DSL®
DEEPAK SPINNERS LIMITED

A Government Recognised Export House
Corporate Identification No. : L17111HP1982PLC016465
Registered Office & Works :
121, Industrial Area, Baddi, Tehsil Nalagarh,
District Solan, Himachal Pradesh - 173 205
Phone : +91 1795 244 011/16
E-mail : baddi@dsl-india.com Website : www.dsl-india.com

REF.NO/DSL/PA/2026 Dated 20th July 2026

To,
BSE Limited,
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai – 400 001

SCRIP CODE – 514030

Sirs,

Subject: Annual Report for the year 2025-26

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find annexed herewith the Annual Report of the Company for the year 2025-26.

The Company's Annual Report for the year 2025-26 is being sent electronically to those shareholders whose email IDs are registered with the Company / Registrar and Share Transfer Agent and the Depositories.

The Company's Annual Report for the year 2025-26 is also being uploaded to the Company's website, i.e., www.dsl-india.com.

You are requested to take the same on your record.

FOR DEEPAK SPINNERS LIMITED

PUNEETA ARORA

Digitally signed by PUNEETA ARORA
Date: 2026.07.20 12:59:38 +05'30'

(PUNEETA ARORA)
COMPANY SECRETARY

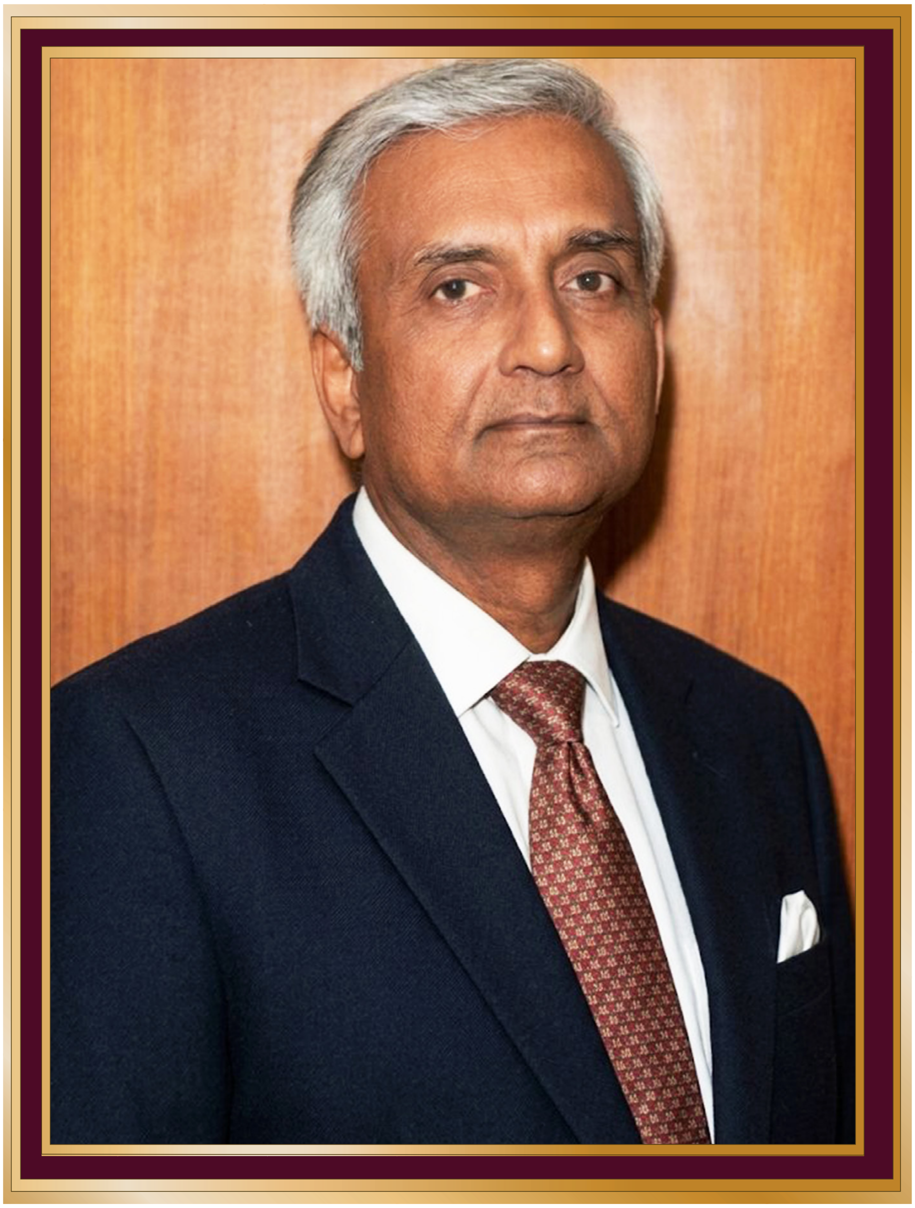
Encl : As above

DSL®

DEEPAK SPINNERS LIMITED

44th
ANNUAL REPORT
2025-26

DEEPAK SPINNERS LIMITED



SHRI PRADIP KUMAR DAGA

CHAIRMAN EMERITUS

नैनं छिन्दन्ति शस्त्राणि नैनं दहति पावकः।
न चैनं क्लेदयन्त्यापो न शोषयति मारुतः॥

We at Deepak Spinners Limited pay respectful homage to our
Chairman Emeritus Shri Pradip Kumar Daga who left for his
heavenly abode on 18th November 2025

We pray to the Almighty to grant eternal peace to his noble soul
His departure marks the loss of a visionary leader whose foresight, integrity and
entrepreneurial spirit laid the foundation on which our Company stands today
He was a true Karmayogi who steered the evolution of our Company
over several decades

Shri Dagaji is remembered for his warmth, humility and deep human values,
treating every individual with dignity and respect,
irrespective of hierarchy

His legacy, deeply woven into our Company's identity,
will remain a beacon for future generations

DEEPAK SPINNERS LIMITED

Corporate Identity Number (CIN) – L17111HP1982PLC016465

Board of Directors

Shri Yashwant Kumar Daga	:	Chairman and Managing Director
Shri Raja Ram Kankani	:	President and Whole Time Director
Shri Shantanu Daga (upto 14.09.2025)	:	Non-Executive Non-Independent Director
Shri Sanjiv Banerji	:	Non-Executive Independent Director
Shri Shounak Mitra	:	Non-Executive Independent Director
Shri Satya Prakash Sarda	:	Non-Executive Independent Director
Shri Hussan Lal	:	Non-Executive Independent Director
Smt. Sonu Jain	:	Non-Executive Independent Director

Administrative Office

Shri Gajendra Singh Rathore	:	Chief Financial Officer
Shri M. S. Shekhawat	:	Sr. Vice President (Marketing)

Baddi Works
121, Industrial Area, Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh – 173205.

Shri Sudesh Tiwari	:	Executive President (Unit Head)
Shri S. K. Thakur	:	Sr. Vice President (Engineering)
Dr. Ramesh Kumar Sharma	:	Sr. Vice President (Personnel & Administration)

Guna Works
Village: Pagara, Tehsil & Distt. Guna, Madhya Pradesh

Shri Matru Prasad Satpathy (upto 29.05.2026)	:	Executive President (Unit Head)
Shri Nandkishore Khandelwal (w.e.f.15.06.2026)	:	Sr. Vice President (Unit Head)
Shri Yogendra Kumar Singh	:	Vice President (Personnel & Administration)

Company Secretary
Smt. Puneeta Arora

Bankers
State Bank of India

Auditors
Salarpuria & Partners, Chartered Accountants
(Firm ICAI Registration No.302113E)
Kolkata

Registered Office and Administrative Office
121, Industrial Area, Baddi. Tehsil Nalagarh, District Solan,
Himachal Pradesh – 173205.

Corporate Office
16, Hare Street, Kolkata – 700001.

Board's Report

Dear Shareholders,

The Board of Directors of your Company ('Board') is pleased to present its 44th Annual Report and the Audited Financial Statements for the Financial year ended 31st March 2026.

1. **Financial Results**

(Rs.in Lakhs)

	31st March 2026	31st March 2025
Profit before Depreciation & Tax	2181.44	358.14
Less : Depreciation	1698.85	1755.06
Tax Expense		
-Current year	-	(40.05)
-Deferred Tax	118.81	(337.86)
Add: Other Comprehensive Income	63.53	22.37
Total Comprehensive Income for the year	427.31	(996.64)
Transfers and appropriations:		
Dividend for 2024-25 paid during the year	-	35.95
Proposed dividend	-	-
Balance carried forward to Reserves and Surplus	427.31	(1032.59)

The above figures are extracted from the audited financial statements as per Indian Accounting Standards (Ind AS). There has been no change in the nature of the business activities of the Company during the year.

2. **Dividend**

The Board of Directors has decided not to recommend any dividend for the financial year ended on 31st March 2026, after careful consideration of the Company's financial position and future growth plans.

3. **General Review**

The financial year 2025–26 continued to present a complex operating environment for the textile industry, shaped by persistent global macroeconomic adjustments and evolving trade dynamics. While fabric imports from competing markets remained an active challenge for domestic players, the Company maintained its strategic focus on reinforcing product positioning, optimizing demand forecasting, and executing agile pricing strategies across specialized yarn segments to navigate competitive pressures.

On the operational front, the Company's continuous focus on resource optimization and sustainable infrastructure is yielding positive outcomes. The 4 MW solar power plant at the Guna unit, which was commissioned in FY 2024–25, completed its first full year of operations, contributing predictably to enhanced energy self-reliance, reduced carbon footprint, and meaningful power cost savings.

Concurrently, the Company has taken definitive, proactive steps to address the steep increase in power costs at the Baddi plant caused by the upward revision in state government tariffs. To aggressively mitigate this expenditure and secure long-term cost efficiencies, the Company has installed a 2.976 MW solar power plant at the Baddi unit in FY 2026–27. This strategic green-energy expansion across our manufacturing footprint will substantially insulate our operations from volatile tariff structures, structurally lowering our power cost baseline and driving sustainable profitability moving forward.

Looking ahead, the Company remains optimistic about the long-term prospects of the textile sector. Supported by improving global demand, increasing preference for reliable sourcing partners, and continued emphasis on operational excellence, the Company is well-positioned to capitalize on emerging opportunities while maintaining its focus on sustainable growth and profitability.

4. Credit Rating

The Company has the following credit rating from M/s. ICRA Limited on 23rd September 2025 .

Facility	Amount (Rs. Crore)	Rating / Outlook
On Long Term Scale		
Fund Based – Cash Credit	60.00	[ICRA]A- (Negative), outstanding
Non-Fund Based – Bank Guarantee	3.00	
Total	**63.00**	
On Short Term Scale		
Fund Based – Export Packing Credit (Interchangeable)^	(15.04)	[ICRA]A2+ outstanding
Fund Based – Bill Discounting (Interchangeable)^	(15.04)	
Non-Fund Based – Letter of Credit	2.00	
Non-Fund Based – Capex Letter ofCredit	10.00	
Non-Fund Based – Credit Exposure Limit	1.00	
Long-Term/ Short-Term - Unallocated limit	16.10	[ICRA]A- (Negative) / [ICRA]A2+; outstanding
Total	**29.10**	
^Within the overall fund based working capital limit		

5. Internal Financial Control Systems

The Company has established robust policies and procedures to ensure the orderly and efficient conduct of its business. Its Internal Financial Control (IFC) framework is commensurate with the size, scale, and nature of its operations. The IFC systems are designed to safeguard the Company's assets, prevent and detect fraud and errors, ensure the accuracy and completeness of accounting records, and facilitate the timely preparation of reliable financial information.

During the year under review, no instance of fraud was reported. The Company has adopted accounting policies that are in line with the applicable Accounting Standards and the provisions of the Companies Act, 2013.

Internal Audit is conducted on a quarterly basis by independent Chartered Accountants. The Internal Auditors monitor and evaluate the adequacy and effectiveness of the internal control systems. Based on their reports, the respective departments undertake corrective actions to strengthen the control environment. Significant audit observations and the corrective measures taken are reviewed by the Audit Committee of the Board of Directors.

6. Statutory Auditors

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company in 40th Annual General Meeting ('AGM') had approved the appointment of M/s. Salarpuria & Partners, Chartered Accountants (ICAI Registration No. 302113E) as the Statutory Auditors of the Company for a term of five consecutive years, that is, from conclusion of 40th AGM of the Company till the conclusion of the 45th AGM of the Company.

7. Auditors' Report

The Auditors' Report to the Shareholders given by M/s. Salarpuria & Partners, Chartered Accountants, on the Financial Statements of the Company for the Financial Year 2025-26 is part of the Annual Report. The Auditor's Report does not contain any reservations, qualifications or adverse remarks. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

8. Secretarial Audit

In terms of the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulation, 2024, the members of the Company in 43rd AGM had approved the appointment of M/s A. Arora & Co., Company Secretaries (PCS Registration No. 993) as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from 1st April 2025 till 31st March 2030 .

Pursuant to Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit was carried out by M/s A. Arora & Co., Company Secretaries (PCS Registration No. 993) for the financial year 2025-26. The Secretarial Audit Report is annexed as **'Annexure – I',** and forms an integral part of this Report.

The Secretarial Audit Report does not contain any reservations, qualifications or adverse remarks. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

9. Cost Audit

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is required to make and maintain cost records in respect of its manufacturing activities and get them audited by a qualified Cost Accountant

The Board of Directors have, on the recommendation of the Audit Committee, appointed M/s Shakti K. & Associates, Cost Accountants (ICWAI Registration no. 11338), as Cost Auditors of the Company, to carry out cost audit of the products manufactured by the Company for the Financial Year 2026-27. The Company has received their written consent that the appointment is under the applicable provisions of the Companies Act, 2013 and rules framed thereunder. They have also confirmed that they are not disqualified to be appointed as Cost Auditors of the Company for the Financial Year 2026-27.

The remuneration of the Cost Auditor has been approved by the Board of Directors on the recommendation of the Audit Committee. As required under the Companies Act, 2013, in terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, the necessary resolution is proposed for ratification of the remuneration payable to M/s. Shakti K. & Associates, Cost Auditors in the Notice convening the 44th AGM.

10. Directors and Key Managerial Personnel (KMP)

i) Shri Pradip Kumar Daga (DIN- 00040692), the Chairman Emeritus of the Company, passed away on 18th November 2025. He was the Founder Director of the Company, and his contribution to its inception and growth was immense. His vision, leadership, and dedication played a pivotal role in shaping the Company's journey and success. He will be remembered with deep respect and gratitude.

ii) Shri Shantanu Daga (DIN - 08757724), Non-Executive Non-Independent Director, resigned from his directorship on 14th September 2025. Shri Shantanu Daga resigned due to his differences of opinion with the manner in which the leadership of the Company carried out its business and other affairs.

iii) By the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors appointed Shri Rajaram Kankani (DIN: 09188079), President of the Company, as Whole-Time Director, designated as 'President and Whole-Time Director', for three years with effect from 22nd May 2025 to 21st May 2028**.**

His appointment was approved by the shareholders of the Company by way of a Special Resolution at the 43rd AGM.

iv) Pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Shri Yashwant Kumar Daga (DIN 00040632), retires by rotation at the forthcoming AGM and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment. The brief resume and other details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), read with the Secretarial Standard 2, are provided in the Notice of the 44th AGM.

v) The tenure of Shri Yashwant Kumar Daga (DIN 00040632) as Chairman and Managing Director expires on 22nd December 2026. In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee, the Board recommends re-appointment of Shri Daga as Chairman and Managing Director for a period of five years with effect from 23rd December 2026 till 22nd December 2031 to the members of the Company at the ensuing AGM.

