borrowings - Non Current:**			
	Secured			
	A. Term loans-Banks :			
	i). IndusInd Bank			
	Term Loan		2,332.92	2,916.25
	less: Current maturities		583.34	583.34
		Sub total	**1,749.58**	2,332.91
	ii). HDFC Bank			
	Term Loan		1,165.24	1,300.00
	less: Current maturities		245.32	122.81
		Sub total	**919.92**	**1,177.19**
	iii). HDFC Bank			
	Term Loan		3,449.08	-
	less: Current maturities		-	-
		Sub total	3,449.08	-
		Total	**6,118.58**	**3,510.10**

Details of security for Term loans

Loans referred in (a) and (b) are secured by pari passu first charge on all movable and immovable properties of the Company present and future. These loans are further secured by personal guarantees of two promoter Directors of the company and pledge of some shares of the promoters of the company.

Terms of Repayment :

Particulars	Sanction Date	Rate of Interest	Quarterly Instalments
A) IndusInd Bank i) Term Loan - 3500 Lcs	25.04.2023	7.65%	16
B) HDFC BANK ii) Term Loan - 1300 Lcs	03.02.2024	7.57%	53 months (from Sept'25)
C) HDFC BANK iii) Term Loan - 4000 Lcs	23.02.2026	7.75%	60 months (from March'27)

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS		As at 31.03.2026	As at 31.03.2025
B.	**HERO Deferred Payment**			
	HREPL - Solar Power Plant		-	180.73
	Less: Current maturities		-	180.73
		Sub total	-	-
C.	**Vehicle loans from banks**		**33.60**	**53.86**
	Note : Vehicle loans are secured by hypothecation of the respective vehicles and guaranteed by the Managing Director of the Company.			
	Unsecured			
D.	**Preference shares**			
	8% Cumulative Redeemable Preference shares of Rs.100 each		385.00	385.00
		Sub total	**385.00**	**385.00**
E.	**Unsecured loans**			
	- Loans from related parties			
	Inter-Corporate Deposits		5.11	5.11
		Sub total	**5.11**	**5.11**
F.	**Deferred payment liabilities**			
	-Sales Tax Deferment (loan)		33.95	98.07
		Sub total	33.95	98.07
		Grand total (A+B+C+D+E+F)	**6,576.24**	**4,052.14**
16	**Other non-current liabilities**			
	Deferred Government Grant		73.58	110.37
		Total	**73.58**	**110.37**
17	**Borrowings :**			
	A. Secured			
	Loans repayable on demand from banks *			
	(i) HDFC- Cash Credit		652.88	343.28
	(ii) IDBI Bank Ltd - Cash Credit		-	367.94
	(iii) Indusind Bank - Cash Credit		-	111.65
		Sub total	**652.88**	**822.87**

NOTE:

* Working Capital loans from bank referred to in (A) above are secured by hypothecation of stock in trade, raw materials, stock in process, stores and spares and receivables present and future and by a second charge on the present and future movable and immovable properties of the Company on pari passu basis. The loans further secured by personal guarantees of two promoter directors of the Company.

Note No.	PARTICULARS		As at 31.03.2026	As at 31.03.2025
B.	**Unsecured**			
	Loans from Directors		375.00	351.50
		Sub total	**375.00**	**351.50**
C.	**Current maturity of long term debt**			
	i) IDBI Bank Limited			
	Term Loan		-	350.00
	ii) Indusind Bank			
	Term Loan-1		-	300.00
	Term Loan-2		583.33	583.33
	iii) HDFC Bank			
	Term Loan		245.32	122.81
	iv) Deferred Payment			
	HREPL - Solar Power Plant		-	180.73
	v) Vehicle Loans from Banks		20.26	20.41
	vi) Sales tax deferment (loan)		82.62	87.50
		Sub total	**931.53**	**1,644.78**
		Total	**1,959.41**	**2,819.15**

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
18	**Trade Payables :**		
	Micro, Small and Medium Enterprises	37.19	54.20
	Other than Micro, Small and Medium Enterprises	108.78	270.31
	Total	**145.97**	**324.51**

18 a Trade Payable ageing schedule

S NO	Particulars	Outstanding for following periods from due date of payment: Less than 1 Year INR lacs	1-2 years INR lacs	2-3 years INR lacs	More than 3 years INR lacs	31-Mar-26 INR lacs
a)	Total outstanding dues of MSME	37.19				37.19
b)	Total outstanding dues of creditors other than MSME	108.67	0.11			108.78
c)	Disputed dues of creditors - MSME					
d)	Disputed dues of creditors - Other than MSME					

18 b Trade Payable ageing schedule

S NO	Particulars	Outstanding for following periods from due date of payment: Less than 1 Year INR lacs	1-2 years INR lacs	2-3 years INR lacs	More than 3 years INR lacs	31-Mar-25 INR lacs
a)	Total outstanding dues of MSME	54.20				54.20
b)	Total outstanding dues of creditors other than MSME	270.14	0.17			270.31
c)	Disputed dues of creditors - MSME					
d)	Disputed dues of creditors - Other than MSME					

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
19	**Other Financial Liabilities - Current:**		
	a. Interest Accrued but not due	23.46	0.89
	b. Interest accrued on Preference Shares	30.80	30.80
	c. Dues to Others	1,456.90	640.47
	d. Unpaid Dividends	6.67	5.44
	e. Employee benefits payable	325.07	316.87
	f. Creditors for Capital purchases	140.66	40.23
	Total (a+b+c+d+e+f)	**1,983.56**	**1,034.70**
20	**Other Current Liabilities:**		
	a. Advance from Customers	-	0.21
	b. Contribution to PF & ESI	22.73	21.90
	c. Statutory remittances	40.83	38.30
	Total	**63.56**	**60.41**

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
21	**Provisions - Current:**		
	Provision for employee benefits		
	(i). Provision for Gratuity	249.91	209.91
	(ii). Leave Encashment	64.55	61.12
	Total	**314.46**	**271.03**
22	**Current Tax Liabilities (net):**		
	Provision for Income Tax (net of Advance Tax)	255.93	10.92
	Total	255.93	**10.92**

Note No.	PARTICULARS	Current Year 31.03.2026	Previous Year 31.03.2025
23	**Revenue from Operations:**		
	i) Sale of Products - Yarn	50,809.40	53,546.87
	ii) Other operating Revenue		
	a. Sale of Waste / Scrap	35.32	40.39
	b. Export Benefit entitlements	111.49	115.31
	Total Sales :	**50,956.21**	**53,702.57**
	Less : GST	3,756.72	5,406.75
	Total	**47,199.49**	**48,295.82**
24	**Other Income:**		
	a. Interest Income on		
	i. Deposits with banks and TSSPDCL	160.88	108.68
	ii. Suntree Solar Energy P Ltd - Subsidiary	269.64	335.01
	iii. Government Grant - Interest Subsidy Under T-Tap	1,298.09	300.00
	b. Net Gain on foreign currency transactions & translation	47.22	29.74
	c. Government grant on Sales tax deferment loan	36.79	36.79
	Total	**1,812.62**	**810.22**
25	**Cost of Materials Consumed**		
	Opening Stock	828.73	909.35
	Add: Purchases	30,692.87	32,073.21
		31,521.60	**32,983.16**
	Less : Value of Raw materials sold	26.18	78.29
	Less: Closing Stock	1,415.89	828.73
	Total	**30,079.53**	**32,076.24**
26	**Changes in inventories of Finished Goods, and work-in-process**		
	a. Inventory at the beginning of the period	1,441.47	1,230.59
	b. Inventory at the end of the period	1,605.46	1,441.47
	Total	**(163.99)**	**(210.88)**
27	**Employee Benefits Expense**		
	a. Salaries, Wages and Bonus	3,770.42	3,374.40
	b. Contribution to Provident Fund	213.03	210.06
	c. Staff welfare expenses	106.04	121.83
	d. Gratuity	134.38	131.25
	e. Contribution to Employee State Insurance and EDLI	67.55	66.09
	Total	**4,291.42**	**3,903.63**
28	**Finance Costs**		
	a. Interest on Term loans	317.91	503.09
	b. Interest on others	57.33	185.74
	c. Interest on Preference Shares	30.80	30.80
	d. Bank charges	12.48	13.96
	Total	**418.52**	**733.59**

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS		Current Year 31.03.2026	Previous Year 31.03.2025
29	**Depreciation and amortisation expense:**			
a.	Depreciation on Property ,Plant and Equipment		1,511.81	1,515.35
		Total	**1,511.81**	**1,515.35**
30	**Other expenses:**			
a.	Stores consumed:			
	Stores and Spares			726.63
	Packing Material		537.69	531.64
b.	Repairs to :			
	Buildings		68.51	53.84
	Machinery		500.11	584.43
	Others		2.56	9.13
c.	Sales Expenses :			
	GST on others		0.34	0.33
	Commission on Sales		114.10	56.79
	Freight & Others - Domestic Sales		823.96	824.16
	Freight & Others - Export Sales		207.82	225.48
d.	Payments to Auditors			
	As Auditors		3.00	2.50
	for Tax Audit		0.50	0.50
	for Certification		0.85	1.09
	for Cost Auditors		0.55	0.60
e.	Rates and Taxes		38.61	35.11
f.	Printing and Stationery		9.21	10.45
g.	Postage, Telegrams and Telephones		11.69	10.76
h	Travelling, Conveyance and Vehicle expenses		162.14	143.05
i.	Insurance		168.03	72.14
j.	Managerial Remuneration		177.09	156.85
k.	Directors sitting fees		4.25	3.15
l.	Professional charges		21.23	27.35
m.	Office Maintenance		232.97	220.64
n.	Miscellaneous expenses		103.55	67.15
o.	Loss on Investments		0.12	0.13
p.	Corporate Social Responsibility		47.16	40.44
q.	Loss on sale of Assets(Net)		12.61	-
r	Donations		0.87	2.51
		Total	**4,063.69**	**3,806.85**
31	**Other comprehensive income:**			
a.	Acturial Gain/(Losses) on Gratuity Expense for the period		38.20	62.96
b.	Deferred Taxes on above		(9.62)	(15.85)
		Total	**28.58**	**47.11**
32	**Earnings Per Equity Share :**			
a.	Profit for the year attributable to equity shareholders		2894.01	982.01
b.	Weighted average number of equity shares of Rs. 10/-each		42.67	42.67
	Earnings per equity share in Rs (Basic and Diluted) - (a) / (b)		**67.82**	**23.01**