There were no other changes in the Directors and Key Managerial Personnel of the Company.

(a) Statement on declarations given by Independent Directors

All the Independent Directors of your Company have submitted the declarations confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act 2013 and Regulation 25 read with Regulation 16 of the Listing Regulations and are eligible to continue as Independent Directors.

All the Independent Directors of the Company have confirmed compliance with the relevant provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Board believes that the Independent Directors of the Company possess the requisite qualifications, experience and expertise and hold the highest standards of integrity.

(c) Meetings of the Board of Directors

During the year, Five Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between any two consecutive meetings did not exceed the gap prescribed by the Companies Act, 2013 and the Listing Regulations.

(d) Committees of the Board

The Board of Directors of the Company has the following four Committees –

a) The Audit Committee,

b) The Corporate Social Responsibility Committee,

c) The Nomination and Remuneration Committee and

d) The Stakeholders Relationship Committee.

During the year, all recommendations made by the Committees were approved and accepted by the Board. A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report.

(e) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, an annual evaluation was conducted for all Board Members as well as for the working of the Board and its Committees. A structured questionnaire for evaluation of the Board and its various Committees and individual Directors was prepared and recommended to the Board by the Nomination & Remuneration Committee with a specific focus on performance and effective functioning of the Board. The Board evaluation was conducted through a questionnaire designed with qualitative parameters and feedback based on ratings.

The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their meeting held on 29th January 2026. The Directors expressed their satisfaction with the evaluation process.

11. Directors' Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March 2026 and confirm as under –

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

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

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

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

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

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

12. Corporate Social Responsibility

In accordance with the requirements of Section 135 of the Companies Act, 2013, the Company has a Corporate Social Responsibility Committee, the terms of reference and other details of which are provided in the Corporate Governance Report. The CSR Policy has been framed and posted on the website of the Company, www.dsl-india.com.

As per the eligibility criteria provided in the Companies Act, 2013, the Company was not eligible to incur CSR expenditure during the year 2025-26. Hence, no meeting of the CSR was held during the year.

As required by Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, the Annual Report on CSR activities is annexed as **'Annexure – II'** and forms an integral part of this report.

13. Vigil Mechanism

Pursuant to Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of Listing Regulations, the Company has in place a Policy for Vigil Mechanism for reporting of concerns of any wrongful conduct concerning the Company or its business or affairs.

The policy provides a framework for raising concerns by its employees and directors against any kind of malpractices, fraud, violation of the Company's policies or rules, and other matters on account of which the interest of the Company is affected or is likely to be affected. The policy provides that all protected disclosures can be addressed to the Vigil Officer or the Chairman, of the Audit Committee in certain cases.

Adequate safeguards are provided against the victimization of those who avail of the mechanism. Complaints received, if any, by Vigil Officer are investigated by the Vigil Officer and a report thereon is submitted to the Audit Committee.

It is affirmed that no personnel was denied access to the Vigil Officer and the Audit Committee, and no complaints were received during the Financial Year 2025-26.

The Policy on Vigil Mechanism is also posted on the Company's website www.dsl-india.com.
(weblink: http://www.dsl-india.com/policies-code-of-conduct)

14. Risk Management Policy

The Company's risk management framework, which is formalised in its Risk Management Policy, ensures periodic assessment, mitigation and monitoring of risk pertaining to its business. The Audit Committee has been delegated the responsibility for monitoring and reviewing risk management, assessment and minimisation procedures. The risk management procedures are reviewed by the Audit Committee and the Board of Directors every quarter.

15. Nomination and Remuneration Policy

The Board has, on the recommendations of the Nomination and Remuneration Committee, adopted a policy for the selection and appointment of Directors, KMP and Senior Management and their remuneration. The extract of the Company's Remuneration Policy is attached as **'Annexure–III'** and forms part of this report of the Board of Directors. The web link of the said Policy on the Company's website is (http://www.dsl-india.com/policies-code-of-conduct)

16. Related Party Transactions

Your Company has a well-defined policy on Related Party Transactions (RPTs), duly approved by the Board of Directors. The Audit Committee reviews and monitors all RPTs on a quarterly basis to ensure compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations.

All contracts/arrangements/transactions with Related Parties during the Financial Year 2025-26 were on an arm's length pricing basis and were in the ordinary course of business and did not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant related party transactions during the year that could have had a potential conflict with the interests of the Company. Accordingly, Form AOC-2 is not required to be annexed. The necessary disclosures, as mandated under Ind AS-24, have been appropriately provided in the Notes to the Financial Statements.

The Audit Committee has reviewed the related party transactions for the financial year 2025-26 and also approved estimated related party transactions for the financial year 2026-27 in accordance with the applicable provisions of the Companies Act, 2013 and Listing Regulations.

The Policy on Related Party Transactions, as approved by the Board, is uploaded on the Company's website. None of the Directors has any pecuniary relationship or transaction vis-à-vis the Company other than those disclosed in the Financial Statements.

17. Disclosures regarding Employees

a) The Statement of Details of Remuneration as required under Section 197 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **'Annexure – IV'** and forms a part of this Board's Report.

b) The information required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of this report, is given in a separate annexure to this Report.

   The said annexure is not being sent along with this Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company. The aforesaid annexure is also available for inspection by the Members at the Registered office of the Company, twenty-one days before the 44th AGM and up to the date of the said AGM during business hours on working days.

c) No employee, except Shri Yashwant Kumar Daga, Chairman and Managing Director, by himself or along with his relatives, holds 2% or more of the equity shares of the Company.

d) The Company has not received any complaint under 'The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013, during the year. The Company is compliant with all the provisions relating to the constitution of an Internal Complaint Committee under the said Act and rules thereunder.

e) **Compliance with Maternity Benefits Act, 1961**

Your Company is committed to ensuring a safe, supportive, and inclusive workplace for all women employees. All eligible women employees have been extended the benefits under the said Act, including maternity leave, nursing breaks, and other statutory entitlements as prescribed. Your Company has duly complied with the provisions of the Maternity Benefits Act, 1961, as amended from time to time. The Company continuously strives to maintain a work environment that upholds the rights and well-being of its women workforce in accordance with applicable laws.

18. Public Deposits

During the year, the Company has neither accepted any deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The requisite return for FY 2024-25 with respect to amounts(s) not considered as deposits has been filed on MCA portal.

19. Loans, Guarantees and Investments

The Company has not given loans, directly or indirectly, to any person or other body corporate or given a guarantee or provided any security in connection with a loan to any other body corporate or person. The Company has also not made any investments as per the provisions of Section 186 of the Companies Act, 2013.

20. Management Discussion and Analysis Report

A report for the year under review as required under Regulation 34 and as stipulated under Part B of Schedule V of Listing Regulations, is annexed herewith and forms part of this report.

21. Corporate Governance

A report on Corporate Governance as required under Regulation 34 and as stipulated in Part C of Schedule V of Listing Regulations is annexed herewith and forms part of this report. A Compliance Certificate issued by a Practicing Company Secretary, regarding compliance with Corporate Governance, is also annexed therewith.

22. Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT- 7) of the Company is available on the website of the Company at the weblink http://www.dsl-india.com/annual-return.

23. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo.

As required by Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014, information with regard to Conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed as **'Annexure – V'** to form part of this report.

24. Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the regulators / courts which would impact the going concern status of the Company and its future operations.

25. Material Changes and Commitments

There are no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year of the Company to which the financial statements are related and the date of this report.

26. Compliance with Secretarial Standards

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

27. Acknowledgement

We place on record our deep appreciation for the co-operation and support extended by our Bankers, stakeholders, business associates, and the Central and State Government authorities, including district-level administrations. Their continued guidance and assistance have been invaluable, and the Board looks forward to their sustained support in the future. We are pleased to thank all employees and workmen for their dedication and excellence displayed in conducting the operations of the Company.

On behalf of the Board of Directors

Yashwant Kumar Daga
Chairman and Managing Director
(DIN - 00040632)

Place : Kolkata
Date : 26.05.2026

Management Discussion and Analysis Report

INDUSTRY STRUCTURE & DEVELOPMENT

The Textile Industry is a vital sector of the Indian economy with a rich history dating back centuries. It is one of the major contributors to India's Gross Domestic Product (GDP) and also one of the largest employers in India. The industry is notably diverse, and spans from traditional, hand-spun handloom clusters to highly automated, capital-intensive modern spinning and weaving mills. India possesses a fully integrated supply chain from raw fibre extraction to finished garment manufacturing.

The Indian textile industry showed steady progress in FY 2025–26, supported by a strong raw-material base and a large MSME-driven manufacturing network. Government initiatives such as the Production Linked Incentive (PLI) scheme and the development of PM MITRA parks encouraged investment in modern machinery and improved competitiveness.

Exports saw a gradual recovery despite global uncertainties, with better demand for technical textiles, home textiles, and value-added garments. Companies increasingly adopted automation, digital tracking, and sustainability practices as global buyers tightened compliance requirements. While the sector continued to face challenges such as higher input costs, tariff disadvantages, and skill shortages, overall growth remained stable. It was due to domestic consumption, supply-chain diversification, and ongoing modernisation across key textile clusters.

OPPORTUNITY AND THREATS

The financial year 2025-26 presented a mixed landscape for India's Man-Made Fibre (MMF) textile sector, characterised by both significant challenges and emerging opportunities.

Threats –

The Indian MMF industry continues to face several structural and external threats that impact its competitiveness. A major challenge is the high dependence on imported raw materials, particularly PTA (Purified Terephthalic Acid) and MEG (Monoethylene Glycol), which exposes manufacturers to global price volatility and supply disruptions in Crude Oil. This threat becomes more crucial due to the war situation in oil producing countries.

India also faces tariff disadvantages in key export markets, especially compared to countries like Vietnam, Bangladesh, and Indonesia that enjoy preferential trade agreements with the EU and the US. This reduces the price competitiveness of Indian MMF-based garments and fabrics.

The industry is further constrained by high energy and logistics costs, which increase overall production expenses and weaken India's position against low-cost global producers such as China. Environmental regulations and global buyers' rising expectations around sustainability, recycling, and traceability add compliance pressure, especially for MSMEs that lack the resources to upgrade quickly.

Additionally, the sector faces intense competition from cheaper imports, particularly from China, which affects domestic pricing and margins.

Skill shortages in advanced polymer processing, limited domestic innovation in high-performance fibres, and slow adoption of modern technology also pose long-term risks. Together, these factors create a challenging environment for the MMF industry, requiring continuous investment, policy support, and technological upgradation to remain competitive.

Opportunities-

The Indian Man-Made Fibres (MMF) industry is well-positioned to benefit from several emerging opportunities. Global fashion and textile markets are steadily shifting from cotton to MMF due to better durability, versatility, and cost efficiency, creating strong long-term demand for Indian MMF products.

Government initiatives such as the Production Linked Incentive (PLI) scheme and the development of PM MITRA parks are encouraging large-scale investments, modernisation, and expansion of MMF-based manufacturing. India also has significant potential to grow in high-value segments such as technical textiles, performance wear, sportswear, and recycled fibres, where global demand is rising rapidly. Increasing focus on sustainability and circular textiles is opening new avenues for recycled polyester and eco-friendly MMF products.

Additionally, global brands are diversifying their sourcing away from single-country dependence, which provides India with an opportunity to capture a larger share of the international MMF market. Strong domestic consumption, growth in organised retail, and the rise of e-commerce further support the long-term expansion of the MMF industry in India.

SEGMENTAL REVIEW AND ANALYSIS

The financial year 2025–26 continued to present a complex operating environment for the textile industry, marked by evolving trade dynamics. While imports from competing markets remained a challenge for domestic manufacturers, the Company maintained its strategic focus on strengthening product positioning, enhancing demand forecasting, and implementing pricing strategies across its products to handle competitive pressures.

On the operational front, the Company focussed on resource optimization which delivered encouraging results. The 4 MW solar power plant at the Guna unit, commissioned in FY 2024–25, completed its first full year of operations. At the Baddi plant, following the upward revision in state electricity tariffs, to mitigate the impact and secure long-term cost efficiencies, a 2.976 MW solar power plant is being installed. These steps have been undertaken to contribute to energy self-reliance, reduce the carbon footprint, and generate predictable savings in power costs.

Looking ahead, the Company remains optimistic about the long-term prospects of the textile sector. Improving global demand and an increasing preference for reliable sourcing partners. The Company will continue to focus on operational excellence, maintaining its commitment to sustainable growth and profitability.

OUTLOOK

The outlook for the Indian Man-Made Fibres (MMF) industry remains positive, supported by strong domestic demand, rising global preference for MMF-based textiles, and continued policy support from the Government. With global fashion shifting steadily from cotton to MMF due to better durability, versatility, and cost efficiency, India is well-placed to capture a larger share of international markets.

The PLI scheme, PM MITRA parks, and ongoing investments in modern machinery are expected to enhance scale, efficiency, and competitiveness in the coming years. Growth in technical textiles, sportswear, performance fabrics, and recycled fibres is likely to create new opportunities for value addition. Increasing supply-chain diversification by global brands also positions India as a preferred sourcing destination. While challenges such as tariff disadvantages, raw-material price volatility, and sustainability compliance requirements may continue, the overall medium-term outlook remains stable to optimistic, driven by modernisation, innovation, and expanding domestic and export demand.

Addressing labour-related bottlenecks through skill development initiatives, improving ease of doing business, and investing in automation and cost-efficient technologies will be critical for sustaining growth and enhancing India's global competitiveness in the textile sector.

RISKS AND CONCERNS

The Indian Man-Made Fibres (MMF) industry continues to face several risks that may affect its growth and competitiveness. A key concern is the industry's dependence on imported raw materials such as PTA (Purified Terephthalic Acid) and MEG (Monoethylene Glycol), which exposes manufacturers to global price fluctuations, supply disruptions, and currency volatility.

India also faces tariff disadvantages in major export markets, where competing countries enjoy preferential trade agreements, reducing the price competitiveness of Indian MMF-based products. High energy and logistics costs remain structural challenges, particularly when compared with low-cost producers like China and Vietnam. The industry is also under increasing pressure to meet global sustainability, recycling, and traceability standards, which require significant investment and may be difficult for smaller units to adopt quickly.

Additionally, rising imports of cheaper MMF products pose a threat to domestic manufacturers, impacting margins and capacity utilisation. Skill shortages in advanced polymer processing and limited domestic innovation in high-performance fibres further add to long-term concerns. These risks highlight the need for continued policy support, technological upgradation, and stronger supply-chain resilience within the MMF sector.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has established an adequate and effective internal control system commensurate with the size, scale, and nature of its operations. These controls are designed to ensure the orderly and efficient conduct of business, optimal utilisation and safeguarding of assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The internal control framework ensures that financial and operational information is accurate, reliable, and available for informed decision-making and statutory reporting. The management continuously reviews and strengthens internal controls and business processes to enhance operational efficiency and ensure compliance with applicable laws, regulations, and internal policies.

The Company has appointed independent Chartered Accountants to conduct Internal Audits every quarter. The Internal Auditors function independently and report directly to the Audit Committee of the Board, thereby ensuring objectivity in the audit process. The Audit Committee periodically reviews the internal audit findings, evaluates the adequacy and effectiveness of the internal control systems, and monitors the implementation of corrective actions, wherever necessary. This continuous monitoring mechanism contributes to improved governance, risk management, and overall control environment within the organisation.

FINANCIAL PERFORMANCE

a) The report of the Board of Directors may be referred to for financial performance.

b) Details of significant changes (i.e. changes as compared to the immediately previous financial year) in key financial ratios –

Ratios	F.Y. 2024-25	F.Y. 2025-26	Change (%)	Remarks
Debtors Turnover Ratio	16.43	15.45	-6	
Inventory Turnover Ratio (calculated on EBITDA)	5.53	6.09	10	
Interest Coverage Ratio	1.95	8.96	359	Increased due to an increase in EBITDA during FY 2025-26 and lower finance costs
Current Ratio	1.54	1.82	18	
Debt Equity Ratio	0.16	0.13	-19	
Operating Profit Margin (%)	-1.95	1.42	173	Increased due to improved sales value and effective control over operating expenses.
Net Profit Margin (%)	-1.94	0.68	135	Improved due to higher operating profitability, better cost control and improved realisation during the year.
Return on Net Worth (%)	-4.55	1.60	135	The Company reported a profit during the year as compared to loss in the previous year.

HUMAN RESOURCES

As on 31st March 2026, the Company had 3,158 employees on its rolls, compared to 3009 employees as on 31st March 2025. The industrial relations remained cordial throughout the year, with a continued focus on employee engagement, well-being, and productivity.

The Company is committed to providing a favourable and inclusive work environment that encourages high performance, customer-centricity, and a strong sense of ownership and accountability. Emphasis is placed on fostering a culture of continuous learning, quality, and integrity, ensuring that employees are aligned with the Company's values and business goals.

CAUTIONARY STATEMENT

Statements in this Management Discussions and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable security laws or regulations. These statements are based on reasonable assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Factors that could make a difference to the Company's operations include market price, both domestic and overseas availability and cost of raw materials, changes in Government regulations and tax structure, economic conditions affecting demand/supplies and other factors over which the Company does not have any control. The Company takes no responsibility for any consequences of decisions made based on such statements and holds no obligation to update these in future.

'Annexure – I'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,
The Members,
Deepak Spinners Limited,
121 Industrial Area, Baddi,
Teh. Nalagarh, Distt Solan,
Himachal Pradesh.

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

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

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

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

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

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

e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.

f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial 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 and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review

(vi) The major provisions and requirements have also been complied with as prescribed under The Factories Act, 1948 and all applicable Labour laws/ Codes and rules framed thereunder.

(vii) Environment Protection Act, 1986 and other environmental laws.

(viii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.

(ix) The Air (Prevention and Control of Pollution) Act, 1981

(x) The Water (Prevention and Control of Pollution) Act, 1974

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("LODR Regulations") being listed on BSE Limited;

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

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non Executive Independent Directors. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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 are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that:

1. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

2. Based on the examination of the relevant documents and records on test check basis the company has Complied with the following laws specifically applicable to the company:

   a. The Indian Electricity Act, 2003 and Indian Electricity Rules, 2005.

   b. The Boilers Act, 1923

   I further report that during the audit period, with the approval of the shareholders vide special resolutions passed on 30.01.2026, through Postal Ballot, the company has altered the Memorandum and Artiles of Association, in compliance with the applicable statute and regulations.

   I further report that, during the audit period under review there were no instances of

   (i) Public / Rights / Preferential issue of shares / debentures / sweat equity

   (ii) Merger / amalgamation / reconstruction etc.

   (iii) Major decisions under Section 180 of the Companies Act, 2013.

   (iv) Redemption / Buy-back of Securities

   (v) Foreign technical collaborations.

For **A. Arora & Co.**
Company Secretaries

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer review Cert No. 2120/2022
UDIN: F002191H000505529

Place: Chandigarh
Date : 26.05.2026

'Annexure – II'

Annual Report on Corporate Social Responsibility (CSR)Activities

1. A Brief Outline of the Company's CSR Policy –

Pursuant to Section 135 of the Companies Act, 2013 and the rules framed there under, the Company has formulated a Corporate Social Responsibility (CSR) Policy. The CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon and focuses on addressing critical social, environmental and economic needs of the weaker sections of society. While the focus of CSR efforts will be in the areas around Company operations, the Company also undertakes projects where societal needs are high or in special situations.

2. *The Composition of the CSR Committee:*

Sr. No.	Name of the Member	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Yashwant Kumar Daga	Chairman / Executive Non-Independent Director	No meeting was held during the year, as none of the thresholds as per Section 135 of the Companies Act, 2013 were applicable to the Company	
2.	Shri Shounak Mitra	Member / Non-Executive Independent Director		
3.	Shri Satya Prakash Sarda	Member / Non-Executive Independent Director		

3. CSR Policy, Composition of CSR committee and CSR projects approved by the Board of Directors can be perused on the following website –

CSR Policy – http://www.dsl-india.com/policies-code-of-conduct

Composition of CSR Committee –
http://www.dsl-india.com/corporate-social-responsibility

CSR Projects -
http://www.dsl-india.com/corporate-social-responsibility

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 sub-section (5) of Section 135	Not applicable as none of the thresholds as per Section 135 of the Companies Act, 2013 were applicable.
b)	Two percent of average net profit of the Company as per sub-section (5) of section 135	Not Applicable

c)	Surplus arising out of the CSR Projects or programmes or activities of previous financial years.	Nil
d)	Amount required to be set off for financial year, if any	Rs. 74.78 Lakhs
e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	Nil

6.

a)	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	Nil
b)	Amount spent on Administrative Overheads	Nil
c)	Amount spent on Impact Assessment, if applicable	Not Applicable
d)	Total amount spent or unspent for the Financial Year	Nil

e) CSR amount spent or unspent for the Financial Year		
Total Amount spent for the Financial Year (Rs. in Lakhs)	**Amount Unspent (Rs. in Lakhs)**	
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135	**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section(5) of section 135**
Nil	Not Applicable	

f)	**Excess amount for set off, if any -**	
Sr. No.	**Particular**	**Amount (Rs. in Lakhs)**
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section(5) of section 135	0.00
(ii)	Total amount spent for the Financial Year	0.00
(iii)	Excess amount spent for the Financial Year [(ii) – (i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years	0.00
(v)	Amount available for set off in succeeding Financial Years [(iii) – (iv)]	74.78*

*The CSR expenditure undertaken during the previous year is eligible for set off as the Company was not eligible to spend on CSR activities during the financial year 2024-25. It also includes Rs. 3.86 Lakhs required to be set off during the financial year 2024-25.

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

<table>
<tr><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th><th colspan="2">6</th><th>7</th><th>8</th></tr>
<tr><th rowspan="2">Sl. No.</th><th rowspan="2">Preceding Financial Year(s)</th><th rowspan="2">Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (Rs. In Lakhs)</th><th rowspan="2">Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. In Lakhs)</th><th rowspan="2">Amount spent in the Financial Year (Rs. In Lakhs)</th><th colspan="2">Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any</th><th rowspan="2">Amount remaining to be spent in succeeding Financial Years (Rs. In Lakhs)</th><th rowspan="2">Deficiency, if any</th></tr>
<tr><th>Amount (Rs in Lakhs)</th><th>Date of transfer</th></tr>
<tr><td>1.</td><td>FY-2022-23</td><td>Nil</td><td>Nil</td><td>Nil</td><td colspan="4" rowspan="3">Not Applicable</td></tr>
<tr><td>2.</td><td>FY-2023-24</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>3.</td><td>FY-2024-25</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
</table>

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

9. Specify reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135 of the Act - Not Applicable.

Yashwant Kumar Daga
(Chairman and Managing Director)
And (Chairman CSR Committee)
(DIN 00040632)

Satya Prakash Sarda
(Member CSR Committee)
(DIN: 01089614)

Date : 26.05.2026
Place : Kolkata

'Annexure – III'

EXTRACT FROM NOMINATION AND REMUNERATION POLICY

Objective and Purpose of the Policy:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions, and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the textile industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward, linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Applicability:

The Policy is applicable to Directors (Executive and Non Executive), Key Managerial Personnel (KMP) and Senior Management Personnel.

Senior Management Personnel' means personnel of the Company occupying the position of Chief Executive Officer (CEO) of any unit/division, functional head or President, Sr. Vice President or Vice President of any unit/division or department of the Company. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Matters to be Dealt with, Perused and Recommended to the Board by the Nomination and Remuneration Committee:

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Carry out the evaluation of performance of Directors, KMP and Senior Management Personnel and recommend to the Board, their appointment and removal.
- Recommend to the Board, a policy relating to remuneration for the directors, KMP and other employees and recommend to the Board, amendments to such policy as and when required.
- Recommend to the Board, all remuneration in whatever form, payable to senior management.

Guiding Principles for Appointment and Removal of Director, KMP and Senior Management

- Remuneration policy and arrangements for Directors, KMPs and Senior Management Personnel, shall be determined by the Committee on the basis of Company's financial position, pay and employment conditions prevailing in peer companies or elsewhere in competitive market to ensure that the remuneration and the other terms of employment shall be competitive to ensure that the Company can attract, retain and motivate competent executives.

- Remuneration packages may be composed of fixed and incentive pay depending on short and long term performance objectives appropriate to the working of the Company.
- The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

Remuneration of the Whole-Time Directors, Directors, KMP and Senior Management Personnel

1. The remuneration / compensation / commission etc. to the Whole-time Directors and Directors will be determined by the Committee. It shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company, the Companies Act, 2013, the rules made there under and the Listing Agreement with Stock Exchanges as amended from time to time. The Committee shall recommend the remuneration / compensation / commission etc. to be paid to the Whole-time Director and Directors to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. Increments to the existing remuneration / compensation structure of Whole time Director and Directors may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders.
3. The Non- Executive / Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.
4. Commission to Non-executive Directors may be paid within the monetary limit approved by shareholders, as per the applicable provisions of the Companies Act, 2013.
5. The remuneration / compensation / commission etc. to the KMP and Senior Management Personnel will be determined based on the Company's financial position, trends and practices on remuneration prevailing in peer companies, in the textile industry and performance of such KMP and Senior Management Personnel.
6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.
7. An Independent Director shall not be entitled to any stock option of the Company.

'Annexure – IV'

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.

i. The ratio of the remuneration of each director to the median remuneration of the employee of the Company for the financial year 2025-26

ii.

Sr. No.	Name of Director	Remuneration of Directors for financial year 2025-26 (Rs. In Lakhs)	Ratio of remuneration of each Director to median remuneration of employees
	EXECUTIVE DIRECTORS		
1.	Shri Yashwant Kumar Daga,	Nil	Nil
2.	Shri Rajaram Kankani (w.e.f. 22.05.2025)	59.35	42.02
	NON-EXECUTIVE DIRECTORS		
3.	Shri Shantanu Daga (till 14.09.2025)	0.44	--
4.	Shri Sanjiv Banerji	1.73	1.22
5.	Shri Shounak Mitra	1.63	1.15
6.	Shri Satya Prakash Sarda	1.35	0.96
7.	Shri Hussan Lal	1.10	0.78
8.	Smt. Sonu Jain	1.10	0.78

Directors - 1. Ratio of remuneration of each Director to the median remuneration is not calculated for Shri Shantanu Daga, as he was with the Company for a part of the financial year 2025-26.

2. There was no increase in the remuneration of Directors.

Key Managerial Personnel

Shri Yashwant Kumar Daga, Chairman and Managing Director, does not receive any remuneration from the Company.

The percentage comparison in remuneration of Shri Rajaram Kankani, President and Whole Time Director could not be ascertained as he was appointed in the said post during the current year.

The percentage increase in the remuneration of Smt. Puneeta Arora, Company Secretary, was about 3.29% over the previous year.

The percentage increase in the remuneration of Shri Gajendra Singh Rathore, Chief Financial Officer, is not ascertainable, as he did not hold the position during the entire previous financial year. He was appointed Chief Financial Officer with effect from 01.02.2025.

iii. There was a decrease of (-)8.3% in the median remuneration of employees in the financial year 2025-26 as compared to the previous year.

iv. There were 3158 permanent employees on the roll of the Company as on 31.03.2026.

v. The average salary decrease of employees other than Key Managerial Personnel in the financial year, i.e. 2025-26 was about (-)1.2%. The average increase in the remuneration of Key Managerial Personnel is not ascertainable, as explained in para (ii) above. There are, no exceptional circumstances for an increase in managerial remuneration.

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

'Annexure – V'

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, PURSUANT TO SECTION 134(3)(m)OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

1. CONSERVATION OF ENERGY

a) Steps taken or impact on conservation of energy –

i) Baddi Works

1. We have installed the New Variable Frequency Drives on Induced Draft & Force Draft Fan of our Boiler (6 Ton per Hour, Make-Thermax) due to which we saved the electrical energy i.e. 88961 KWH per year.
2. We have stopped the Old GA-75+ Atlas Copco make Compressor after replacement with a New Energy Efficient Kaeser Make Compressor (Model- CSDX 145T) and saved the electrical energy, i.e. 80266 KWH per year.
3. Replacement of 15 Nos. LED Street light (25W) in place of Conventional Street light (40W) in our mill premises to save the Electrical Energy of 1944 KWH per year.
4. We have installed a 3-MW Direct Current (DC) solar power plant on 27^{th} March 2026 within our premises, which has generated 9960 KWH up to 31^{ST} March 2026, and further generation will come in next year.
5. We have been regularly arresting air leakage and replacing the defective splicer valve on the autoconer machine and PU Pipes, Solenoid Valves and air filter etc., in the Blow Room Carding, Ring Frame Machine, which was consuming highly compressed Air.
6. Electrical Energy saved after efficiently operating the Humidification Plant by synchronising the speed of fan and pumps as per requirement during the winter season every year, Total 9,23,616 Units Saved Yearly.
7. We have stopped the condensers on Blender No. 9 and Blender No. 10 and run the ventilator for higher results during blending, as well as saved the electrical energy, i.e. 11880 Units per Year.

ii) Guna Works

1. Our solar plant (3mw + 4mw) Direct Current (DC) generated more than 1 crore units, which resulted in savings of an average of the electricity tariff of Rs. 8 per KWH and estimated financial savings of Rs. 8 crores approximately since the installation of the solar power plant.
2. Our solar power plant has generated over 10 million units (10,054,321 KWH) of clean energy, resulting in substantial cost savings and preventing more than 8,000 tons of CO_2 emissions, reinforcing our commitment to sustainability.

b) Steps taken by the Company for utilizing alternate sources of energy-

i) Baddi Works

1. Installation of a 3-MW Direct Current (DC) solar power plant to generate clean energy.

2. Thermal insulation work on the steam pipelines helps to reduce heat loss and improve energy efficiency by conserving heat energy.