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No 33

Reconciliation of tax expenses

Income tax

Particulars	As at March 31, 2026	As at March 31, 2025
Amount recognised in statement of profit & loss account		
Current tax	868.92	113.02
Deferred tax	179.74	217.29
Taxes expenses for the year	**1,048.66**	**330.31**
Reconciliation of effective tax rate		
Profit before Income tax expense	3,942.67	1,312.32
Tax at the Indian tax rate of 25.168% (2025: 25.168%)	992.29	330.28
Effect on Non-deductable expenses	56.37	0.03
	1,048.66	**330.31**
Effective tax rate	26.60%	25.17%

Deferred tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Property, Plant and Equipment	3,224.75	3,045.01
Other items including employee benefits, Fair value	9.62	56.22
Total	**3,290.58**	**3,101.23**

Movement in deferred tax liabilities

Particulars	Property, Plant and Equipment	Other Items	Total
As at March 31, 2025	3,045.01	56.22	3,101.23
Charged / (Credited)			-
to Profit or loss (including OCI)	179.74	9.61	189.35
As at March 31, 2026	**3,224.75**	**65.83**	**3,290.58**

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No 34

Fair Value Measurement Hierarchy

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:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 – Valuation techniques with observable inputs:

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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 data (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.

The following table provide the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2026

Particulars	Fair value hierarchy (Level)	As at March 31 2026	As at March 31 2025
Financial Assets measured at FVTPL			
Investments	1	98.05	98.16
Financial Assets measured at amortised Cost			
Loans to employees	3	1.18	2.28
Financial Liabilities measured at Amortised cost			
Deferred Sales tax liability	3	116.57	185.57
Government grant		73.58	110.37
Term loans	2	6947.23	4216.25
Loans from related Parties	3	5.11	5.11

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No 35

Financial Risk Management

The Company's activities expose it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

I. Market Risk

Market risk is the risk of loss of the future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings

a. **Foreign Currency Risk** - Foreign Currency Risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to impact of raw materials and spare parts, capital expenditure, borrowings and exports of yarns. The company does not enter into any derivative instruments for trading or speculative purposes.

The carrying amounts of the company's foreign currency denominated monetary items are as follows.

(All amounts in ₹ Lakhs)

Year	Receivables	
	INR	USD
As at 31st March,2025	229.31	2.68
As at 31st March,2026	141.90	1.51

Sensitivity Analysis

Sensitivity analysis of 5% Change rate at the ending of the reporting period net of hedges N I L

b. **Interest Rate Risk** – Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's short term borrowing. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. Since all the borrowings are on floating rate, no significance risk of change in interest rate.

c. **Commodity Risk** – Commodity price risk arises due to fluctuation in raw material (fiber prices) linked to various external factors, which can affect the production cost of the Company. The Company actively manages inventory and in many cases sale prices are linked to major raw material prices. These risks are reviewed and managed by senior management on continuous basis

II. Credit Risk

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The Company is receiving payments regularly from its customers and hence the Company has no significant credit risk.

III. Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No 36

Subsequent Events

Dividend Proposed to be distributed

Particulars	As at	
	March 31, 2026	March 31, 2025
	(Note below)	(Note below)
Dividend Proposed for Equity Share Holders	**25.29**	**25.29**

Note : For the year ended the directors have recommended the payment of a final dividend of Rs. 2/- per fully paid non-promoter equity share (31st March 2025- Rs.2/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting hence the same is not recognised.

Note No 37

Capital Management

The Company's objectives when managing capital are to

i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

ii) Maintain an optimal capital structure to reduce the cost of capital Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet)

GEARING RATIO

Particulars	As at	
	March 31, 2026	March 31, 2025
(a) Debt	8,535.64	6,871.29
(b) Cash and Cash Equivalents	20.43	25.39
(c) Net Debt (a) - (b)	8,515.21	6,845.90
(d) Total Equity	27,725.64	24,828.34
Net Debt to equity ratio (c) / (d)*	0.31	0.28

Note 38

Corporate Social Responsibility

As per section 135 of the companies Act 2013, a company, has to spend 2% of its average net profits of three immediate preceding financial year as detailed below.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the Company during the year	49.03	80.67
Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above	47.15	40.44
Shortfall / (Excess) at the end of the year	**1.88**	**40.23**
Set off of Short fall from previous years carry forward	1.88	40.23
Reason for shortfall	0	0
Nature of CSR Activities	Imparting universal message of the vedas at their impressionable age and to provide health consciousness	
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	NA	NA

The Company has spent the total amount of earmarked during the financial year.

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note 39

Contingent Liabilities

	PARTICULARS	As on 31.03.2026	As on 31.03.2025
a.	Contingent Liabilities not provided for on account of		
	i. Bank Guarantee	-	235.47
	ii. Income Tax Assessment year 2014-15	124.83	124.83
b.	Estimated amount of Contracts to be executed on capital projects.	-	69.06

Note No 40

Employee benefits: Gratuity

Consequent to the adoption of Accounting Standard on Employees Benefits (Ind AS-19) issued by the Institute of Chartered Accountants of India, the following disclosures have been made as required by the Standard for Actuarial valuation of Gratuity.

The company has created a Trust namely SLSML Employees Gratuity Trust vide Trust deed dated 31st December, 2005 and obtained approvals from Income Tax Authorities vide letter No. CIT-III/10/GF/2005-06 dated 18.10.2006. SBI Life Insurance has been appointed for management of the Trust fund for the Benefit of the employees. The following tables summarize the components of net benefits.

	PARTICULARS	31.03.2026	31.03.2025
I.	**Table showing changes in present value of obligations**		
	Present value of obligations as at beginning of year	1152.46	1047.54
	Interest cost	78.59	74.78
	Current Service Cost	120.09	120.05
	Benefits Paid	(56.18)	(26.53)
	Actuarial gain / (Loss) on obligations	(65.88)	(63.38)
	Present value of obligations as at end of year	**1259.57**	**1152.46**
II	**Table showing changes in the fair value of plan assets**		
	Fair value of plan assets at beginning of year	942.55	879.48
	Expected return on plan assets	65.88	63.58
	Contributions	56.18	26.44
	Benefits Paid	(56.18)	(26.53)
	Actuarial gain / (Loss) on Plan assets	2.80	(0.42)
	Fair value of plan assets at the end of year	**1009.66**	**942.55**
III.	**Table showing fair value of plan assets**		
	Fair value of plan assets at beginning of year	942.55	879.48
	Actual return on plan assets	65.88	63.58
	Contributions	56.18	26.44
	Benefits Paid	(56.18)	(26.53)
	Actuarial gain / (Loss) on Plan assets	0	0
	Fair value of plan assets at the end of year	1009.66	942.55
	Funded status including OCI	(249.91)	(209.91)
	Excess of Actual over estimated return on plan assets	Nil	Nil
	(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
IV.	**Assumptions**		
	Discount rate	7.75%	6.99%
	Rate of return on assets		
	Salary Escalation	8.00%	8.00%

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note No 41

DUES TO MICRO AND SMALL ENTERPRISES

The Micro, Small and Medium Enterprises have been identified on the basis of the information available with the Company. This has been relied upon by the auditors. Dues to such parties are given below

	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(a)	The principal amount remaining unpaid as at the end of the yea	37.19	54.20
(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)		-

Note No 42

Related party disclosures as required by the IND AS 24 are given under.

i) Transactions during the year

Sl. No	Name	Relationship	Nature of Transaction	Current Year 2025-26	Previous Year 2024-25
a)	Sri Vithaldas Agarwal Managing Director	Key Management	Remuneration	57.77	51.00
			Interest (Gross)	21.18	22.57
			Unsecured loan Repaid	16.00	65.00
			Unsecured loan Received	22.00	35.00
b)	Sri Mahender Kumar Agarwal Joint Managing Director	Key Management	Remuneration	66.79	60.04
			Interest (Gross)	0.62	2.64
			Unsecured loan Repaid	-	45.00
			Unsecured loan Received	10.00	10.00
c)	Smt Madhavi Agarwal Executive Director	Key Management	Remuneration	52.53	45.81
			Interest (Gross)	4.14	3.69
			Unsecured loan Received	7.50	7.50
d)	Surana Solar Limited	Enterprise in which Key Management personal is interested	Solar Power purchased	-	20.08
e)	Suntree Solar Energy Pvt.Ltd	Subsidiary	(a) Interest Income	269.64	335.01
			(b) Unsecured loans recovered	790.00	650.00
f)	sri K Nageswara Rao	Chief Financial Officer	Remuneration	39.38	35.74
g)	Sri R Surendar reddy	Chairman	Sitting fee	-	0.45
h)	sri K Suresh Reddy	Director	Sitting fee	0.65	0.80
i)	Sri Harish Chandra Prasad	Director	Sitting fee	1.45	1.00
j)	Sri Raghu ram Reddy	Director	Sitting fee	1.50	0.50
k)	Sri.M.Yugendar	Director	Sitting fee	0.65	0.40
l)	Sadanala Venkat Rao	Company secretary	Remuneration	3.60	2.56
m)	Kushboo Jain	Company secretary	Remuneration	-	0.75