3. Acrylic sunlight sheets are installed on godowns and have been installed in one more godown to utilize natural daylight as an alternative source of lighting during daytime, thereby reducing dependence on electrical lighting and contributing to energy savings.

ii) Guna Works

1. Installation of a solar power plant within our premises, which is generating approximately 5 lakh units of electricity per month.

2. An underground tank with a capacity of 200 kilolitres per day at our 4 MW solar plant site does rainwater harvesting for the G1 and G2 units. The harvested rainwater is used for garden irrigation and to help recharge the groundwater table.

c) The Capital investment on energy conservation equipment-

- The Company is committed to adopting new technologies from time to time to enhance plant efficiency and reduce operational costs. As part of this initiative, the Company has made a capital investment of Rs. 7.15 Crore for the installation of the Baddi Solar power plant and other energy conservation measures.

2. Technology Absorption

a) Efforts made towards technology absorption –

Guna Works –

1. Replaced existing 04 no. LMW C1/3 carding machines with 4 units of LMW LC361 carding machines.
   - The LMW LC361 carding machines offer higher production capacity compared to the older C1/3, enabling increased output per machine.
   - Improved automation and optimised settings reduce stoppages and operator dependency.
   - Better waste control and consistent feed improve overall line efficiency.
2. Replaced 01 no. G5/1 machine with 1 unit of RF LR9SX.
   - The RF LR9SX (draw frame) provides higher delivery speeds and stable operation compared to the G5/1, boosting downstream productivity.

b) Benefits derived like product improvement, cost reduction, product development or import substitution –

These initiatives have resulted in better product management, cost reduction, increased output and product improvement.

c) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

i)	**The details of the technology imported**	Nil	Nil	1 no. Autoconer Machines from Savio Proxima-L, Italy	4 no. Autoconer Machines from Saurer Schlafhorst Germany
ii)	**The year of import**	2025-26	2024-2025	2023-2024	2022-23
iii)	**Whether the technology has been fully absorbed**	N.A.	N.A.	Yes	Yes
iv)	**If not fully absorbed, areas where absorption has not taken place and the reasons thereof**	N.A.	N.A.	N.A.	N.A.

d) The expenditure incurred on Research and Development (R & D) = Nil

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

	(Rs. In Lakhs)
Foreign Exchange earned (inflow)	**3927.93 Lacs**
Foreign Exchange used (outflow)	**3.33 Lacs**

The Report on Corporate Governance

A Report pursuant to Regulation 34(3) read with of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') in compliance with the Corporate Governance requirements is set out below.

1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's Corporate Governance practices are driven by the fundamental objective of ensuring fairness, transparency, accountability, and responsibility toward all stakeholders. We are committed to adopting and upholding the highest standards of Corporate Governance, consistent with global best practices and regulatory requirements.

The Company believes that sound Corporate Governance is essential for building trust with stakeholders, strengthening investor confidence, and ensuring long-term business sustainability. Our governance philosophy is not merely a regulatory requirement but a strategic commitment embedded in our culture and decision-making processes.

2) BOARD OF DIRECTORS

a) Composition of Board of Directors -

As on 31st March 2026, in compliance with the Listing Regulations, the Company's Board of Directors headed by Executive Chairman, Shri Yashwant Kumar Daga, comprised 6 other Directors, out of which 5 are Independent Non-executive Directors. In compliance with Listing Regulations, during the year 50% of the total number of Directors have been Independent Directors.

The information about composition and attendance of the Board of Directors in Board Meetings and the last Annual General Meeting, ('AGM')outside Directorships and other Memberships of Board Committees as on 31st March 2026 as applicable is given hereunder –

Director	DIN	Category	No. of Board Meetings attended	Attendance at the last AGM on 19.09.2025	*Number of Directorships in other Indian Public Companies	**Committee(s) positions in other Companies		Names of Other Listed Companies where Directorship held and kind of Directorship
						As Member	As Chairman	
Shri Yashwant Kumar Daga (Chairman and Managing Director)	00040632	Promoter / Executive	5	Yes	2	4	0	1. Deepak Industries Limited (Chairman cum Managing Director) 2. Magadh Sugar & Energy Limited (Non-Executive / Independent Director)
Shri Rajaram Kankani (w.e.f. 22.05.2025)	09188079	Executive	4	Yes	--	--	---	---
Shri Shantanu Daga (Till 14.09.2025	08757724	Promoter/ Non-Executive	2	No	--	--	---	---

Shri Sanjiv Banerji	07575727	Non-Executive Independent	5	Yes	--	--	---	---
Shri Shounak Mitra	07762047	Non-Executive Independent	4	Yes	2	3	--	1. Deepak Industries Limited 2. Capitalnumbers Infotech Limited
Shri Satya Prakash Sarda	01089614	Non-Executive Independent	5	Yes	1	--	1	Mangalam Engineering Projects Limited
Shri Hussan Lal	02286226	Non-Executive Independent	5	Yes	--	--	---	---
Smt. Sonu Jain	07267279	Non-Executive Independent	5	Yes	1	1	0	Mangalam Engineering Project Limited

- Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

** Committee positions only of the Audit Committee and Stakeholders Relationship Committee have been considered.

None of the Directors of the Company serves as Director in more than seven listed companies and none of the Independent Directors serves as Whole Time Director in any listed Company.

All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. Membership of the Directors in various committees is within the permissible limits of the Listing Regulations. None of the Directors of the Company was a member of more than ten Board-level Committees, or a Chairperson of more than five such Committees across all listed companies, in which he/she was a Director. Further, the Chairman and Managing Director is serving as an Independent Director in only one listed company.

All Independent Directors are free from any business or other relationship that could materially influence their independent judgment. The Company has received the requisite declarations from all the Independent Directors.

All the Independent Directors are below the age of seventy-five years. All the Independent Directors have been issued letters of appointment as per Schedule IV to the Companies Act, 2013. As required under Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company. (weblink- http://www.dsl-india.com/letter-of-appointment-of-independent-directors)

b) Familiarisation Programmes for Independent Directors

The Company has a Familiarisation Programme, for Independent Directors about their roles, rights, responsibilities in the Company, about the Company, its product, the industry, legal environment and business model of the Company, etc. In addition, the Independent Directors are briefed on the regulatory changes and their specific responsibilities and duties that may arise from time to time. The details of the Familiarisation Programmes are available on the website of the Company (weblink: http://www.dsl-india.com/familiarisation-programme)

c) Relationships of Directors inter se as on 31st March 2026

None of the Directors are related to each other.

d) Shareholdings of Non-Executive Directors in the Company as on 31st March 2026:-

None of the Non-Executive Directors are holding any shares in the Company as on 31st March 2026.

The Company does not have any Stock Option Scheme.

1. e) Board Meetings held during the year

During the financial year ended 31st March 2026, five meetings of the Board of Directors were held on –

(i) 22nd May 2025, (ii) 11th August 2025, (iii) 4th November 2025, (iv) 15th December 2025, (v) 5th February 2026.

The maximum gap between any two consecutive Board Meetings was less than 120 days. A requisite quorum was present for all the Board meetings. The dates for the Board Meetings are decided well in advance and communicated to the Directors. The meetings and agenda items taken up during the meetings complied with the requirements of the Companies Act, 2013 (Act) and the Listing Regulations, read with various circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

The Directors participated in the meetings of the Board and Committees held during the year through Video Conferencing. The Board periodically reviews all the relevant information, which is required to be placed before it according to the Companies Act 2013, rules thereunder, Listing Regulations and other applicable SEBI regulations and in particular, reviews the strategy, annual business plan, business performance of the Company, capital expenditure budget and risk management, safety and environment matters. Among other things, the Board also reviews the Compliance Report of all laws applicable to the Company, internal financial controls and financial reporting systems, adoption of financial results, minutes of the meetings of the Committees of the Board, etc. Steps are taken by the Company to rectify instances of non-compliance with any law, if any.

In addition to the information required to be made available to the Board as prescribed under Part A of Schedule II of Regulation 17(7) of the Listing Regulations, the Directors are also kept informed of the major events and approvals obtained, if necessary.

Recommendations of the Committees are placed before the Board for necessary approval and noting.

f) Code of Conduct

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel of the Company, which is available on the Company's website. The Company has received confirmations from the Directors as well as Senior Management Personnel regarding compliance with the Code during the year under review. The declaration by Shri Yashwant Kumar Daga, Chairman and Managing Director of the Company, in this regard is given as **'Annexure A'** to this report

g) Independent Directors' Meeting

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on 29th January 2026 through Video conferencing without the attendance of non-independent Directors and members of the management. All Independent Directors attended the said meetings, and Shri Sanjiv Banerji chaired the meeting.

h) Skills / expertise /competencies of the Board

The core skills / expertise / competencies as identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively, and those actually available with the Board of Directors are given below -

1. **Leadership :** Effective management of business operations, ability to guide on complex business decisions, anticipate changes, setting priorities, aligning resources towards achieving goals and protecting and enhancing stakeholders' value.
2. **Governance** : Ensuring adherence to the Corporate Governance Principles, protecting and enhancing stakeholders' value.
3. **Strategy planning** : Good business instincts and acumen, ability to get to the crux of the issue, ability to provide guidance and active participation in complex decision making, set priorities and focus energy and resources towards achieving goals.
4. **Financial Management** : In-depth understanding of financial statements, financial controls, proficiency in financial management and reporting process, expertise in dealing with complex financial transactions.
5. **Legal Expertise**: Having good legal knowledge and expertise in corporate law matters and other regulatory aspects.
6. **Technical acumen** : Sound technical acumen, ability to anticipate technological trends, create advanced business models.
7. **Risk Management** : In depth knowledge and expertise of risk management, risk framework, adequacy and efficiency of control, mitigation of risks, etc. in respect of the business of the Company.
8. **Sales and Marketing** : Experience in sales and marketing, provide guidance in developing strategies for increasing sales, enhancing brand value and customer satisfaction, etc.
9. **Human Resource Development** : Having knowledge and expertise in the areas of Human Resource Development, benchmarking with the best human resource practices adopted in the Industry , ensuring safety, well being of employees etc.

As on 31.03.2026, Directors who possess aforesaid core skills/expertise / competence is given as under:-

Name of Directors	Leadership	Governance	Strategy Planning	Financial Manage-ment	Legal Expertise	Technical Acumen	Risk Manage-ment	Sale and Marketing	Human Resource Develop--ment
Sh. Yashwant Kumar Daga	√	√	√	√	√	√	√	√	√
Sh. Rajaram Kankani	√	√	√	√		√	√	√	√

Name of Directors	Leadership	Governance	Strategy Planning	Financial Manage-ment	Legal Expertise	Technical Acumen	Risk Manage-ment	Sale and Marketing	Human Resource Develop--ment
Sh. Shantanu Daga (till 14.09.2025)	√	√	√	√		√	√	√	√
Sh. Sanjiv Banerji	√	√	√	√			√		√
Sh. Shounak Mitra	√	√	√		√		√		√
Sh. S. P. Sarda	√	√	√	√	√		√	√	√
Sh. Hussan Lal	√	√	√			√	√	√	√
Smt. Sonu Jain	√	√	√	√	√		√		√

i) Confirmation from the Board of Directors in context to Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the disclosures received from all the independent directors and in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and the Listing Regulations and are independent of the management.

Further, the Independent Directors of the company have their names included in the **Databank of Independent Directors** maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. Requisite disclosures have been received from the Independent Directors in this regard.

3) AUDIT COMMITTEE

The powers, role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 and Part C of Schedule II of the Listing Regulations as well as Section 177 of the Companies Act, 2013.

The powers of the Audit Committee include investigating any activity within its terms of reference as specified by the Board and seeking information from any employee, obtaining professional advice from external sources, securing the attendance of outsiders with relevant expertise, if required, and having full access to information contained in the records of the Company.

The role of the Audit Committee includes –

- oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;

- recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors;
- reviewing with the management quarterly results and annual financial statements before submission to the Board for approval;
- approval or any subsequent modification of any transactions of the Company with related parties;
- review and monitor the auditor's independence and performance and the effectiveness of the audit process;
- evaluation of internal financial controls and risk management system; scrutiny of inter-corporate loans and investments, if any,
- Reviewing the functioning of the Vigil Mechanism and
- ensuring compliance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Further, under Regulation 18(2)(c) of the Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted to it by the Board of Directors from time to time.

During the year, the Committee met four times, as on –

(i) 21st May 2025, (ii) 11th August 2025, (iii) 4th November 2025, and (iv) 5th February 2026.

The maximum gap between any two consecutive meetings was less than 120 days. The Composition of the Audit Committee during the financial year ended on 31st March 2026 and the details of Members' participation at the meetings of the Committee are as under:-

Name of the Member	Status	Category	No. of Meetings attended
Shri Sanjiv Banerji	Chairperson	Non-Executive Independent	4
Shri Yashwant Kumar Daga	Member	Executive Non-Independent	4
Shri Shounak Mitra	Member	Non-Executive Independent	4

Smt. Puneeta Arora, Company Secretary, is Secretary to the Committee. The necessary quorum was present at the meetings. Internal Auditors, Cost Auditors, and Statutory Auditors are invited to attend the Meeting to discuss issues and queries at the Committee meetings. Chief Financial Officer and other Representatives from various divisions of the Company are also invited, if required, to address concerns raised by the Committee.

4) NOMINATION AND REMUNERATION COMMITTEE

The powers, role and terms of reference of the Nomination and Remuneration Committee cover the matters specified under Regulation 19 of the Listing Regulations as well as Section 178 of the Companies Act, 2013. The role includes –

- Formulation of criteria for determining qualifications, positive attributes and independence of a director;

- Recommending to the Board a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- 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 their appointment and removal, and noting their cessation.
- Whether to extend or continue the term of appointment of the Independent Director based on the report of the performance evaluation of the Independent Directors.
- Recommend to the Board all remuneration, in whatever form, payable to senior management.

Shri Shounak Mitra is Chairperson of the Nomination and Remuneration Committee. Necessary quorum was present for the meeting of the Committee.

During the year, the Committee met once on 16th May 2025.

The Composition of the Nomination and Remuneration Committee during the financial year ended on 31st March 2026 and the details of Members' participation at the meetings of the Committee are as under:-

Name of the Member	Status	Category	No. of Meetings attended
Shri Shounak Mitra	Chairperson	Non-Executive Independent	1
Shri Sanjiv Banerji	Member	Non-Executive Independent	1
Shri S. P. Sarda	Member	Non-Executive Independent	1

Particulars of Key Managerial Personnel and Senior Management Personnel and appointments / role changes during the financial year 2025-26

Sr. No.	Name	Designation	Change since the previous financial year (Yes/No)	Nature of change and effective date
KEY MANAGERIAL PERSONNEL				
1.	Shri Pradip Kumar Daga	Chairman Emeritus	Yes	Passed away on 18.11.2025.
2.	Shri Yashwant Kumar Daga	Chairman and Managing Director	No	--
3.	Smt. Puneeta Arora	Company Secretary	No	--
5.	Shri Gajendra Singh Rathore	Chief Financial Officer	No	--
6.	Shri Rajaram Kankani	President	Yes	Change of designation on 22.05.2025
7.	Shri Rajaram Kankani	President and Whole Time Director	Yes	Appointed Whole Time Director on 22.05.2025

SENIOR MANAGEMENT PERSONNEL				
2.	Shri M. S. Shekhawat	Sr. Vice President (Marketing)	No	--
3.	Shri Sudesh Tiwari	Executive President	No	--
4.	Shri Sham Sunder Saxena	Sr. Vice President (Personnel & Administration)	Yes	Resigned on 02.03 2026 due to health reasons.
5.	Dr. Ramesh Kumar Sharma	Sr. Vice President (Personnel & Administration)	Yes	Appointed in place of Shri Sham Sunder Saxena with effect from 05.03.2026
5.	Shri Matru Prasad Satpathy	Executive President	No	--
6.	Shri Yogendra Kumar Singh	Vice President (Personnel & Administration)	No	--
7.	Shri S. K. Thakur	Sr. Vice President (Engineering)	No	--

Particulars of remuneration paid/ payable to Directors during the financial year 2025-26:-

Amount in Rs.

Name of the Director	Salary	Perquisites/ LTA	Company's Contribution to Provident Fund	Commission (for FY 2025-26 payable in FY 2026-27)**	Sitting fees paid during the year*	Leave encashment and gratuity	Total (Rs.)
Sh.Yashwant Kumar Daga (Chairman and Managing Director)	--	--	--	--	--	--	--
Sh. Rajaram Kankani	33,00,000	22,38,630	3,96,000	--	--	--	59,34,630
Sh. Shantanu Daga	--	--	--	--	44,000	--	44,000
Sh. Sanjiv Banerji	--	--	--	--	1,72,500	--	1,72,500
Sh. Shounak Mitra	--	--	--	--	1,63,000	--	1,63,000
Sh. Satya Prakash Sarda	--	--	--	--	1,35,000	--	1,35,000
Sh. Hussan Lal	--	--	--	--	1,10,000	--	1,10,000
Smt. Sonu Jain	--	--	--	--	1,10,000	--	1,10,000

* Sitting fees for attending meetings of the Board and /or Committee thereof. The Company paid sitting fees of Rs. 22,000/- per meeting to the Non-Executive Directors for attending the meetings of the Board and Rs. 12,500/- per meeting for attending the meetings of the Committees of the Board.

Shareholders had approved, in addition to the sitting fees and reimbursement of expenses for attending the meetings of the Board or Committees thereof, payment of Commission to Non-Executive Directors up to 1% of Net Profits in the Annual General Meeting held on 12th September 2019. However, payment of commission for the year 2025-26 has not been approved by the Board of Directors.

The Company does not have any stock option scheme.

None of the Non-Executive Directors has any material financial interest in the Company apart from payment of sitting fees to them for attending the Board and Committee meetings and commission as approved by the members and Board.

The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than payment of sitting fees to them for attending the Board and Committee meetings and commission as approved by members and the Board.

Performance Evaluation Criteria

In terms of the requirements of the Act and the Listing Regulations, an annual performance evaluation of the Board, its Committees and the Directors was undertaken which included the evaluation of the Board as a whole, Board Committees and individual Directors. The criteria for performance evaluation covers the areas relevant to the functioning of the Board and Board Committees such as its composition and operations, the Board as a whole and group dynamics, effectiveness, performance, etc. The performance of individual Directors was evaluated on the parameters such as preparation, participation, flow of information, conduct, independent judgement and effectiveness.

The Nomination and Remuneration Committee lays down the framework for the performance evaluation of Independent Directors. The performance evaluation of the Independent Directors is carried out using criteria that reflect the responsibilities and expectations associated with their role. The evaluation focuses on areas critical to their effectiveness as Independent Directors, including their contribution to sustainable value creation for shareholders and their adherence to the duties and obligations prescribed for them.

The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Director subject to evaluation had not participated.

5) STAKEHOLDERS RELATIONSHIP COMMITTEE

The roles and responsibilities of the Stakeholders Relationship Committee are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations and include –

a) Resolving the grievances of shareholders of the Company, including related to transmission/ transposition of shares, non-receipt of annual report, general meetings, non-receipt of declared dividends, issue of new/duplicate certificates, recording of dematerialization/rematerialization of shares and related matters.

b) Review of measures taken for the effective exercise of voting rights by shareholders.

c) Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Transfer Agents.

d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Smt. Puneeta Arora, Company Secretary, is designated as the Compliance Officer by the Board.

During the financial year ended 31st March 2026, 2 complaints were received and were satisfactorily disposed of. As on 31.03.2026, the pendency of complaints was Nil.

During the year, the Committee met once as on 16th May 2025. The Composition of the Stakeholders Relationship Committee as at 31st March 2026 and the details of Members' participation at the meetings of the Committee are as under:-

Name of the Member	Status	Category	No. of Meetings attended
Shri Shounak Mitra	Chairperson	Non-Executive Independent	1
Shri Yashwant Kumar Daga	Member	Executive Non-Independent	1
Shri Satya Prakash Sarda	Member	Non-Executive Independent	1

Necessary quorum was present for the meeting of the Committee.

6) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee oversees Corporate Social Responsibility (CSR) and other related matters and discharges the roles as prescribed under Section 135 of the Act, which includes –

i) formulation and review of CSR Policy and to make it comprehensive to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

ii) to ensure adherence to CSR Policy; and

iii) to provide guidance on various CSR activities to be undertaken by the Company

iv) recommending the amount of expenditure to be incurred on CSR and

v) to monitor the progress of CSR activities.

As per the eligibility criteria provided in the Companies Act, 2013, the Company had no eligibility to incur CSR expenditure during the year 2025-26. Hence, no meeting of the CSR was held during the year.

7) GENERAL BODY MEETINGS.

a) Location, date and time of last three Annual General Meetings (AGMs) is as follows: -

Particulars	Location	Date	Time	Special Resolutions passed
41st AGM	Conducted through video conferencing, deemed venue of which was 121, Industrial Area, Baddi, Tehsil Nalagarh, dist-Solan, Pin-173205 (H.P.)	12.06.2023	4.00 p.m.	Appointment of Shri Sharad Agarwal as Independent Director.
42nd AGM		30.08.2024	3.30 p.m.	No Special resolution was passed in this meeting.
43rd AGM		19.09.2025	3.30 p.m.	To appoint Shri Raja Ram Kankani as a Whole Time Director designated as "President and Whole Time Director'

As required, voting was conducted electronically with M/s. Central Depository Services (India) Limited facilitating the remote e-voting as well as e-voting during the AGM.

During the 41st AGM, two special resolutions pertaining to the matters given below could not be passed due to a lack of requisite votes in their favour.-

1. Reappointment of Shri Pradip Kumar Daga as Chairman and Managing Director.
2. Appointment of Shri Shantanu Daga as Whole Time Director.

b) Extra Ordinary General Meeting (EGM) held during the year

No Extra Ordinary General Meeting was held during the year.

c) Postal Ballot

i) During the year under review, the Company sought approval of the shareholders by way of postal ballot only through remote e-voting process, vide Notice dated 15th December 2025 on the following resolutions –

Sr. No.	Type of Resolution	Description of Resolution
1.	Special Resolution	Alteration in Memorandum of Association
2.	Special Resolution	Alteration in Articles of Association

All the resolutions were passed with requisite majority. The details of e-voting on the abovementioned resolutions are provided hereunder -

Particulars	Votes Cast in Favour			Votes Cast Against		
	No. of Members	No. of shares/ Votes	%ge	No. of Members	No. of shares/ Votes	%ge
Alteration of Memorandum of Association – Special Resolution.	28	3032873	99.03%	4	29728	0.97%
Alteration of Articles of Association – Special Resolution.	28	3032873	99.03%	4	29728	0.97%

ii) The Board of Directors had appointed Shri Ajay K.Arora (Membership No. FCS 2191 and Certificate of Practice No. 993) as the Scrunitizer to scrutinize the remote e-voting process in a fair and transparent manner.

iii) The remote e-voting period commenced from 9.00 a.m. (IST) on Thursday, 1st January 2026 and ended at 5.00 p.m. (IST) on Friday, 30th January 2026. The consolidated report on the result of the postal ballot through remote e-voting process was provided by the Scrutinizer on Saturday, 31st January 2026.

iv) Procedure for Postal Ballot-

The Postal Ballot was carried out as per the provisions of Section 110 read with Section 108 and other applicable provisions, if any of the Act including any statutory modification(s) or re-enactment(s) thereof for the time being in force read with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations'), Secretarial Standard of General Meetings (SS-2) to the extent applicable, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs vide its General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 5 May 2020, 22/2020 dated 15 June 2020, 33/2020 dated 28 September 2020, 39/2020 dated 31st December 2020, 10/2021 dated 23rd June 2021, 20/2021 dated 8th December, 2021,02/2022 dated May 05, 2022, 3/2022 dated 5th May 2022, 10/2022 dated 28th December 2022, 11/2022 dated 28th December 2022, 9/2023 dated 25th September 2023, 9/24 dated 19th September 2024 and latest being 03/25 dated 22nd September 2025.

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

Special Resolutions to be passed at the ensuing Annual General Meeting of the Company are not proposed to be put through postal ballot. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.

8) MEANS OF COMMUNICATION

Quarterly/ Half Yearly Financial Results are published in leading newspapers such as Jansatta (regional newspaper) and Financial Express (National - English), and are also displayed at the Company's **website www.dsl-india.com**

Official press releases, presentations to analysts and institutional investors, if any, and other general information about the Company, are not communicated individually to shareholders of the Company. However, in addition to uploading the same on the website of the Company are also sent to Stock Exchanges for dissemination.

9) GENERAL SHAREHOLDER INFORMATION –

Annual General Meeting		
Day, Date and Time	:	Thursday, 13th August 2026 at 4.00 p.m.
Venue	:	The Company is conducting Annual General Meeting through Video Conferencing ('VC') /Other Audio Visual Means ('OAVM') The deemed venue for the meeting is the Registered Office of the Company, that is, 121, Industrial Area, Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh – 173205.
Dates of Book closure	:	From Friday 7th August 2026 to Thursday, 13th August 2026 (both days inclusive)
Cut-off Date	:	Thursday, 6th August 2026
Dividend Payment Date	:	No dividend has been recommended by the Board of Directors
Financial Year	:	1st April to 31st March
Financial Calendar 2026-27 (Tentative)		
First Quarter Results		First or second week of August 2026
Second Quarter Results		First or second week of November 2026
Third Quarter Results		First or second week of February 2027
Annual Results		Second week onwards of May 2027

Listing on Stock Exchange :

Name & address of the Stock Exchange	ISIN no. for NSDL / CDSL
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001	INE272C01013

Annual listing fee for the year 2026-27 has been paid to the Stock Exchange.

Suspension from trading

Securities of the Company have not been suspended from trading on BSE Limited, where they are listed.

Registrars & Transfer Agents (RTA) in Physical and Electronic (DEMAT) Mode.

M/s Maheshwari Datamatics Private Limited, 23, R.N Mukherjee Road, 5th Floor, Kolkata - 700001.
Telephone : (033)22435029, (033)22433809, (033) 22482248.
E-mail – contact@mdplcorporate.com Website – https://mdpl.in

Share Transfer System

Share Transfer System. In terms of the Listing Regulations, transfer, transmission and transposition of equity shares of the Company shall be effected only in dematerialised form. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit.

As per the notifications/ circulars/ guidelines issued by SEBI from time to time, the Company shall issue the securities in dematerialized form only, pursuant to processing of any service requests from shareholders viz., issue of duplicate share certificates, exchange/ sub-division/ split/ consolidation of securities, transmission/ transposition etc.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Special window for transfer and dematerialisation of physical securities

In terms of SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 dated January 30, 2026, another special window has been opened for the transfer and dematerialisation of physical securities which were sold/purchased prior to 1st April 2019. **The special window will remain open for a period of 1 year from 5th February 2026 till 4th February 2027.** The special window shall also be available for such transfer requests which were submitted earlier and were rejected/returned / not attended to due to a deficiency in documents, process or any other reason.

The securities that are re-lodged for transfer shall be credited to the transferee only in demat mode and shall be under a lock-in period of one year from the date of transfer.

Equity Shares in Suspense Escrow Demat Account

In compliance with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, the Company has opened '**Deepak Spinners Limited Escrow Demat Account'** with M/s. Aditya Birla Money Limited to transfer unclaimed securities. As on 31.03.2026, there were 890 shares in this Escrow Demat Account.

Details of shares transferred to/ released from Suspense Escrow Demat account during the financial year ended 31st March 2026 are as under:

Particulars	No. of shareholders	No. of Shares
Shares lying as on 1st April 2025	6	890
Shares transferred during financial year ended on 31st March 2026	Nil	Nil
Shares claimed back during the financial year ended on 31st March 2026	Nil	Nil
Shares lying as on 31st March 2026	6	890

The Company has not transferred any equity shares to any other demat suspense account or unclaimed suspense account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Pattern of Shareholding as on 31.03.2026.

Sr. No.	Category	No. of Shares	% of Paid up Share Capital
1.	Promoters	33,05,768	45.98
2.	Financial Institutions, Banks, Mutual Funds and Insurance Companies	1020	0.01
4.	Bodies Corporates	4,00,328	5.57
5.	Investor Education and Protection Fund Authority	3,24,536	4.51
6.	HUF	2,32,177	3.23
7.	NRIs and OCBs	88,670	1.23
8.	Foreign Nationals	700	0.01
9.	Unclaimed Suspense Account	890	0.01
10.	Other Resident Individuals	28,35,279	39.45
	Total	**71,89,368**	**100.00**

Distribution of Shareholding as on 31.03.2026.

Shareholding	No. of Shares held	% of total paid Up Capital	No. of Shareholders	% of total No. of Shareholders
Upto 500	9,04,429	12.58	8,460	90.84
501-1000	3,30,083	4.59	438	4.70
1001-10000	10,15,778	14.13	378	4.06
10001 & above	49,39,078	68.70	37	0.40
Total	**71,89,368**	**100.00**	**9,313**	**100.00**

Unclaimed Dividends

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, Investor Education and Protection Fund Authority (Accounting, Audit, transfer and Refund) Rules, 2016 ('IEPF Rules') read with the relevant circulars and amendments thereto, the amount of dividend if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company are liable to be transferred to the Investor Education and Protection Fund ('IEPF') constituted by the Central Government.