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

(ii) Payables as at 31.03.2026

Sl. No	Name	Relationship	Nature of Transaction	As at 31.03.2026	As at 31.03.2025
a)	Sri Vithaldas Agarwal	Key Management	Remuneration (net)	3.64	8.42
	Managing Director		Interest (net)	6.41	4.80
			Unsecured loan	298.00	292.00
b)	Sri Mahender Kumar Agarwal	Key Management	Remuneration (net)	3.46	4.66
	Joint Managing Director		Interest (net)	0.57	0.28
			Unsecured loan	14.00	4.00
c)	Smt Madhavi Agarwal	Key Management	Remuneration (net)	2.71	6.69
	Executive Director		Interest (net)	1.03	0.86
			Unsecured loan	63.00	55.50

(iii) Receivables as at 31.03.2026

a)	Suntree Solar Energy Pvt.Ltd	Subsidiary	(a) Unsecured Loans (b) Interest (Net)	2250.00 1.60	3040.00 69.56

Note 43 : Key Financial Ratios

Ratio	Numerator	Denominator	31st March, 2026	31st March, 2025	% of Change	Reason for variance
Current Ratio	Current assets	Current liabilities	1.61	1.57	3%	Refer Note(a)
Debt Equity Ratio	Debt	Share holders Equity	0.31	0.28	-10%	Refer Note(b)
Return on Equity	Profit after tax	Average Shareholder's Equity	0.11	0.04	175%	Refer Note(c)
Inventory Turnover Ratio (times)	Gross Revenue	Average inventories	16.50	19.37	-15%	Refer Note(d)
Trade Receivables Turnover Ratio	Gross Revenue	Average trade receivables	21.95	21.00	5%	Refer Note(e)
Trade Payables Turnover Ratio	Net Purchases	Average trade payables	132.48	117.93	12%	Refer Note(f)
Working Capital Turnover Ratio	Gross Revenue	Working Capital Net	16.98	19.18	-11%	Refer Note(g)
Net Profit Ratio	Profit after tax	Revenue from operations	0.06	0.02	200%	Refer Note(h)
Return on Capital Employed	Profit before tax	Average Capital Employed	0.11	0.04	175%	Refer Note(i)

Notes:

a) Increased with improvement in cash availabilities.

b) Increased due to New Term Loan borrowings to project.

c) Increased with Improvement of Margins

d) Dropped due to Inventory Levels increased in March 26

e) Marginal increase due to drop of Sales in March 26

f) Increased with Timely payments to suppliers.

g) Dropped due to under Utilization of working capital funds

h) Marginal Increase with improvement of profits.

i) Marginal Increase with improvement of profits.

Notes to Standalone Financial Statement For The Year Ended 31st March, 2026 (All amounts in ₹ Lakhs)

Note 44 Additional Information:

i) The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.

ii) The Company do not have any transactions with companies struck off.

iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

vi) 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 Beneficiaries.

vii) The loan has been utilized for the purpose for which it was obtained and no short term funds have been used for long term purpose.

viii) The company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the companies (Restriction on number of Layers) Rules, 2017.

ix) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

x) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

Note No 45

Previous Year's Figures have been regrouped wherever necessary to correspond with the current year's figures. Except when otherwise stated, the figures are presented in Rupees in Lakhs.

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25 May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

Notes

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SURYALATA SPINNING MILLS LIMITED.

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of SURYALATA SPINNING MILLS LIMITED (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance sheet as at March 31, 2026, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of changes in equity and consolidated statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of Material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have determined that there are no separate key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding 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 consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and reports of other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

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

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

   (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 and based on the report of the other auditors on the separate financial statements and other financial information of the subsidiaries:

       i. The Consolidated financial statements disclose the impact of pending litigations as at 31st March, 2026 on the Consolidated financial position of the group. Refer Note No.40(a) to the Consolidated Financial Statements.

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

       iii. The Consolidated financial statements does not have any pending amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

       iv. a. The respective Managements of the Holding Company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their 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 Holding 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. a. The final dividend paid by the Holding Company, during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b. As stated in note 37 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

vi. Based on our examination which included test checks performed by us on the Holding Company, which is incorporated in India and whose financial statements have been audited under the Act, the Holding Company has used accounting software systems for maintaining their respective books of accounts for the financial year ended March 31, 2026 which has a feature of recording audit trial(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software(s) we did not come across any instance of the audit trail feature being tampered with and the audit trial has been preserved by the Holding Company and Subsidiary Company as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

for K.S.RAO & CO.
Chartered Accountants
Firm's Regn No. 003109S

(C.Venkateshwara Rao)
Partner
Membership No. 219844
UDIN: 26219844IMHCLQ6610

Place: Hyderabad
Date: 25.05.2026

Annexure – A 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")

In conjunction with our audit of the consolidated financial statements of the SURYALATA SPINNING MILLS LIMITED (" the Holding Company) and its subsidiaries (the Holding Company and its subsidiaries together referred to as the Group) as at for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of Group which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Group which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026 based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

for K.S.RAO & CO.
Chartered Accountants
Firm's Regn No. 003109S

(C.Venkateshwara Rao)
Partner
Membership No. 219844
UDIN: 26219844IMHCLQ6610

Place: Hyderabad
Date: 25.05.2026

CONSOLIDATED BALANCE SHEET AS AT 31st March, 2026

(All amounts in ₹ Lakhs)

Particulars	Note No.	As at 31.03.2026	As at 31.03.2025
I. ASSETS			
1. Non-Current assets			
(a) Property, Plant and Equipment	2.1	30,868.09	29,174.98
(b) Capital work-in-progress	2.2	1832.03	6.13
(c) Good Will		16.30	16.30
(d) Financial Assets			
(i) Loans	3	1.18	2.28
(ii) Other financial assets	4	3,876.22	1,405.60
(e) Other non-current assets	5	7.85	88.29
Total Non-current assets		**36,601.67**	**30,693.58**
2. Current assets			
(a) Inventories	6	3,348.25	2,593.31
(b) Financial Assets			
(i) Investments	7	0.25	0.36
(ii) Trade receivables	8	1,813.93	2,876.43
(iii) Cash and cash equivalents	9	29.34	37.30
(iv) Other Bank Balances	10	306.66	261.70
(v) Other financial assets	11	252.31	211.39
(c) Other current assets	12	1,892.16	1,297.11
Total Current assets		**7,642.90**	**7,277.60**
Total Assets		**44,244.57**	**37,971.18**
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	13	426.70	426.70
(b) Other Equity	14	29,435.64	25,880.38
Total Equity		**29,862.34**	**26,307.08**
2. Non- Current liabilities			
(a) Financial Liabilities			
Borrowings	15	6,576.24	4,052.14
b) Deferred tax liabilities (Net)		2,977.41	2,887.75
c) Other non-current liabilities	16	73.58	110.37
Total Non- current liabilities		**9,627.23**	**7,050.26**
3. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1,959.41	2,819.15
(ii) Trade payables	18		
Micro and small enterprises		37.19	54.20
Other than micro and small enterprises		124.67	318.87
(iii) Other financial liabilities	19	1,983.56	1,062.79
(b) Other current liabilities	20	69.73	69.53
(c) Provisions	21	314.46	271.03
(d) Current tax liabilities (net)	22	265.98	18.27
Total Current liabilities		**4,755.00**	**4,613.84**
Total liabilities		**14,382.23**	**11,664.10**
Total Equity and Liabilities		**44,244.57**	**37,971.18**
Material Accounting policies and Key accounting adjustments & Judgments	1-45		

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

Consolidated Statement of Profit And Loss For The Year Ended 31st March, 2026

(All Amounts In ₹ Lakhs)

	Particulars	Note No.	Current Year 31.03.2026	Previous Year 31.03.2025
I.	**Revenue from operations**	23	48,379.71	49,470.13
II.	**Other Income**	24	1,542.98	475.21
III.	**Total Income (I + II)**		**49,922.69**	**49,945.34**
IV.	**EXPENSES**			
	Cost of Raw material Consumed	25	30,079.53	32,076.14
	Changes in inventories of finished goods, and work in Process	26	(163.99)	(210.88)
	Employee benefits expense	27	4,291.41	3,903.63
	Power and Fuel		4,874.76	5,988.79
	Finance costs	28	422.67	733.59
	Depreciation and amortization expense	29	1,641.58	1,645.12
	Other expenses	30	4,171.37	3,918.40
	Total expenses (IV)		**45,317.33**	**48,054.79**
V.	Profit before exceptional items and tax (III - IV)		4,605.36	1,890.55
VI.	Exceptional items		0.00	0.00
VII.	Profit before Tax (V-VI)		4,605.36	1,890.55
VIII.	Tax Expenses			
	a. Current Tax		973.35	209.53
	b. Deferred Tax		80.05	143.67
	Total Tax Expenses		**1053.39**	**353.20**
IX.	Profit for the period after tax (VII - VIII)		3,551.97	1,537.35
X.	Other Comprehensive income	31		
	i. Items that will not be reclassified subsequently to profit or loss		38.20	62.96
	ii. Income tax relating to items that will not be reclassified to profit or loss		(9.62)	(15.85)
	Other Comprehensive Income (net of tax)		**28.58**	**47.11**
XI.	Total Comprehensive Income for the year (IX+X))		**3,580.55**	**1,584.46**
XII.	Earnings per equity share (Face value of Rs 10/- each)	32		
	Basic and Diluted		83.91	36.03
	Material Accounting policies and Key accounting adjustments & Judgments	1-45		

As Per Our Report of even date
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Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

CONSOLIDATED STATEMENTS OF CHANGES TO EQUITY

A. Equity Share Capital

Particulars	(Figures in Lakhs)
As at April 01,2024	**426.7**
Changes in equity share capital	-
As at march 31,2025	**426.7**
Changes in equity share capital	-
As at march 31,2026	**426.7**

(All amounts in ` Lakhs)

B. Other Equity

Particulars	Security Premium	Capital Redemption Reserve	Preference capital redemption reserve	General reserve	Retained earnings	Equity components of compound financial Statements	Remeasurement of difined benefit plan	Total
Balance as 1 st April,2024	**1288.20**	**1207.36**	**385.00**	**17000.00**	**4338.69**	**29.27**	**72.70**	**24321.22**
Profit for the Year					1537.34			**1537.34**
Other Comprehensive income for the year (Net)							47.11	**47.11**
Transfer to Capital reseve								
Transfer to general reserve				1000.00	(1000.00)			**0.00**
Equity Dividend Paid					(25.29)			**(25.29)**
Balance as at 31 st March, 2025	**1288.20**	**1207.36**	**385.00**	**18000.00**	**4850.74**	**29.27**	**119.81**	**25880.38**
Profit for the Year					3551.97			**3551.97**
Other Comprehensive income for the year (Net)							28.58	**28.58**
Transfer to general reserve				2000.00	(2000.00)			**0.00**
Equity Dividend Paid					(25.29)			**(25.29)**
Balance as at 31st March, 2026	**1288.20**	**1207.36**	**385.00**	**20000.00**	**6377.42**	**29.27**	**148.39**	**29435.64**

The description of nature and purpose of reserves within equity is as follows

i) **Security Premium :** Premium received on issue of equity shares credited to security premium reserve, It can be utilized as per the provision of section 63 of the companies act.

ii) **Capital Redemption Reserve :** Created on redemption of preference shares, It can be utilized as per section 63 of the companies act.

iii) **Preference Capital Redemption Reserve :** Created against the profits for redemption of preference shares issued. It can be utilized for redemption of preference shares on due date.

iv) **General reserve :** Reserve is created from time to time by transfer of profits from retained earnings. It can be utilised as per provisions of the companies act.

v) **Retained earnings :** Retained earnings are accumulation of profits earned by the company. It can be utilised for distribution of dividends to equity share holders.

vi) **Re-measurement of defined benefit obligations :**

The reserve represents the re-measurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company.

The re-measurement gains/(losses) are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to profit or loss.

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026 (All amounts in ₹ Lakhs)

	PARTICULARS	Year Ended 31.03.2026		Year Ended 31.03.2025	
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		4,605.36		1,890.55
	Adjustment for :				
	Depreciation	1,641.58		1,645.12	
	Finance Charges	422.67		733.59	
	Fair value (Profit)/Loss on Investments	0.12		0.13	
	Other Comprehensive Income/(Loss)	38.20		62.96	
	(Profit)/Loss on sale of Assets (net)	12.61		--	
	Interest Income	(160.88)		(108.68)	
	Interest subsidy (T-TAP) received from Govt.	(1298.09)	656.21	(300.00)	2,033.11
	Operating Profit before working capital Changes		**5,261.57**		**3,923.66**
	Movement in Working Capital				
	Decrease/(Increase) in Inventories	(754.93)		(115.79)	
	Decrease/(Increase) in Receivables	1062.49)		(634.36)	
	Decrease/(Increase) in Loans & Advances	(679.84)		137.14	
	(Decrease)/Increase in Non-Current Liabilities	(36.79)		(36.79)	
	(Decrease)/Increase in Current Liabilities	780.73	371.66	(122.06)	(771.86)
	Cash Generated from Operations		**5,633.23**		**3,151.80**
	Taxes Paid		(725.64)		(220.27)
	Net Cash flow from Operating Activities (A)		**4,907.59**		**2,931.53**
B	**CASHFLOW FROM INVESTING ACTIVITIES**	-		-	
	Proceeds from sale of Assets	-		500.00	
	Investment subsidy (T-TAP) received from Govt.	1298.09		300.00	
	Interest Received	113.64	1411.73	107.95	907.95
	Less : OUTFLOW:				
	Decrease/(Increase) in Financial assets	(2470.62)		61.50	
	Acquisition of fixed assets including Capital Work in Progress	(5180.20)		(133.61)	
	(Increase)/Decrease in Advance for Capital equipment	80.43	(7570.38)	4.02	(68.09)
	Net Cash flow from Investing activity (B)		**(6158.65)**		**839.86**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Term Loan Received	3449.09		-	
	Unsecured Loans received	39.50		52.50	
	Hire Purchase Loans Received	-		29.00	
	Increase/(decrease) in Bank Borrowings	(169.99)	(3318.60)	(654.75)	(573.25)

(All amounts in ₹ Lakhs)

PARTICULARS	Year Ended 31.03.2026		Year Ended 31.03.2025	
Less : OUT FLOW				
Repayment of Term loans	1,368.10		1,883.33	
Equity Dividends Paid	25.89		25.89	
Interest on Preference	30.89		30.89	
Repayment of Solar Project loan - Hero	176.61		353.21	
Repayment of Hire Purchase loans	20.41		18.15	
Repayment of sales tax loans	87.49		92.53	
Repayment of Unsecured loans	16.00		110.00	
Interest Paid	350.80	2,075.50	677.79	3,191.11
Net Cash flow from financing activities ('C)		**1,243.10)**		**(3,764.36)**
Net increase/(decrease) in Cash/Cash Equivalents during the year (A+B+C)		(7.96)		7.03
Add: Cash/Cash equivalents at the beginning of the year		37.30		30.27
Cash/Cash equivalents at the end of the year		29.34		37.30

Notes :

1 The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind-AS) - 7 on Statement of Cash flow.

2 Previous year comparatives have been reclassified to confirm with current year's presentation, where ever applicable.

3 Cash and Cash equivalents comprises of

S.No	Particulars	As at 31.03.2026	As at 31.03.2025
A.	Cash on Hand	4.98	5.41
B.	Balances in bank a/c's	24.36	31.89
	a. Current Accounts		
	b. Ear marked balance with Banks - Unpaid dividends		
	Cash and Cash equivalents in Cash Flow Statement	29.34	37.30

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2026

CORPORATE INFORMATION

Suryalata Spinning Mills Limited (the "Company") is a public limited company incorporated on May 23rd,1983 and as its Registered office at 105, S P Road, Surya Towers , 1st Floor, Secunderabad, Telangana State. The Company is engaged in producing the best quality of Synthetic Yarns like 100% Polyester (PSF) Yarns, 100% Viscose (VSF) Yarns, PSF & VSF Blended Yarns and Value Added Yarns like Slub Yarns, Eli twist yarns Two for One Twist Yarns (T F O) etc., suitable for suitings, shirtings and knitting. The Company has established in the domestic market as well as in the international market and sells its products through the multiple channels. The Company is listed on Bombay Stock Exchange.

The 100% Subsidiary company Suntree Solar Energy P Ltd which is having 10 MW AC Capacity Solar Power Plant situated at Dhanwada Village and Mandal Narayanpet, Telangana State had supplied generated power units to the Grid of Telangana State as per Power Purchase agreement.

The Consolidated financial statements of the company for the year ended March 31st, 2026 are approved for issue by the Company's Board of Directors on May 25th, 2026

MATERIAL ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS.

I Material Accounting Policies:

1. **Statement of Compliance:**

   These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standard) Rules, 2015 notified under section 133 of the Companies Act 2013, amendments there to and other relevant provisions of the Act.

2. a. **Basis of Preparation and Measurement:**

   These Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

   The Consolidated financial statements are presented in INR which is also the Company's functional currency and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

   b. **Basis of Consolidation**

   The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary ('the Group") as at March 31, 2026.

   The Consolidated financial statements have been prepared on the following basis:

   Subsidiary is an entity that is controlled by the Group, Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

   The Group combines the financial statements of the parent and its subsidiary on a line by line basis by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group Companies are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

   The excess of cost to the Group of its investment in subsidiary, on the acquisition dates over and above the Group share of equity in the subsidiary, is recognized as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortized, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiary as on the date of investment is in excess of cost of investments of the Group, it is recognized as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements

Non-controlling interests in the net assets of consolidated subsidiary is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiary consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a `diary is made; and

(b) The non-controlling interest's share of movements in equity since the date parent subsidiary relationship came into existence

3. Classification of Assets and liabilities as Current and Non-current

The company has determined its operating cycle as 12 months for the purpose of classification of current and non-current assets and liabilities. This is based on the nature of product and the time between the acquisition of inventories for processing and their realization in cash and cash equivalents. 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.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and non-current liabilities.

4. Use of estimates & judgments:

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

5. Property, Plant and Equipment-Tangible Assets:

i. Property, plant and equipment other than land are stated at cost less accumulated depreciation and impairment losses if any. Freehold land is carried at cost of acquisition. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

iii. Subsequent expenditure are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Costs in nature of repairs and maintenance of equipment are recognized in the Statement of Profit and Loss as and when incurred.

iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies act-2013 except the assets costing `5000 or less on which depreciation is charged @100% in the year of acquisition.

v. The Company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

6. Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

7. Inventory:

Inventories are valued at the lower of cost and net realizable value. The cost is determined on Weighted Average basis. Cost of finished goods and work-in-process include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, Stores, spares and packing materials are valued at cost on weighted average basis. Scrap is valued at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of necessary to make sale.

8. Financial Instrument:

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

a. Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

1) Amortized Cost
2) Fair value through profit and loss (FVTPL)
3) Fair value through other comprehensive income (FVTOCI)

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.

Financial Assets 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 de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to ' other income' in the Statement of Profit and Loss.

Financial Assets at fair value through profit or 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.

De-recognition of Financial Assets

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.

Impairment of Financial Assets

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.

b. 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

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. All the financial liabilities of the company are subsequently measured at amortized cost using Effective Interest method.