Pursuant to the provisions of IEPF Rules, all shares in respect of which a dividend has remained unclaimed for seven consecutive years or more from the date of transfer to the Unpaid Dividend Account shall also be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends. Details of the shares/shareholders in respect of which dividend has not been claimed are provided on the website of the Company at http://www.dsl-india.com/unclaimed-dividends

In the light of the aforesaid provisions, the Company had, during the year 2023-24, transferred to IEPF the unclaimed dividends in respect of Interim Dividend for the financial year 2015-16, outstanding for seven consecutive years. Further, shares of the company in respect of which a dividend has not been claimed for seven consecutive years or more from the date of transfer to the Unpaid Dividend Account have also been transferred to the demat account of the IEPF Authority.

The Company has uploaded the information in respect of the unclaimed dividends on the website of the IEPF, viz. www.iepf.gov.in and on the website of the company at http://www.dsl-india.com/unclaimed-dividends.

NODAL OFFICER - The Company has appointed Smt. Puneeta Arora, Company Secretary, as Nodal Officer under the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

Members/ claimants whose shares or unclaimed dividend have been transferred to the IEPF Demat Account or the IEPF Fund, as the case may be, may claim the shares or apply for a refund by making an application to the IEPF Authority in Form IEPF -5 (available on http://www.iepf.gov.in) and send a duly signed copy of the same to the Registrar and Transfer Agents of the Company at their email and office address given in this report. The member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

Information in respect of Unclaimed dividend and due dates for Transfer of Unclaimed Dividend to the Investor Education and Protection Fund (IEPF)-

Sr. No.	Dividend	%ge of Dividend	Date of Declaration	Due date of transfer to IEPF
1.	Final Dividend 2018-19	15%	12.09.2019	15.10.2026
2.	Interim Dividend 2019-20	15%	05.03.2020	09.04.2027
3.	Final Dividend 2020-21	20%	23.09.2021	26.10.2028
4.	Final Dividend 2021-22	25%	30.06.2022	29.07.2029
5.	Final Dividend 2022-23	25%	12.07.2023	14.08.2030
6.	Final Dividend 2023-24	5%	30.08.2024	05.10.2031

Dematerialisation of shares and liquidity

As on 31st March 2026, 97.12% equity shares of the Company are in dematerialised form with **National Securities Depository Limited** and **Central Depository Services (India) Limited.**

Requests for dematerialisation of shares are processed, and confirmation thereof is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates, provided the documents are complete in all respects.

Outstanding GDR or ADRs or warrants or any convertible instruments

The Company has not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities

The Company has reasonable exposure to foreign exchange. Export sales transactions are covered under the PCFC (Pre-Shipment Credit In Foreign Currency) facility availed from the Bankers of the Company, and there is a natural hedging partly available in terms of exports made by the Company. The details of foreign exchange exposure are detailed in Note no 43 of the Annual Financial Statements.

Plant locations

i) 121, Industrial Area, Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh- 173205 .

ii) Village Pagara, Tehsil & District Guna, Madhya Pradesh – 473001.

Address for correspondence

1. Deepak Spinners Limited, Share Department, 121, Industrial Area, Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh- 173205 .(INDIA). Telephone : (01795)244011, (01795)244016.
2. M/s Maheshwari Datamatics Private Limited, 23, R.N Mukherjee Road, 5th Floor, Kolkata - 700001. Telephone : (033)22435029, (033)22433809, (033) 22482248.

Designated email-id for investor servicing :

The e-mail ids designated exclusively for investor servicing– **contact@mdplcorporate.com** and **puneeta.arora@dslindia.in**

Credit Rating

The Company has the following credit rating from M/s. ICRA Limited on 23rd September 2025 .

Facility	Amount (Rs. Crore)	Rating / Outlook
On Long Term Scale		
Fund Based – Cash Credit	60.00	[ICRA]A- (Negative), outstanding
Non-Fund Based – Bank Guarantee	3.00	
Total	**63.00**	
On Short Term Scale		
Fund Based – Export Packing Credit (Interchangeable)^	(15.04)	[ICRA]A2+ outstanding
Fund Based – Bill Discounting (Interchangeable)^	(15.04)	
Non-Fund Based – Letter of Credit	2.00	
Non-Fund Based – Capex Letter ofCredit	10.00	
Non-Fund Based – Credit Exposure Limit	1.00	
Long-term/ Short-term - Unallocated limit	16.10	[ICRA]A- (Negative) / [ICRA]A2+; outstanding
Total	**29.10**	
^Within the overall fund based working capital limit		

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) – Not Applicable

10) CEO/CFO CERTIFICATION

As required by Regulation 17(8) of the Listing Regulations, the Chairman and Managing Director [CEO] and Chief Financial Officer [CFO] of the Company have certified to the Board about the accuracy of the financial statements, maintenance of the code of conduct of the Company and adequacy of the internal control systems for the financial year ended on 31st March 2026.

11) OTHER DISCLOSURES

a) RELATED PARTY TRANSACTIONS - All related party transactions have been entered into in the ordinary course of business and are transactions for which omnibus approval of the Audit Committee was taken. There were no materially significant transactions with related parties during the financial year which were not in the normal course of business and which may have conflicted with the interests of the Company. All individual transactions with related parties or others were on an arm's length basis. Suitable disclosures as required by the IND AS 24 – 'Related Party Disclosures' have been made in the Note no. 42 to the Financial Statements.

The Board has formulated a **Policy for Related Party Transactions** which is available on the Company's website. (weblink: http://www.dsl-india.com/policies-code-of-conduct)

b) The Company has fully complied with all the applicable requirements of regulatory authorities on Capital Markets, except that the Company paid a penalty of Rs. 2,000/- excluding GST, for late submission by 2 days of the quarterly return of Investor Complaints for the quarter ended 30.09.2024. The penalty has been paid by the Company.

During the year 2024-25, the majority of the Directors on the Board ceased to hold office, resulting in the absence of a validly constituted Board for a period. Consequently, the Committees of the Board could not meet the prescribed composition requirements due to the unavailability of requisite members.

The appointment of new Directors—except for the appointment of a Woman Director—was carried out within the timelines stipulated under the Listing Regulations. The reconstitution of Board Committees could only be undertaken following the appointment of the new Directors.

For the quarter ended 31st December 2024, BSE Limited imposed a penalty of Rs 5,61,000/- excluding GST on the Company on account of the temporary non-compliance with the composition of Board Committees and the delayed appointment of a Woman Director. The Company submitted that, in the absence of Directors, the time allowed for their appointment should reasonably extend to the reconstitution of Committees. However, this submission was not accepted by BSE Limited, and the penalty has since been duly paid by the Company.

The Company currently has a properly constituted Board of Directors and its Committees, in accordance with applicable laws and regulations.

c) VIGIL MECHANISM - The Company has a Vigil Mechanism to provide an avenue for Directors and employees to raise concerns of any fraud, mismanagement, negligence, or violations of legal or regulatory requirements. The Policy on Vigil Mechanism is also posted on the website of the Company. The Audit Committee periodically reviews the functioning of the Vigil Mechanism.

The mechanism provides for adequate safeguards against the victimisation of personnel who avail of the mechanism. Although no personnel was denied access to the Vigil Officer and the Audit Committee, no complaints were received during 2025-26.

d) **SUBSIDIARY COMPANIES -** The Company does not have any subsidiary Company.

e) **SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and rules made thereunder, the Company has formed Internal Complaints Committees at its locations to address complaints pertaining to sexual harassment in accordance with the POSH Act.

The status of complaints under POSH Act, during the year, was as follows –

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

f) All Accounting Standards mandatorily required to be followed have been followed without exception in the preparation of the financial statements.

g) Procedures for the assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that management can control risks. The Company is not required to form a Risk Management Committee.

h) No money was raised by the Company through any public issue, rights issue, preferential issue, etc., during the financial year 2025-26.

i) **A Certificate from a Company Secretary in Practice**, M/s. A. Arora & Company, Company Secretaries has been received stating 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 or Ministry of Corporate Affairs or any such statutory authority. It is given as **'Annexure – B'** to this report.

j) **Management Discussion and Analysis** forms part of the Annual Report to the shareholders, and it includes discussion on matters as required under Schedule V of the Listing Regulations.

k) **As per Regulation 26(5) of Listing Regulations**, there were no material financial and commercial transactions by Senior Management, where they have a personal interest that may have a potential conflict with the interest of the Company at large, requiring disclosure by them to the Board of Directors of the Company.

l) **Recommendations of Committees to the Board -** During 2025-26, the Board of Directors accepted all recommendations of various committees of the Board, which were mandatorily required to be placed before the Board.

m) Total fees for all services paid by the Company to the Statutory Auditors, M/s. Salarpuria & Partners, Chartered Accountants during the year 2025-26 were as follows-

	Amount in Rs.
Audit Fee	12,10,000
Limited Review	2,70,000
Certification Fee	60.000
Reimbursement of Expenses	92,491
Total	**16,32,491**

12) The Company has complied with all the mandatory requirements of Corporate Governance specified in Regulations 17 to 27 and clauses (b) to (f) of Regulation 46(2) of the Listing Regulations.

13) The Corporate Governance Report of the Company for the year ended on 31st March 2026 complies with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. There is no non-compliance with any of the requirements of the Corporate Governance Report as required under the Listing Regulations

14) The status of adoption of the discretionary requirements as specified in Regulation 27(1) and Part E of Schedule II of the Listing Agreement are as follows: -

1. **The Board –** The Chairman of the Company is the Executive Chairman.
2. **Shareholders' Rights -** Quarterly and Half-yearly financial results are published in newspapers and uploaded on Company's website but are not being sent to each household of shareholders of the Company.
3. **Modified opinion(s) in audit report –**The Auditors have raised no qualification on the financial statements.
4. **Separate Posts of Chairperson and Managing Director or the Chief Executive Officer** – All these posts are held by one person
5. **Reporting of Internal Auditor-** The Internal Auditors report directly to the Audit Committee. They are also invited to the meetings of the Audit Committee to discuss issues and queries raised by the latter.

15) Disclosure of Compliances –

The Company has disclosed its compliance with regulations in respect of Corporate Governance as per Listing Regulations on its website www.dsl-india.com.

16) Reconciliation of Share Capital Audit

As stipulated by the Securities and Exchange Board of India (SEBI) a qualified practicing Chartered Accountant carries out Reconciliation of Share Capital Audit. This Audit is carried out for every quarter and the report thereon is submitted to the Stock Exchange and is placed before the Board.

17) Compliance Certificate

Compliance Certificate for Corporate Governance from a Practicing Company Secretary is given as **'Annexure-C'** to this report.

18) Filing of Cost Audit Report

As per Section 148 of the Companies Act, 2013, read with Rule 6 of the Companies (Cost Records and Audit) Rules, 2014, Cost Auditors have to forward Cost Audit Report to the Board of Directors of the Company within a period of 180 days from the closure of financial year and the said report is required to be filed within a period of 30 days from the date of receipt with the Ministry of Corporate Affairs.

In compliance with the requirements under General Circular 15/2011 dated 11 April, 2011 of Ministry of Corporate affairs, the details of Cost Audit Report filed with Ministry of Corporate Affairs during the year is as below –

Financial Year	Name of Cost Auditor	Date of Filing
2024-25	M/s. Shakti K. & Associates, Cost Accountants,	20.08.2025

This Corporate Governance Report was adopted by the Board of Directors at its meeting held on 26th May 2026

'Annexure - A'

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT.

To,
The Members of
Deepak Spinners Limited

It is hereby confirmed that all the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March 2026.

Yashwant Kumar Daga
Place : Kolkata *Chairman and Managing Director*
Date : 26.05.2026 (DIN- 00040632)

'Annexure - B'

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Deepak Spinners Limited,
#121, Industrial Area, Baddi,
Tehsil: Nalagarh, Distt: Solan,
Himachal Pradesh.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Deepak Spinners Limited having CIN: L17111HP1982PLC016465 and having registered office at # 121, Industrial Area, Baddi, Tehsil: Nalagarh, Distt: Solan, Himachal Pradesh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Yashwant Kumar Daga	00040632	23.10.2006
2.	Mr. Sanjiv Banerji	07575727	13.11.2024
3.	Mr. Shounak Mitra	07762047	13.11.2024
4.	Mr. Satya Prakash Sarda	01089614	30.12.2024
5.	Mr. Hussan Lal	02286226	06.01.2025
6.	Ms. Sonu Jain	07267279	06.01.2025
7.	Mr. Rajaram Bankatlal Kankani	09188079	22.05.2025

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

For **A. Arora & Co.,**
Company Secretaries

Ajay K. Arora
(Proprietor)
M No. 2191
C P No. 993
Peer Review Cert No. 2120/2022

Date: 26.05.2026
Place: Chandigarh
UDIN: F002191H000505573

'Annexure - C'

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Deepak Spinners Limited

We have examined the compliance of the conditions of Corporate Governance by **Deepak Spinners Limited** ("the Company") for the Financial Year ended 31st March, 2026, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

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

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **A. Arora & Co.,**
Company Secretaries

Ajay K. Arora
(Proprietor)
M No. 2191
C P No. 993
Peer Review Cert No. 2120/2022

Date: 26.05.2026
Place: Chandigarh
UDIN: F002191H000505595

Independent Auditor's report

To The Members of Deepak Spinners Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Deepak Spinners Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of Material Accounting Policies and other explanatory information (hereinafter 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 aforesaid 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, its profit including other comprehensive income, its Cash Flows and the changes in equity 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), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the `Code of Ethics', 2019 (Revised) issued by the Institute of Chartered Accountants of India 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 audit opinion on the Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

S. N.	Key Audit Matter	Auditor's Response
1.	**Valuation of Inventories** We refer to Note 9 to the Financial Statements. As at March 31, 2026, the total carrying value of inventories was Rs. 8,739.21 Lakhs. The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions, and the application of significant judgment. Reviews are made periodically by management on inventories for obsolescence and declined in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, shelf life and turnover rate.	**How our audit addressed the key audit matter:** The Audit procedures which we performed, among other matters based on our judgement, included the following: • We have analysed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventories obsolescence. • We conducted a detailed discussion with the key management and considered their views on the adequacy of allowances for inventories obsolesce-ence considering the current economic environ-ment. • We have also verified the subsequent selling prices in the ordinary course of business and compared against the carrying value of the inventories on a sampling basis at the reporting date. • We found management's assessment of the allow-ance for inventory obsolescence to be reasonable based on available evidence.
2.	**Property, Plant and Equipment** PPE constitutes a significant portion of the total assets of the Company. Additions during the year, including capital expenditure and capital work-in-progress, are material to the financial statements. Any misstatement in capitalisation, depreciation or impairment could have a material impact on profits and net assets. Given the materiality of Property, Plant and Equipment and judgement involved in its recognition and measurement in accordance with IndAs 16, we determined this to be a key audit matter.	**How our audit addressed the key audit matter:** The Audit procedures which we performed, among other matters based on our judgement, included the following: • Understanding and evaluating the design and testing the operating effectiveness of key controls over capital expenditure, including authorisation, recording and monitoring of Property, Plant and Equipment • Testing, on a sample basis, additions to Property, Plant and Equipment by examining supporting documentation to assess whether the costs capitalised meet the recognition criteria under Ind AS 16. • Reviewing management's assessment of useful lives and depreciation methods to evaluate consistency with the Company's accounting policies and applicable accounting standards. • Assessing the appropriateness and adequacy of disclosures relating to Property, Plant and Equipment in the financial statements. • Assess ownership documentation of Immovable Property.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility and Sustainability Report (BRSR) , Corporate Governance and Shareholder's Information, but does not include the Ind AS Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Cash Flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

As the company's net worth or turnover or net profit criteria for applicability of Corporate Social Responsibility (CSR) under section 135(1) of the Companies Act,2013 is below the threshold limit in the preceeding financial year, therefore the company is not statutorily required to incur any expenditure for the year under section 135(5) of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR). This fact has been disclosed in the note no. 48 of the financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

   g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended 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 38 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 were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

      iv. a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediaries 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, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them 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. During the year, the Company has not declared and paid dividend for the year ended March 31, 2026 which is in compliance of section 123 of the Companies Act, 2013.

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

Additionally, the audit trail, where enabled, has been preserved by the company as per statutory requirement for record retention.

For Salarpuria & Partners
Chartered Accountants

Place: Kolkata **(Firm ICAI Regd. No. 302113E)**
Date: 26.05.2026 **UDIN: 26056485MMMDHU9145**

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right-of-use assets.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

b) The Company has a programme of physical verification of its Property, Plant, and Equipment and right-of-use assets by which Property, Plant and Equipment are 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 nature of its Property, Plant and Equipment.

c) The title deeds of immovable properties included in property, plant and equipment are held in the name of the company except the following:

Description of Property	Gross Carrying Value	Held in Name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in name Company
Freehold Land	Rs. 2.42 Lakh	Seller	No	21st February, 1994	As informed by the management owner is expired and other legal steps is in process.
Building	Rs. 625.49 Lakh	NA	No	Possession taken from Real Estate Developer w.e.f 22nd October, 2022	Pending due to certain statutory compliances of real estate develop-per.

d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Hence, reporting under this clause is not applicable.

e) According to information and explanations given by the management, no proceedings have been 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. Therefore, provisions of Clause 3(1)(e) of the Order are not applicable to the Company.

ii. a) The management has conducted physical verification of inventories during the year at reasonable interval and 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 on such physical verification.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. No material differences were noticed in the quarterly returns or statements filed by the company with such banks and the books of accounts of the Company.

iii. During the year, the Company has not made any investment in firms, limited liability partnership or any other parties. The Company has not also provided any guarantee or security or granted any loans or advances in the nature of Loans, secured or unsecured to Companies, Firms, limited liability Partnership or any other parties during the year.

iv. The Company has no transaction with respect to loan, investment, guarantee, and security covered under Section 185 and 186 of the Companies Act, 2013 during the year. Therefore, the provisions of paragraph 3(iv) of the said Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits, or amounts which are deemed to be deposits, for which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, are required to be complied with. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. a) According to the records of the Company examined by us, 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 other statutory dues as applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year-end for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings:

Name of Status	Nature of dues	Amount (Rs. In Lakh)	Forum where dispute is pending	Period
The Central Excise Act,1944	Demand for excise duty	2.34	CESTAT	2007-08
The Employees' Provident funds and Miscellaneous Provisions Act, 1952	Provident fund liability on Apprentices trainees.	70.33	Central Government Industrial Tribunal cum Labour court- Jabalpur.	Mar-2003 to Feb-2008
The Madhya Pradesh Upkar Adhiniyam, 1981	Cess on captive generation of electricity.	62.63	Hon'ble Madhya Pradesh High Court Bench Gwalior.	Aug-2011 to Jan-2013
Madhya Pradesh Vidyut Shulk Abhiniyam 2012	Dispute in relation to rate of electricity duty including interest.	528.26	Hon'ble Madhya Pradesh High Court Bench Gwalior	Apr-2012 to Sep-2020
Goods & Services Tax Act, 2017	Short Payment of GST	1.43	Appellate Authority, GST	July-2017 to Mar 2018

viii. According to the information and explanation given to us, there were no transactions which have not recorded in the books of account, have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. There were no such transactions during the year, hence this clause is not applicable.

ix. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

b) According to information and explanations given by the management, the Company is not declared wilful defaulter by any bank or financial institution or other lender.

c) The Company has not obtained any term loan during the year. Therefore, the provisions of Clause 3(ix)(c) of the Order are not applicable to the Company.

d) According to the information and explanations given us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on Short-Term basis have been utilised for Long-Term purposes by the Company.

e) The Company does not have any subsidiaries, joint ventures or associates. Hence reporting under the paragraph 3(ix)(e) of the Order are not applicable to the Company.

f) The Company does not have any subsidiary, associate or joint venture. Hence reporting under the paragraph (ix)(f) of the order is not applicable to the Company.

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. Therefore, the provisions of paragraph 3(x)(a) of the Order are not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Therefore, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi. a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.

b) We have not come across any instance of fraud by the Company or on the company during the course of Audit, therefore report under Sub-section 12 of Section 143 of the Companies Act, 2013 is not required to be filed by us in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Therefore, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

xii. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

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 and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year. Hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company. Therefore, the provisions of clause 3(xv) of the Order 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. Therefore, the provisions of paragraph 3(xvi)(a) of the Order are not applicable to the Company.

b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of paragraph 3(xvi)(b) of the Order are not applicable to the Company.

c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

d) According to the representations given by the management, there is no CIC as part of the Group.

xvii. Based on the overall review of Financial Statement, the Company has not incurred cash loss in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditor during the year. Hence, reporting under Paragraph 3 (xviii) of the Order are not applicable to the Company.

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

xx. According to the information and explanations given to us, there is no unspent amount transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Hence, the comment on said clause (xx) (a) is not applicable.

There is no remaining unspent amount under sub-section (5) of Section 135, pursuant to any ongoing projects has been transferred to special account in compliance with the provision of sub-section (6) of Section 135. Hence, the comment on said clause (xx) (b) is not applicable.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Hence, reporting under paragraph 3(xxi) of the Order is not applicable.

For Salarpuria & Partners
Chartered Accountants

Place: Kolkata
Date: 26.05.2026

(Firm ICAI Regd. No. 302113E)
UDIN: 26056485MMMDHU9145

Annexure `B' to the Independent Auditor's Report on the Audit of the Financial Statements
Report on the Internal Financial Controls under Clause(i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (`ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to Financial Statements includes those policies and procedures that-

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures 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 Over Financial Reporting.

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

Opinion

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

For Salarpuria & Partners
Chartered Accountants

Place: Kolkata **(Firm ICAI Regd. No. 302113E)**
Date: 26.05.2026 **UDIN: 26056485MMMDHU9145**

Balance Sheet As At 31st March, 2026

(All amounts are Rupees in Lakhs, unless otherwise stated)

	Note	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	'3'	16,206.15	17,459.79
(b) Capital Work-in-Progress	'3A'	802.77	33.89
(c) Right of use Assets	'4'	53.03	54.00
(d) Other Intangible assets	'5'	-	-
(e) Financial Assets			
i. Investment	'6'	1.90	1.90
ii. Others	'7'	439.96	438.46
(f) Other Non-Current Assets	'8'	375.41	381.89
		17,879.22	18,369.93
2. Current Assets			
Current Assets			
(a) Inventories	'9'	8,739.24	8,794.01
(b) Financial Assets			
i. Trade Receivables	'10'	3,307.70	3,604.83
ii. Cash and Cash Equivalents	'11'	4.22	11.19
iii. Bank balances other than (b) above	'12'	49.87	49.89
iv. Other Financial Assets	'13'	188.76	188.41
(c) Current Tax Assets (Net)	'14'	566.10	498.71
(d) Other Current Assets	'15'	1,087.27	1,734.89
		13,943.16	14,881.93
Total Assets		**31,822.38**	**33,251.86**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	'16'	718.94	718.94
(b) Other Equity	'17'	22,220.54	21,793.23
		22,939.48	**22,512.17**
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ia) Lease Liabilities	'18'	-	-
(b) Provisions	'19'	192.16	171.95
(c) Deferred Tax Liabilities (Net)	'20'	1,012.89	872.72
		1,205.05	**1,044.67**
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	'21'	3,048.82	3,680.87
(ia) Lease Liabilities	'22'	-	-
(ii) Trade Payables	'23'		
A) total outstanding dues of micro and small enterprises		150.56	96.70
B) total outstanding dues of creditors other than micro and small enterprises		1,897.78	3,270.37
(iii) Other Financial Liabilities	'24'	1,129.16	1,145.10
(b) Other Current Liabilities	'25'	145.67	122.12
(c) Provisions	'26'	1,305.86	1,379.86
(d) Current Tax Liabilities (Net)	'27'	-	-
		7,677.85	9,695.02
		8,882.90	10,739.69
Total Equity and Liabilities		**31,822.38**	**33,251.86**

Summary of significant accounting policies and other notes to financial statements '1 to 50'

The accompanying notes are an integral part of the financial statements
As per our report of even date attached.

For **Salarpuria & Partners**
Chartered Accountants
Firm Reg. No. 302113E

Anand Prakash
Partner
Membership No. 056485

Place : Kolkata
Date: 26 May, 2026

Yashwant Kumar Daga
Chairman and Managing Director
DIN: 00040632

Rajaram Kankani
President & Whole Time Director
DIN: 09188079

Shounak Mitra
Director
DIN: 07762047

Puneeta Arora
Company Secretary
FCS:7466

Gajendra Singh Rathore
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2026

(All amounts are Rupees in Lakhs, unless otherwise stated)

	Note	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
REVENUE			
I Revenue from Operations	'28'	53,415.71	52,406.66
II Other Income	'29'	446.33	229.73
III Total Income (I+II)		**53,862.04**	**52,636.39**
IV EXPENSES			
Cost of Materials Consumed	'30'	32,242.29	32,145.79
Changes in Inventories of Finished Goods,	'31'	923.73	1,490.59
Work-in-Progress and Waste			
Employee Benefits	'32'	7,359.23	7,388.33
Finance Costs	'33'	273.99	376.53
Depreciation and Amortization	'34'	1,698.85	1,755.06
Impairment Loss	'34 (a)'	-	-
Other Expenses	'35'	10,881.36	10,877.01
Total Expenses (IV)		**53,379.45**	**54,033.31**
V Profit before Exceptional Item and Tax (I-IV)		**482.59**	**(1,396.92)**
VI Exceptional Item		-	-
VII Profit/(Loss) before Tax		**482.59**	**(1,396.92)**
VIII Tax Expense			
(1) Current Tax	'36'	-	40.05
(2) Deferred Tax (Charge)/Credit	'20'	(118.81)	337.86
IX Profit/(Loss) for the year (A)		**363.78**	**(1,019.01)**
X Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans		84.89	29.89
(ii) Tax relating to remeasurement of defined benefit plans		(21.36)	(7.52)
Total Other Comprehensive income for the year		**63.53**	**22.37**
XI Total Comprehensive income for the year (IX + X)		**427.31**	**(996.64)**
XII Basic & Diluted Earnings Per Equity Share of Rs. 10 each	'37'	5.06	(14.17)

Summary of significant accounting policies and other notes to financial statements '1 to 50'

The accompanying notes are an integral part of the financial statements
As per our report of even date attached.

For **Salarpuria & Partners**
Chartered Accountants
Firm Reg. No. 302113E

Anand Prakash
Partner
Membership No. 056485

Place : Kolkata
Date: 26 May, 2026

Yashwant Kumar Daga
Chairman and Managing Director
DIN: 00040632

Rajaram Kankani
President & Whole Time Director
DIN: 09188079

Shounak Mitra
Director
DIN: 07762047

Puneeta Arora
Company Secretary
FCS:7466

Gajendra Singh Rathore
Chief Financial Officer

Statement of Cash Flow for the year ended 31st March, 2026

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars		For the year ended 31st March, 2026	For the year ended 31st March, 2025
A.	**Cash Flow from Operating Activities**		
	Net Profit before tax	482.59	(1,396.92)
	Adjustment for :		
	Depreciation and Amortization	1,698.85	1,755.06
	Impairment Loss	-	26.50
	Profit (Loss) on Sale/Discard of Property, Plant and Equipment (Net)	(3.08)	(27.94)
	Gain on Lease Termination	-	-
	Finance Costs	273.99	376.53
	Reversal of Provision for Loss Allowance (Net)	(75.80)	(5.39)
	Interest Income	(195.37)	(136.02)
	Interest Income Income Tax	-	(5.51)
	Dividend on Non-Current Investment	(0.38)	(0.38)
	Sundry Credit Balance Written Back	(1.68)	(2.61)
	Operating Profit Before Working Capital Changes	**2,179.12**	**583.32**
	Movements in working capital :-		
	(Increase)/ Decrease in Inventories	54.77	1,365.05
	(Increase)/ Decrease in Trade and Other Receivables	1,025.53	(520.86)
	Increase/ (Decrease) in Trade and Other Payables	(1,278.06)	184.89
	Cash Generated From Operations	**1,981.36**	**1,612.40**
	Less : Income Tax Paid (Net of Refunds)	(67.38)	21.14
	Net Cash From Operating Activities	**1,913.98**	**1,633.54**
B.	**Cash Flow from Investment Activities**		
	Movement in fixed deposits	(0.27)	(1.49)
	Interest received	195.03	135.17
	Purchases of Property, Plant and Equipments (including capital advance)	(1,228.77)	(852.73)
	Proceeds from sales of Property, plant & Equipements	18.71	131.09
	Dividend on Non-Current Investment	0.38	0.38
	Net Cash Used In Investing Activities	**(1,014.92)**	**(587.58)**
C.	**Cash Flow from Financing Activities**		
	Repayment of Long Term Borrowings	-	-
	Net proceeds/(Repayment) of Short Term Borrowings	(632.05)	(612.46)
	Dividend Paid	-	(35.95)
	Payment of Lease liability	-	(25.84)
	Finance Costs	(273.99)	(369.06)
	Net Cash Used in Financing Activities	**(906.04)**	**(1,043.31)**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**(6.97)**	**2.65**
	Cash and Cash Equivalents at the beginning of the year	11.19	8.54
	Cash and Cash Equivalents at the end of the year (Refer Note 11)	4.22	11.19
		(6.97)	**2.65**

Notes :

A. The company has prepared cash flow statement as per indirect method.

B. As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. However the Company did not have such changes in liabilities arising from financial activities.