De recognition of Financial Liabilities

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

9. Government Grants:

Grants from the government are recognized on receipt of the amount from the Government as no time specifies for release of funds against the attached conditions of such grants. Grants related to revenue items are presented as part of profit and loss either as reduction from related expense OR considered as other income. Grants related to Investment on plant & machinery are considered as reduction of the value of plant & machinery (asset). The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

10. Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognized in the Statement of profit and loss.

11. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured a regardless of when the payment made. The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of Products

Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been transferred to the customer, the company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the goods sold, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration that will be derived in the sale of goods.

The Company collects Goods & Service Tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence these are excluded from the revenue. Revenue from export sales is recognized on the date of bill of lading, based on the terms of export.

b. Recognition of Export benefits

Export benefits entitlements in respect of incentives schemes including Duty Drawback, RoDTEP(Export Incentive), Merchandise Export Incentive Scheme (MEIS) of the Government of India are recognized in the year in which Export Sales are accounted for.

c. Interest Income

Interest on deposits with government departments and financial institutions are recognized in statement of profit and loss when the right to receive/receivable during the period.

13. Taxes on Income

Tax expense comprises of current and deferred tax

a. Current tax

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

b. Deferred tax

Deferred tax is recognised 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. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

14. Dividend Distribution

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 and corresponding tax on dividend distribution is recognized directly in equity.

15. Employee Benefits

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

a. Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution schemes as the Company does not carry any further obligations, apart from the Contributions made on a monthly basis.

b. Defined benefit plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The Company funds the benefit through contributions to SBI Life.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability(assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

16. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

17. 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.

18. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

19. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

20. 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.

21. Cash flow statement

Cash flows are reported using the indirect method. Where by profit for the period is adjusted for effects of transactions of a non-cash nature, any deferrals are accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

22. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

Refer Note. For segment information provided.

23. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

24. 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.

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

The amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should 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.

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 do not have a material impact on the Company's 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.

25. Critical Accounting Estimates and Judgments

The preparation of financial statements is in conformity with generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions in accounting estimates are recognized prospectively.

The areas involving critical estimates or judgments are –

- Estimates of Useful life of Property, plant and equipment and intangible Assets (refer note 1.5)
- Measurement of defined benefit obligation (refer note 1.15)
- Recognition of Current Tax Expenses and deferred tax
- Estimation of impairment (refer note 1.6 and 1.8)
- Estimation of provision and contingent liabilities (refer note 1.16 and 1.17)

(All amounts in ` Lakhs)

Notes to Consolldated Financial Statements For The Year Ended 31st March, 2026

Note No. 2 .1(b) : Property, Plant and Equipment

Sl.No	Particulars	Gross Block	Gross carrying amount			Accumulated Depreciation				Net Carrying amount
		As at 01.04.2025	Additions	Deductions	As at 31.03.2026	Upto 01.04.2025	For the Year	Deductions	Upto 31.03.2026	As at 31.03.2026
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
1	Land (Freehold)	198.15			198.15					198.15
2	Buildings									
	- Factory Buildings	6158.3	5.2		6163.5	2002.36	201.13		2203.49	3960.01
	- Non Factory Buildings	2287.02	364.27		2651.29	427.05	38.89		465.94	2185.35
3	Plant and Equipment									
	- Plant & Machinery	25181.54	2609.05	207.08	27583.5	10698.84	961.23	187.47	11472.6	16110.9
	- Workshop Equipment	52.04	3.45		55.49	32.84	2.36		35.22	20.27
	- Testing Equipment	90.11			90.11	84.12	0.66		84.78	5.33
	- Electrical Installations	1622.72	28.66	4.01	1647.37	1194.59	72.84	4.01	1263.42	383.96
	- Weighing Machinery	14.17	10.44		24.61	13.19	0.72		13.91	10.71
	- Water Works	48.71			48.71	48.71			48.71	0
4	Furniture & Fixtures	131.54			131.54	120.93	2.13		123.07	8.48
5	Office Equipment	102.21	0.87		103.08	92.97	3.66		96.63	6.45
6	Vehicles	338.89			338.89	217.91	30.77		248.68	90.21
7	Data Processing Equipment	69.07	2.63		71.7	65.13	1.44		66.57	5.13
8	Material Handling Equipment	858.98	97.54		956.52	456.84	49.96		506.8	449.72
9	Solar Power Plant	3638.99	232.19		3871.18	347.23	146.02		493.25	3372.93
10	Suntree Solar Power - Land	2534.52			2534.52	-	-		-	2534.52
11	Suntree Solar Power - Power generating	1946.53			1946.53	295.80	129.77		425.57	1520.96
	Total	**45273.49**	**3354.3**	**211.09**	**48416.69**	**16098.51**	**1647.58**	**191.48**	**17548.61**	**30868.09**

(All amounts in ` Lakhs)

Notes to Consolldated Financial Statements For The Year Ended 31st March, 2025

Note No. 2 .1(b) : Property, Plant and Equipment

Sl.No	Particulars	Gross Block	Gross carrying amount			Accumulated Depreciation				Net Carrying amount
		As at 01.04.2024	Additions	Deductions	As at 31.03.2025	Upto 01.04.2024	For the Year	Deductions	Upto 31.03.2025	As at 31.03.2025
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
1	Land (Freehold)	198.15			198.15					198.15
2	Buildings									
	- Factory Buildings	6158.3			6158.3	1801.27	201.09		2002.36	4155.94
	- Non Factory Buildings	2197.95	89.07		2287.02	390.59	36.46		427.05	1859.97
3	Plant and Equipment									
	- Plant & Machinery	24629.99	1051.55	500	25181.54	9737.96	960.88		10698.84	14482.7
	- Workshop Equipment	52.04			52.04	30.7	2.14		32.84	19.2
	- Testing Equipment	87.78	2.33		90.11	83.64	0.48		84.12	5.99
	- Electrical Installations	1622.72			1622.72	1117	77.59		1194.59	428.13
	- Weighing Machinery	14.17			14.17	13.11	0.08		13.19	0.98
	- Water Works	48.71			48.71	45.98	2.73		48.71	0
4	Furniture & Fixtures	131.54			131.54	118.8	2.13		120.93	10.61
5	Office Equipment	101.35	0.86		102.21	89.48	3.49		92.97	9.24
6	Vehicles	308.87	30.02		338.89	187.61	30.3		217.91	120.98
7	Data Processing Equipment	68.89	0.18		69.07	63.77	1.36		65.13	3.94
8	Material Handling Equipment	858.98			858.98	405.17	51.67		456.84	402.14
9	Solar Power Plant	2087.42	1551.57		3638.99	202.28	144.95		347.23	3291.76
10	Suntree Solar Power - Land	2534.52			2534.52	-			-	2534.52
11	Suntree Solar Power - Power generating	1946.53			1946.53	166.03	129.77		295.8	1650.73
	Total	**43047.91**	**2725.58**	**500**	**45273.49**	**14453.39**	**1645.1**	**0**	**16098.51**	**29174.98**

Notes to Consolldated Financial Statements For The Year Ended 31st March, 2026

(All amounts in ` Lakhs)

Note No. 2 .2 : Capital work-in-progress (CWIP)

2.2 (a) Ageing Schedule

Capital work-in-progress	Amount in CWIP for a period of				Total as at 31st March 2026
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Project in Progress	1832.03	-	-	-	1,832.03
Project temporarly suspended	-	-	-	-	-

2.2 (b) Ageing Schedule

Capital work-in-progress	Amount in CWIP for a period of				Total as at 31st March 2025
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Project in Progress	6.13	-	-	-	6.13
Project temporarly suspended	-	-	-	-	-

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS		As at 31.03.2026	As at 31.03.2025
	Financial Assets			
3	**Loans :**			
	Staff loans		1.18	2.28
		Total	**1.18**	**2.28**
4	**Other financial assets :**			
	a. Security deposits recoverable		1,096.65	1,096.65
	(Telephone, TSSPDCL & Other Deposits)			
	b. Term Deposits with balance maturity of more than 12 months		2779.57	308.95
		Total	**3,876.22**	**1,405.60**
5	**Other non-current assets(unsecured, considered good):**			
	Advances for Capital Works		7.85	88.29
		Total	**7.85**	**89.29**
6	**Inventories:**			
	(As certified by the management)			
	a. Raw Materials		1,415.89	828.73
	(Valued at lower of cost or net realisable value basis)			
	b. Finished Goods (including consignment stocks)		1,229.57	1,044.00
	(Valued at lower of cost or net realisable value basis)			
	c. Stores & Spares		326.89	323.11
	(Valued at cost on weighted average basis)			
	d. Stocks-in-process		375.11	396.27
	(Valued at cost)			
	e. Others - 'PV & PSF Waste (at realisable value)		0.79	1.20
		Total	**3,348.25**	**2,593.31**
7	**Investments - Current:**			
	a. In Others (at Fair value through profit or loss)			
	Quoted- Non Trade			
	800 Equity Shares in UCO Bank of Rs.10/-		0.18	0.29
	Unquoted			
	999 Equity Shares in YP Solar P Ltd of Rs.10/- each		0.07	0.07
		Total	**0.25**	**0.36**
	Aggregate book value of quoted investments		0.18	0.29
	Aggregate market value of quoted investments		0.18	0.29
	Aggregate amount of impairment in the value of investments in the unquoted equity shares		-	-

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
8	**Trade Receivables:**		
	A. Secured Considered Good		
	B. Unsecured, Considered Good		
	i). related parties		
	ii). Others	1,813.93	2,846.43
	Trade Receivables which have significant increase in credit Risk		
	Trade Receivables - Credit impaired		
	Total	**1,813.93**	**2,876.43**

8.a Trade Receivables ageing Schedule

S NO	Particulars	Outstanding for following periods from due date of payment				Total as at 31 march 2026
		Less than 6 Months INR lacs	6 months – 1 year INR lacs	2-3 years INR lacs	More than 3 years INR lacs	INR lacs
a)	Undisputed Trade Receivables – considered good	1,813.93				1,813.93
b)	Undisputed Trade Receivables – which have significant increase in credit risk					-
c)	Undisputed Trade receivable – credit impaired					-
d)	Disputed Trade receivables - considered good					-
e)	Disputed Trade receivables – which have significant increase in credit risk					-
f)	Disputed Trade receivables – credit impaired					-

8.b Trade Receivables ageing Schedule

S NO	Particulars	Outstanding for following periods from due date of payment				Total as at 31 march 2025
		Less than 6 Months INR lacs	6 months – 1 year INR lacs	2-3 years INR lacs	More than 3 years INR lacs	INR lacs
a)	Undisputed Trade Receivables – considered good	2,876.43				2,876.43
b)	Undisputed Trade Receivables – which have significant increase in credit risk					-
c)	Undisputed Trade receivable – credit impaired					-
d)	Disputed Trade receivables - considered good					-
e)	Disputed Trade receivables – which have significant increase in credit risk					-
f)	Disputed Trade receivables – credit impaired					-

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
9	**Cash and cash equivalents:**		
	a. Cash on Hand	4.98	5.41
	b. Balances in bank a/c's		
	Current Accounts	24.36	31.89
	Total	**29.34**	**37.30**

* Cash and cash equivalents include cash on hand, cheques & drafts on hand and cash at bank.

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
10	**Other Bank balances**		
	Balances with banks		
	a. Term deposits with balance maturity less than 12 months	300.00	256.26
	b. Unclaimed dividend accounts	6.66	5.44
	Total	**306.66**	**261.70**
11	**Other financial assets - Current:**		
	a. Advances to Staff & Workers	12.95	16.25
	b. Interest receivable	115.94	68.70
	c. Unbilled revenue	120.05	123.07
	d. Security Deposit with TS Transco	3.37	3.37
	Total	**252.31**	**211.39**
12	**Other Current Assets**:		
	a. Advances for Suppliers & Expenses	276.58	158.38
	b. Prepaid Expenses	75.67	60.40
	c. Export Benefit entitlement Receivable	13.06	18.92
	d. GST benefit entitlement	1526.85	952.50
	e. State Incentive Receivables	-	106.91
	Total	**1,892.16**	**1,297.11**
13	**Equity Share Capital:**		
	A. Authorised Share Capital:		
	(i) 90,00,000 Equity Shares of Rs. 10/- each	900.00	900.00
	(ii) 8,00,000 preference share of Rs 100/- each	800.00	800.00
	Total	**1,700.00**	**1,700.00**
	B. Issued Share Capital:		
	(i) 42,67,000 Equity shares of Rs 10/- each	426.70	426.70
	(ii) 1,50,000 7% Cumulative Redeemable Pref shares of Rs. 100 each	-	-
	(iii) 3,85,000 8% Cumulative Redeemable Pref shares of Rs. 100 each	385.00	385.00
	Total	**811.70**	**811.70**
	C. Subscribed and fully paid up capital:		
	(i) 42,67,000 Equity shares of Rs 10/- each	426.70	426.70
	Total	**426.70**	**426.70**

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

D. Reconciliation of the shares outstanding at the beginning and at the end of year:

Particulars	No. of Shares	Value of shares
(A) Equity Share Capital		
At the Beginning and at the end of the period	42,67,000	4,26,70,000
(B) Preference Share Capital		
(i) 8% Cumulative Redeemable Preference Shares		
At the Beginning and at the end of the period	3,85,000	3,85,00,000

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
E.	**Details of Shareholders holding more than 5% shares in the company:**		
	(A) Equity Shares:		
	a. Vithaldas Agarwal - No of shares held	8,18,844	8,18,844
	- In % of total shares of the Company	19.19%	19.19%
	b. Mahender Kumar Agarwal - No of shares held	12,47,133	12,47,133
	- In % of total shares of the Company	29.23%	29.23%
	c. Madhavi Agarwal - No of shares held	7,45,291	7,45,291
	- In % of total shares of the Company	17.47%	17.47%

F. Shares held by promoters of the Company

Promoter's Name	FY 2025-26			% change during the year
	No of Shares held at the start of the year	No of Shares held at the end of the year	% total shares	
Vithaldas Agarwal	8,18,844	8,18,844	19.19%	0.00%
Mahender Kumar Agarwal	12,47,133	12,47,133	29.23%	0.00%
Madhavi Agarwal	7,45,291	7,45,291	17.47%	0.00%

G. Rights, preferences and restrictions attached to the ordinary Shares

The Company has only one class of equity shares having par value of Rs .10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees, the dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting..

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.		PARTICULARS		As at 31.03.2026	As at 31.03.2025
14	**Other Equity**				
	a.	Securities Premium		1,288.20	1,288.20
	b.	Capital Redemption Reserve		1,207.36	1,207.36
	c.	Preference Capital Redemption Reserve		385.00	385.00
	d.	General Reserve		20,000.00	18,000.00
	e.	Retained Earnings		6,377.42	4,850.74
		At the beginning of the period		4,850.75	4,338.69
		(+) For the current year		3,551.97	1,537.35
		(-) Dividend on Equity Shares		25.29	25.29
		(-) Transfer to General Reserve		2,000.00	1,000.00
	f.	Equity portion of Preference Shares		29.27	29.27
	g.	Items of Other Comprehensive Income			
		Re-measurement of net defined benefit plans		148.39	119.81
			Total	**29,435.64**	**25,880.38**
15	**Borrowings - Non Current:**				
	Secured				
	A.	**Term loans-Banks :**			
		i). Indusind Bank			
		Term Loan - I		2,332.91	2,916.25
		less: Current maturities		583.33	583.33
			Sub Total	**1,749.58**	**2,332.91**
		ii). HDFC Bank			
		Term Loan		3,449.08	--
		less: Current maturities		-	--
			Sub Total	**3,449.08**	**--**
		iii). HDFC Bank			
		Term Loan		1,165.24	1,300.00
		less: Current maturities		245.33	122.81
			Sub Total	919.91	1,177.19
			Total	**6,118.57**	**3,510.10**

Details of security for Term loans

Loans referred in (a) and (b) are secured by pari passu first charge on all movable and immovable properties of the Company present and future. These loans are further secured by personal guarantees of two promoter Directors of the company and pledge of some shares of the promoters of the company.

Terms of Repayment:

Particulars	Sanction Date	Rate of Interest	Quarterly Instalments
(A) Indusind Bank Term Loan – 3500 Lacs	25.04.2023	7.65%	17
(C) HDFC Bank Term Loan – 1300 Lacs	03.02.2024	7.57%	56 Months (From Sept'25)
(B) HDFC Bank Term Loan – 4000 Lacs	23.02.2026	7.75%	60 Months (From March'27)

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.		PARTICULARS	As at 31.03.2026	As at 31.03.2025
	B.	**HERO Deferred Payment**		
		HREPL - Solar Power Plant	-	180.73
		less: Current maturities	-	180.73
		Sub Total	-	-
	C.	**Vehicle loans from banks**	**33.60**	**53.86**
		Note : Vehicle loans are secured by hypothecation of the respective vehicles and guaranteed by the Managing Director of the Company.		
		Unsecured		
	D.	Preference shares		
		8% Cumulative Redeemable Preference shares of Rs.100 each	385.00	385.00
		Sub Total	**385.00**	**385.00**
	E.	Unsecured loans		
		- Loans from related parties	5.11	5.11
		Inter-Corporate Deposits **Sub Total**	**5.11**	**5.11**
	F.	Deferred payment liabilities		
		-Sales Tax Deferment (loan)	33.95	98.07
		Sub Total	**33.95**	**98.07**
		Grand Total (A+B+C+D+E+F)	**6,576.24**	**4,052.14**
16	**Other non-current liabilities**			
	Deferred Government Grant		73.58	110.37
		Total	**73.58**	**110.37**
17	**Borrowings :**			
	A.	**Secured**		
	Loans repayable on demand from banks *			
	(i)	HDFC - Cash Credit	652.88	343.28
	(ii)	IDBI Bank Ltd -Cash Credit	-	367.94
	(iii)	Indusind Bank - Cash Credit	-	111.65
		Sub Total	**652.88**	**822.87**

NOTE: * Working Capital loans from bank referred to in (A) above are secured by hypothecation of stock in trade, raw materials, stock in process, stores and spares and receivables present and future and by a second charge on the present and future movable and immovable properties of the Company on pari passu basis. The loans further secured by personal guarantees of two promoter directors of the Company.

Note no.			Particulars	As at 31.03.2026	As at 31.03.2025
	B.		**Unsecured**		
			Loans from Directors	375.00	351.50
			Sub total	**375.00**	**351.50**
	C.		**Current maturity of long term debt**		
		i)	IDBI Bank Limited		
			Term Loan	--	350.00
		ii)	Indusind Bank		
			Term Loan-1	--	300.00
			Term Loan-2	583.33	583.33
		iii)	HDFC Bank		
			Term Loan	245.32	122.82
		iv)	Deferred Payment		
			HREPL - Solar Power Plant	--	180.73
		v)	Vehicle Loans from Banks	20.26	20.41
		vi)	Sales tax deferment (loan)	82.62	87.49
			Sub Total	**931.53**	**1,644.78**
			Total	**1,959.41**	**2,819.15**

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026

(All amounts in ₹ Lakhs)

Note no.	Particulars	As at 31.03.2026	As at 31.03.2025
18	**Trade Payables** :		
	Micro, Small and Medium Enterprises	37.19	54.20
	Other than Micro, Small and Medium Enterprises	124.67	318.87
	Total	**161.86**	**373.07**

18 a Trade Payable ageing schedule

S NO	Particulars	Outstanding for following periods from due date of payment				31-Mar-26 INR lacs
		Less than 1 Year INR lacs	1-2 years INR lacs	2-3 years INR lacs	More than 3 years INR lacs	
a)	Total outstanding dues of MSME	37.19			-	37.19
b)	Total outstanding dues of creditors other than MSME	124.46	0.21		-	124.67
c)	Disputed dues of creditors - MSME					
d)	Disputed dues of creditors - Other than MSME					

18 b Trade Payable ageing schedule

S NO	Particulars	Outstanding for following periods from due date of payment				31-Mar-25 INR lacs
		Less than 1 Year INR lacs	1-2 years INR lacs	2-3 years INR lacs	More than 3 years INR lacs	
a)	Total outstanding dues of MSME	54.20			-	54.20
b)	Total outstanding dues of creditors other than MSME	318.69	0.18		-	318.87
c)	Disputed dues of creditors - MSME					
d)	Disputed dues of creditors - Other than MSME					

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
19	**Other Financial Liabilities - Current:**		
	a. Interest Accrued but not due	23.46	0.89
	b. Interest accrued on Preference Shares	30.80	30.80
	c. Dues to Others	1,456.90	668.56
	d. Unpaid Dividends	6.67	5.44
	e. Employee benefits payable	325.07	316.87
	f. Creditors for Capital purchases	140.66	40.23
	Total (a+b+c+d+e+f)	**1,983.56**	**1,062.79**
20	**Other Current Liabilities:**		
	a. Advance from Customers	--	0.21
	b. Contribution to PF & ESI	22.73	21.91
	c. Statutory remittances	47.00	47.41
	Total	**69.73**	**69.53**
21	**Provisions - Current:**		
	Provision for employee benefits		
	(i). Provision for Gratuity	249.91	209.91
	(ii). Leave Encashment	64.55	61.12
	Total	**314.46**	**271.03**

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
22	**Current Tax Liabilities (net):**		
	Provision for Income Tax (net of Advance Tax)	265.98	18.27
	Total	**265.98**	**18.27**

Note No.	PARTICULARS	Current Year 31.03.2026	Current Year 31.03.2025
23	**Revenue from Operations:**		
	i) Sale of Products - Yarn	50,809.40	53,546.87
	Sale of Solar power	1,180.22	1,174.31
	ii) Other operating Revenue		
	a. Sale of Waste / Scrap	35.31	40.39
	b. Export Benefit entitlements	111.48	115.31
	Total Sales :	**52,136.42**	**54,876.88**
	Less : GST	3,756.72	5,406.75
	Total	**48,379.70**	**49,470.13**
24	**Other Income:**		
	a. Interest Income on		
	i. Deposits with banks and TSSPDCL	160.88	108.68
	ii. Government Grant - Interest Subsidy Under T-Tap	1,298.09	300.00
	b. Net Gain on foreign currency transactions & translation	47.22	29.74
	c. Government grant on Sales tax deferment loan	36.79	36.79
	Total	**1542.98**	**475.21**
25	**Cost of Materials Consumed**		
	Opening Stock	828.73	909.35
	Add: Purchases	30,692.87	32,073.21
		1,521.60	32,983.16
	Less : Value of Raw materials sold	26.18	78.29
	Less: Closing Stock	1415.89	828.73
	Total	**30,079.53**	**32,076.14**
26	**Changes in inventories of Finished Goods, and work-in-process**		
	a. Inventory at the beginning of the period	1,441.47	1,230.59
	b. Inventory at the end of the period	1,605.46	1,441.47
	Total	**(163.99)**	**(210.88)**

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.	PARTICULARS	Current Year 31.03.2026	Current Year 31.03.2025
27	**Employee Benefits Expense**		
	a. Salaries, Wages and Bonus	3,770.42	3,374.40
	b. Contribution to Provident Fund	213.02	210.06
	c. Staff welfare expenses	106.04	121.83
	d. Gratuity	134.38	131.25
	e. Contribution to Employee State Insurance and EDLI	67.55	66.09
	Total	**4,291.42**	**3,903.63**
28	**Finance Costs**		
	a. Interest on Term loans	317.91	503.08
	b. Interest on others	57.33	185.74
	c. Interest on Preference Shares	30.80	30.80
	d. Bank charges	16.63	13.97
	Total	**422.67**	**733.59**
29	**Depreciation and amortisation expense:**		
	a. Depreciation on Property ,Plant and Equipment	1,641.58	1,645.12
	Total	**1,641.58**	**1,645.12**
30	**Other expenses:**		
	a. Stores consumed:		
	Stores and Spares	814.07	726.63
	Packing Material	537.69	531.64
	b. Repairs to :		
	Buildings	68.51	53.84
	Machinery	589.69	673.15
	Others	2.56	9.13
	c. Sales Expenses :		
	GST on others	0.34	0.33
	Commission on Sales	114.10	56.78
	Freight & Others - Domestic Sales	823.96	824.16
	Freight & Others - Export Sales	207.82	225.49
	d. Payments to Auditors		
	As Auditors	4.18	3.86
	for Tax Audit	0.85	1.44
	for Certification	0.85	1.26
	for Cost Auditors	0.55	0.60

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No.		PARTICULARS	Current Year 31.03.2026	Current Year 31.03.2025
	e.	Rates and Taxes	42.54	38.80
	f.	Printing and Stationery	9.29	10.45
	g.	Postage, Telegrams and Telephones	11.69	10.75
	h.	Travelling, Conveyance and Vehicle expenses	162.14	143.06
	i.	Insurance	174.73	83.82
	j.	Managerial Remuneration	177.09	156.85
	k.	Directors sitting fees	4.25	3.15
	l.	Professional charges	22.43	30.18
	m.	Office Maintenance	232.97	220.65
	n.	Miscellaneous expenses	103.65	67.31
	o.	Loss on Investments	0.12	0.13
	p.	Corporate Social Responsibility	47.16	40.44
	q.	Loss on sale of Assets(net)	12.61	--
	r.	Donations	5.53	4.51
		Total	**4,171.37**	**3,918.41**
31.		**Other comprehensive income:**		
	a.	Actuarial Gain/(Losses) on Gratuity Expense for the period	38.20	62.96
	b.	Deferred Taxes on above	(9.62)	(15.85)
		Total	**28.58**	**47.11**
32		**Earnings Per Equity Share:**		
	a.	Profit attributable to Share Holders	3,551.97	1,537.35
	b.	Weighted average number of equity shares of Rs. 10/-each	42.67	42.67
		Earnings per equity share (Basic and Diluted) - (a) / (b)	83.91	36.03

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No: 33

Consolidated segment wise Revenue, Results Assets and Liabilities

S. No	Particulars	Year ended 31st March 2026	Year ended 31st March 2025
1	**Segment wise Revenue:**		
	(a) Spinning - Yarn	48,742.47	48,771.03
	(b) Solar Power	1,180.22	1,174.31
	Total revenue from Operations	**49,922.69**	**49,945.34**
2	**Segment Results**		
	(a) Spinning - Yarn	4,361.19	2,045.90
	(b) Solar Power	666.84	578.23
	Total Segment results	**5,028.03**	**2,624.13**
	Less:		
	(i) Finance Cost - Spinning Yarn	418.52	733.58
	(ii) Finance cost - Solar Power	4.15	0.00
	Profit before tax	**4,605.36**	**1,890.55**
3	**Segment Assets**		
	(a) Spinning - Yarn	39,742.66	33,208.27
	(b) Solar Power	4,501.91	4,762.91
	Total segment assets	**44,244.57**	**37,971.18**
4	**Segment Liabilities**		
	(a) Spinning - Yarn	14,350.13	11,570.99
	(b) Solar Power	32.10	93.11
	Total Segment Liabilities	**14,382.23**	**11,664.10**

Note No 34

Reconciliation of tax expenses

Income tax

Particulars	March 31, 2026	March 31, 2025
Amount recognised in statement of profit & loss account		
Current tax	973.35	209.53
Deferred tax	80.04	143.67
Taxes expenses for the year	**1053.39**	**353.20**
Reconciliation of effective tax rate	4,605.36	1,890.55
Profit before Income tax expenses	1053.39	379.30
Income tax on above (net of MAT credit)	110.60	44.30
Effect on Non-deductable expenses	(110.60)	(70.45)
Other Adjustments	1,053.39	353.20
Effective tax rate	**23.01%**	**18.68%**

Deferred tax liabilities (net)

Particulars	March 31, 2026	March 31, 2025
Property, Plant and Equipment	2,886.28	2,886.28
Other items including employee benefits, Fair value	1.47	1.47
Total	**2,977.41**	**2,887.75**

Movement in deferred tax liabilities

Particulars	Property, Plant and Equipment	Other Items	Total
As at March 31, 2025	2,886.28	1.47	2,887.75
Charged / (Credited) to Profit or loss (including OCI)	80.04	9.62	89.66
As at March 31, 2026	2,266.32	**11.09**	**2,977.41**

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No 35

Fair Value Measurement Hierarchy

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:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 – Valuation techniques with observable inputs:

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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 data (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.

The following table provide the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2026

Particulars	Fair value hierarchy (Level)	As at March 31 2026	As at March 31 2025
Financial Assets measured at FVTPL			
Investments	1	0.24	0.36
Financial Assets measured at amortised Cost			
Loans to employees	3	1.18	2.28
Financial Liabilities measured at Amortised cost			
Deferred Sales tax liability	3	116.57	185.57
Government grant		73.58	110.37
Term loans	2	6947.23	4216.25
Loans from related Parties	3	5.11	5.11

Note No 36

The Company's activities expose it to market risk, credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

I. Market Risk

Market risk is the risk of loss of the future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings

a. Foreign Currency Risk - Foreign Currency Risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to impact of raw materials and spare parts, capital expenditure, borrowings and exports of yarns. The company does not enter into any derivative instruments for trading or speculative purposes.

The carrying amounts of the company's foreign currency denominated monetary items are as follows.

(All amounts in ₹ Lakhs)

Year	Receivables	
	INR	USD
As at 31st March,2026	229.31	2.68
As at 31st March,2025	141.90	1.51

Sensitivity Analysis

Sensitivity analysis of 5% Change rate at the ending of the reporting period net of hedges

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

b. **Interest Rate Risk** – Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's short term borrowing. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. Since all the borrowings are on floating rate, no significance risk of change in interest rate.

c. Commodity Risk– Commodity price risk arises due to fluctuation in raw material (fibre prices) linked to various external factors, which can affect the production cost of the Company. The Company actively manages inventory and in many cases sale prices are linked to major raw material prices. These risks are reviewed and managed by senior management on continuous basis.

II. Credit Risk

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The Company is receiving payments regularly from its customers and hence the Company has no significant credit risk.

III. Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

Note No 37

Subsequent Events

Dividend Proposed to be distributed

Particulars	As at March 31, 2026 (Note below)	As at March 31, 2025 (Note below)
Dividend Proposed for Equity Share Holders	25.29	25.29

Note : For the year ended the directors have recommended the payment of a final dividend of Rs. 2/- per fully paid non-promoter equity share (31st March 2025- Rs.2/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting hence the same is not recognised.

Note No 38

Capital Management

A. Capital Management and Gearing Ratio

The Company's objectives when managing capital are to

i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

ii) Maintain an optimal capital structure to reduce the cost of capital Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet)

GEARING RATIO

	Particulars	As at March 31, 2026	As at March 31, 2025
(a)	Debt	8,535.64	6,871.29
(b)	Cash and Cash Equivalents	29.34	37.30
(c)	Net Debt (a) - (b)	8,506.30	6,833.99
(d)	Total Equity	29,862.34	26,307.08
	Net Debt to equity ratio (c) / (d)*	0.28	0.26

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note 39

Corporate Social Responsibility

As per section 135 of the companies Act 2013, a company, has to spend 2% of its average net profits of three immediate preceding financial year as detailed below.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the Company during the year	49.03	80.67
Amount of expenditure incurred on:		
(i). Construction/acquisition of any asset		
(ii) On purposes other than (i) above	47.15	40.44
Shortfall / (Excess) at the end of the year	1.88	40.23
Set off of Short fall from previous years carry forward	1.88	40.23
Reason for shortfall	0	0
Nature of CSR Activities	Imparting universal message of the vedas at their impressionable age and to provide health consciousness	
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	NA	NA

The Company has spent the total amount of earmarked during the financial year.

Note 40

Contingent Liabilities

PARTICULARS	As on 31.03.2026	As on 31.03.2025
a. Contingent Liabilities not provided for on account of		
i. Bank Guarantee		235.47
ii. Income Tax Assessment year 2014-15	124.83	124.83
b. Estimated amount of Contracts to be executed on capital projects.	-	69.06

Note No 41

DUES TO MICRO AND SMALL ENTERPRISES

The Micro, Small and Medium Enterprises have been identified on the basis of the information available with the Company. This has been relied upon by the auditors. Dues to such parties are given below:

PARTICULARS	As at 31.03.2026	As at 31.03.2025
(a) The principal amount remaining unpaid as at the end of the year	37.19	54.20
(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).		-

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note no 42

Employee benefits: Gratuity

Consequent to the adoption of Accounting Standard on Employees Benefits (Ind AS-19) issued by the Institute of Chartered Accountants of India, the following disclosures have been made as required by the Standard for Actuarial valuation of Gratuity.

The company has created a Trust namely SLSML Employees Gratuity Trust vide Trust deed dated 31st December, 2005 and obtained approvals from Income Tax Authorities vide letter No. CIT-III/10/GF/2005-06 dated 18.10.2006. SBI Life Insurance has been appointed for management of the Trust fund for the Benefit of the employees. The following tables summarize the components of net benefits.

	PARTICULARS	As on 31.03.2026	As on 31.03.2025
I	**Table showing changes in present value of obligations**		
	Present value of obligations as at beginning of year	1152.46	1047.54
	Interest cost	78.59	74.78
	Current Service Cost	120.09	120.05
	Benefits Paid	(56.18)	(26.53)
	Actuarial gain / (Loss) on obligations	(65.88)	(63.38)
	Present value of obligations as at end of year	**1259.57**	**1152.46**
II	**Table showing changes in the fair value of plan assets**		
	Fair value of plan assets at beginning of year	942.55	879.48
	Expected return on plan assets	65.88	63.58
	Contributions	56.18	26.44
	Benefits Paid	(56.18)	(26.53)
	Actuarial gain / (Loss) on Plan assets	(2.80)	(0.42)
	Fair value of plan assets at the end of year	**1009.66**	**942.55**
III.	**Table showing fair value of plan assets**		
	Fair value of plan assets at beginning of year	942.55	879.48
	Actual return on plan assets	65.88	63.58
	Contributions	56.18	26.44
	Benefits Paid	(56.18)	(26.53)
	Actuarial gain / (Loss) on Plan assets	0	0
	Fair value of plan assets at the end of year	1009.66	942.55
	Funded status including OCI	(249.91)	(209.91)
	Excess of Actual over estimated return on plan assets	Nil	Nil
	(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
IV.	**Assumptions**		
	Discount rate	7.75%	6.99%
	Rate of return on assets	-	-
	Salary Escalation	8.00%	8.00%

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note No 43

Related party disclosures as required by the IND AS 24 are given under.

i) Transactions during the year

Sl No	Name	Relationship	Nature of Transaction	Current Year 2025-26	Current Year 2024-25
a)	Sri Vithaldas Agarwal	Key Management	Remuneration	57.77	51.00
	Managing Director		Interest (Gross)	21.18	22.57
			Unsecured loan Repaid	16.00	65.00
			Unsecured loan Received	22.00	35.00
b)	Sri Mahender Kumar Agarwal	Key Management	Remuneration	66.79	60.04
	Joint Managing Director		Interest (Gross)	0.62	2.64
			Unsecured loan Repaid	-	45.00
			Unsecured loan Received	10.00	10.00
c)	Smt Madhavi Agarwal	Key Management	Remuneration	52.53	45.81
	Executive Director		Interest (Gross)	4.14	3.69
			Unsecured loan Received	7.50	7.50
d)	Surana Solar	Enterprise in which Key Management personal is interested	Solar Power purchased	-	20.08
e)	sri K Nageswara Rao	Chief Financial Officer	Remuneration	39.38	35.74
f)	Sri R Surendar reddy	Chairman	Sitting fee	-	0.45
g)	sri K Suresh Reddy	Director	Sitting fee	0.65	0.80
h)	Sri Harish Chandra Prasad	Director	Sitting fee	1.45	1.00
i)	Sri Raghu ram Reddy	Director	Sitting fee	1.50	0.50
j)	Sri.M.Yugendar	Director	Sitting fee	0.65	0.40
k)	Sadanala Venkat Rao	Company secretary	Remuneration	3.60	2.56
l)	Kushboo Jain	Company secretary	Remuneration	-	0.75

Payables as at 31.03.2025

Sl No	Name	Relationship	Nature of Transaction	As at 31.03.2026	As at 31.03.2025
a)	Sri Vithaldas Agarwal	Key Management	Remuneration (net)	3.64	8.42
	Managing Director		Interest (net)	6.41	4.80
			Unsecured loan	298.00	292.00
b)	Sri Mahender Kumar Agarwal	Key Management	Remuneration (net)	3.46	4.66
	Joint Managing Director		Interest (net)	0.57	0.28
			Unsecured loan	14.00	4.00
c)	Smt Madhavi Agarwal	Key Management	Remuneration (net)	2.71	6.69
	Executive Director		Interest (net)	1.03	0.86
			Unsecured loan	63.00	55.50

Notes to Consolidated Financial Statements For The Year Ended 31st March,2026 (All amounts in ₹ Lakhs)

Note 44 Additional Information:

i) The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.

ii) The Company do not have any transactions with companies struck off.

iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.

v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

vi) 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 Beneficiaries.

vii) The loan has been utilized for the purpose for which it was obtained and no short term funds have been used for long term purpose.

viii) The company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the companies (Restriction on number of Layers) Rules, 2017.

ix) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

x) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

Note No 45

Previous Year's Figures have been regrouped wherever necessary to correspond with the current year's figures. Except when otherwise stated, the figures are presented in Rupees in Lakhs.

As Per Our Report of even date
for K S RAO & CO.,
Chartered Accountants
Firm Regn. No. : 003109S

for and on behalf of the Board

C.Venkateshwara Rao
Partner
Membership No. 219844

S.Venkat Rao
Company Secretary

VITHALDAS AGARWAL
Managing Director

Place : Secunderabad
Date : 25th May, 2026

K NAGESWARA RAO
Chief Financial Officer

MAHENDER KUMAR AGARWAL
Joint Managing Director

Notes

Suryalata Spinning Mills Limited

DISCLAIMER

We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward-looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above-mentioned circumstances, we can provide no warranty regarding the orrectness, completeness, and up-to-date nature of information taken, and declared as being taken, from third parties, as well as for forward-looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Suryalata Spinning Mills Limited

Surya Towers, 1st Floor
105, Sardar Patel Road, Secunderabad - 500 003
T : +91 40 2777 42000
E : mailto:cs@suryalata.com
W : http://www.suryalata.com