The accompanying notes are an integral part of the financial statements		
As per our report of even date attached.		
For **Salarpuria & Partners**	**Yashwant Kumar Daga**	
Chartered Accountants	**Chairman and Managing Director**	
Firm Reg. No. 302113E	DIN: 00040632	
	Rajaram Kankani	**Shounak Mitra**
Anand Prakash	*President & Whole Time Director*	*Director*
Partner	DIN: 09188079	DIN: 07762047
Membership No. 056485		
	Puneeta Arora	**Gajendra Singh Rathore**
Place : Kolkata	*Company Secretary*	*Chief Financial Officer*
Date: 26 May, 2026	FCS:7466	

Statement of Changes in Equity for the year ended 31st March, 2026

(All amounts are Rupees in Lakhs, unless otherwise stated)

(A) Equity share capital

	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	7,189,368	718.94	7,189,368	718.94
Changes in equity share capital during the year	-	-	-	-
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	-	-	-	-
Balance at the end of the year	**7,189,368**	**718.94**	**7,189,368**	**718.94**

(B) Other equity

	Reserves and Surplus				Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2024	**217.81**	**1.17**	**2,809.79**	**19,797.05**	**22,825.82**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1st April, 2023	-	-	-	-	-
Profit for the year	-	-	-	(1,019.01)	**(1,019.01)**
Other comprehensive income for the year (including Tax thereon)					
- Remeasurement Gain / (Loss) on defined benefit plan	-	-	-	22.37	**22.37**
Annual Dividend 2023-24	-	-	-	(35.95)	**(35.95)**
Balance as at 31st March, 2025	**217.81**	**1.17**	**2,809.79**	**18,764.46**	**21,793.23**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1st April, 2024	-	-	-	-	-
Profit for the year	-	-	-	363.78	**363.78**
Other comprehensive income for the year (including Tax thereon)					
- Remeasurement Gain / (Loss) on defined benefit plan	-	-	-	63.53	**63.53**
Annual Dividend 2024-25	-	-	-	-	-
Balance as at 31st March 2026	**217.81**	**1.17**	**2,809.79**	**19,191.77**	**22,220.54**

The accompanying notes are an integral part of the financial statements
As per our report of even date attached.

For **Salarpuria & Partners**
Chartered Accountants
Firm Reg. No. 302113E

Anand Prakash
Partner
Membership No. 056485

Place : Kolkata
Date: 26 May, 2026

Yashwant Kumar Daga
Chairman and Managing Director
DIN: 00040632

Rajaram Kankani
President & Whole Time Director
DIN: 09188079

Shounak Mitra
Director
DIN: 07762047

Puneeta Arora
Company Secretary
FCS:7466

Gajendra Singh Rathore
Chief Financial Officer

Notes to the Financial Statement for the year ended 31st March, 2026

1. Reporting Entity

Deepak Spinners Limited referred to as "the Company" is domiciled in India. The Company's registered office is at 121 Industrial Area, Baddi, Himachal Pradesh- 173212. The Company is a manufacturer of Synthetic Staple Fibres Yarn, Man-made Fibres blended yarn. It has two spinning units located at Guna (Madhya Pradesh) and Baddi (Himachal Pradesh).

These financial statements were approved for issue by the Board of Directors in their meeting held on 22nd May, 2025.

2. Material Accounting Policy Information

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

2.1 Statement of Compliance

The financial statements of the Company comply with all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended and other accounting principles generally accepted in India.

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis except in case of claims lodged with insurance company but not settled, interest on overdue debts from customers due to uncertainty in realisation, export and other benefits doubtful of recovery are accounted for on receipt/settlement and the following items, which are measured on following basis on each reporting date:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value
- Defined benefit liability (assets): present value of defined benefit obligation less fair value of plan assets.
- Financial instrument - measured at fair value;

  However, trade receivables that do not contain a significant financing component are measured at transaction price.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.3 Functional and presentation currency

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs, unless otherwise indicated.

2.4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of Property, Plant & Equipment, Intangible Assets and Right of Use assets;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows
- Assessment of recoverability of receivables and advances and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

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

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An liability is treated as current when it is:

- Expected to be settled in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

The Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.6 Non-current assets (or disposal groups) held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

2.7 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

2.8 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use or sale. Exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

2.9 Foreign currency transactions

Transactions in foreign currencies are recorded by the Company entities at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception of the following:

- exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency is translated using the exchange rates at the date when the fair value is determined.

2.10 Employee benefits

a. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised 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.

b. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has Provident Fund as defined contribution plan.

c. Defined benefit plans

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using yield of government bonds.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment or curtailment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

d. Other long-term employee benefits

The company has long term employment benefit plans i.e. accumulated leave up to maximum 90 days. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

2.11 Government Grants and Subsidies

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets to match them with the costs for which they are intended to compensate and presented within other income.

2.12 Measurement of fair value

a. Financial instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b. Derivatives

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value provided by the respective banks. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

a. Financial Assets

Initial recognition and measurement

All financial assets are recognised 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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classifications

The company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial Assets measured at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the Statement of Profit & Loss.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to Profit &Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

De-recognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

2.14 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the company. The Business activity of the company falls within one business segment viz "Textile".

3. Property, Plant and Equipment

Accounting Policy:

Recognition and measurement

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready for intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment. As per the assessment made by the management, property plant & equipment (other than building and captive power plant) does not comprise any significant components with different useful life. Any gain on disposal of property, plant and equipment is recognised in Statement of Profit and loss.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that there is a future economic benefit associated with the expenditure will flow to the Company and the cost can be measured reliably.

Depreciation

Depreciation on property, plant & equipment is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Right of use assets is amortised over the lease period or estimated useful life whichever is less. Additions on rented premises are being amortised over the period of rent agreement.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit & Loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'Capital Advances' under 'Other Non-current Assets'.

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	Tangible Assets						
	Free hold land (a)	Buildings (b)	Plant and Equipment	Vehicles	Furniture and Fixtures	Office Equipment	Total
Cost							
As at 31st March, 2024	**33.40**	**7,147.31**	**21,840.60**	**202.08**	**87.09**	**74.85**	**29,385.33**
Additions	-	**17.67**	1,677.14	-	23.91	**4.80**	**1,723.53**
Disposals	-	57.91	464.54	**5.03**	15.18	-	**542.66**
Adjustment	-	-		-	-	-	-
Reclassification to Right of Use Assets							
As at 31st March, 2025	**33.40**	**7,107.07**	**23,053.20**	**197.05**	**95.82**	**79.65**	**30,566.19**
Additions			456.59		2.07	**1.19**	**459.86**
Disposals #			32.90			**6.28**	**39.19**
Adjustment							
Reclassification to Right of Use Assets							
As at 31st March, 2026	**33.40**	**7,107.07**	**23,476.90**	**197.05**	**97.90**	**74.55**	**30,986.86**
Depreciation							
As at 31st March, 2024	**-**	**1,850.83**	**9,680.60**	**119.78**	**44.25**	**60.17**	**11,755.64**
For the year	-	233.24	1,472.37	18.61	7.18	4.43	**1,735.83**
Deletions	-	37.24	335.53	4.00	8.30	-	**385.07**
Reclassification to Right of Use Assets							
As at 31st March, 2025	**-**	**2,046.83**	**10,817.44**	**134.39**	**43.13**	**64.60**	**13,106.40**
For the year	-	232.51	1,440.58	14.86	7.42	2.53	**1,697.88**
Deletions	-	-	21.02	-	-	2.54	**23.56**
Adjustment	-	-	-	-	-	-	-
Reclassification to Right of Use Assets							
As at 31st March, 2026	**-**	**2,279.33**	**12,236.99**	**149.25**	**50.55**	**64.59**	**14,780.71**
Net block							
As at 31st March, 2025	33.40	5,060.23	12,235.76	62.66	52.69	15.05	17,459.79
As at 31st March, 2026	**33.40**	**4,827.73**	**11,239.90**	**47.80**	**47.35**	**9.96**	**16,206.15**

(a) Includes Carrying Value of Land Rs. 2.42 Lakhs (Previous Year: Rs. 2.42 Lakhs) held by the company since 21st February, 1994 for which registration is pending and Title deed held in the name of others (Other than promoter, director or relative of promoter/director or employee of promoter/ director).

(b) Includes gross carrying value of Building Rs. 625.49 Lakhs for which possession held by the company w.e.f 22nd October, 2022 for which registration of Title deed is pending due to statutory compliance of the Real Estate Devloper.

(c) Property, Plant & Equipment given as security for borrowings refer note 21

During the previous year ended March 31, 2025, a fire occurred at the Company's Guna Unit resulting in damage to certain items of Plant and Equipment. As a result, net carrying value of Rs. 6.13 Lakhs were written off in the books of accounts and charged as loss in the Statement of Profit and Loss under the head Profit (Loss) on Sale/Discrad of Property, Plant and Equipment.

(All amounts are Rupees in Lakhs, unless otherwise stated)

3A' 1. Accounting Policy:

Capital work-in-progress comprises of assets in the course of construction for production or/and supply of goods or services or administrative purposes, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use and commissioning has been completed.

3A' 2. Movement in Capital Work in Progress

Particulars	As at March 31,2026	As at March 31,2025
Balance at the beginning of the year	**33.89**	**858.83**
Additions during the year	1,218.88	27.38
Capitalised during the year	450.00	(852.32)
Balance at the end of the year	**802.77**	**33.89**

Capital work in progress primarily includes ongoing installation of new machines & Solar plant in the factories located in Baddi Unit, Himachal Pradesh & Civil Work at Guna Unit, Madhya Pradesh.

3A' 3. Age wise detail of Capital Work in progress

Particulars	As at March 31,2026	As at March 31,2025
Projects in progress		
< 1 Year	796.26	27.38
1-2 Years	-	1.20
2-3 Years	1.20	5.31
> 3 Years	5.31	
Total	**802.77**	**33.89**

3A' 4. Above projects is not overdue and not exceeds its costs of original plan as at the reporting date.

4. Right of use assets (Refer Note 39)

Accounting Policy:

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Company as lessor

Leases for which the Company is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

	Leasehold Land	Leased Property (Building)	Total
Cost			
As at 31st March, 2024	**62.74**	**170.36**	**233.10**
Termination	-	170.36	**170.36**
Adjustment	-	-	-
As at 31st March, 2025	**62.74**	-	62.74
Termination	-	-	-
Adjustment	-	-	-
As at 31st March, 2026	**62.74**	**-**	**62.74**

(All amounts are Rupees in Lakhs, unless otherwise stated)

Amortisation			
As at 31st March, 2024	7.77	99.27	107.04
For the year	0.97	16.54	17.51
Deletions (Termination)	-	115.81	115.81
As at 31st March, 2025	8.74	-	8.74
For the year	0.97	0	0.97
Deletions (Termination)	-	-	-
As at 31st March, 2026	**9.71**	**(0.00)**	**9.71**
Net block			
As at 31st March, 2025	54.00	-	54.00
As at 31st March, 2026	**53.03**	**0.00**	**53.03**

5. Intangible Assets

Accounting Policy:

Intangible assets have a finite useful life and are stated of cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the Software is considered as 5 years. Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired, impairment loss is recognised in the statement of profit & loss.

Particulars	Software IT ERP	Total
Cost		
As at 31st March, 2024	**162.25**	**162.25**
Additions	-	-
Disposals	-	-
Adjustment	-	-
As at 31st March, 2025	**162.25**	162.25
Additions		-
Disposals	-	-
Adjustment	-	-
As at 31st March, 2026	**162.25**	**162.25**

Amortisation		
As at 31st March, 2024	160.53	160.53
For the year	1.72	1.72
Deletions	-	-

(All amounts are Rupees in Lakhs, unless otherwise stated)

Adjustment	-	-
As at 31st March, 2025	162.25	162.25
For the year	-	-
Deletions	-	-
Adjustment		
As at 31st March, 2026	**162.25**	**162.25**
Net block		
As at 31st March, 2025	**0**	**0**
As at 31st March, 2026	**0**	**0**

6. Non-Current Investment

	As at 31st March, 2026	As at 31st March, 2025
Investment in Fully Paid Equity Instruments (Unquoted)		
Shivalik Solid Waste Management Limited	1.90	1.90
19,000 (Previous Year '19000') Equity Share of Rs. 10 each		
	1.90	**1.90**

7. Other Non-Current Financial Assets

	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, Considered Good)		
Security Deposits	439.96	438.46
	439.96	**438.46**

8. Other Non Current Assets

		As at 31st March, 2026	As at 31st March, 2025
(i)	**Capital Advances**	369.67	369.67
(ii)	Advances Other than Capital Advances:		
	Prepaid Expenses	**5.74**	**12.22**
		375.41	**381.89**

9. Inventories

Accounting Policy:

i) **Inventories are valued as follows:**	
Raw materials, stores and spares	Lower of cost and net realisable value. Cost is determined on a FIFO basis. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

(All amounts are Rupees in Lakhs, unless otherwise stated)

Work-in-progress, finished goods and traded goods	Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads.
Waste	At net realisable value.

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

ii) Provision for obsolete/ old inventories is made, wherever required.

iii) In view of substantially large number of items in work- in- progress, it is not feasible to maintain the status of movement of each item at shop floor on perpetual basis. The Company, however, physically verifies such stocks at the end of the year and valuation is made on the basis of such physical verification.

(Value at lower of cost or net realisable value except at net realisable value)

	As at 31st March, 2026	As at 31st March, 2025
Raw Materials	2,386.80	1,670.95
Work-in-Progress	769.83	999.23
Finished Goods	5,040.81	5,741.49
Stores and Spares	518.91	365.80
Waste	22.89	16.54
	8,739.24	**8,794.01**

9a. Write downs of inventories (net of reversal) related to old stock of finished goods amounted to Rs 48.34 (Previous year 138.59). It is recognised as expense during the year and included in Changes in inventories of finished goods, stock-in-trade and work-in-progress in statement of profit and loss.

9b. Inventories are hypothecated to secure borrowings. Refer to Note No. 21.

10. Trade Receivables

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price unless it contains a significant financing component.

	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables		
At amortized cost		
Considered Good-Unsecured		
Trade receivables from contract with customers	3,307.32	3,604.53
Trade receivables from contract with customers – related parties [Note 42]	0.38	0.35
Receivable- which have significant increase in credit risk	-	(0.05)
(A)	**3,307.70**	**3,604.83**

(All amounts are Rupees in Lakhs, unless otherwise stated)

	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables - Credit Impaired [Note 10c]	380.23	455.98
Less: Allowance for doubtful Trade Receivables	(380.23)	(455.98)
(B)	-	-
Total (A+B)	**3,307.70**	**3,604.83**

10a. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade receivables are due from firms in which any director is a partner.

10b. Trade Receivables are hypothecated to secure borrowings. Refer to Note No. 21.

10c. Trade Receivables ageing schedule:

As at March 31, 2026		Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
	Considered good	2,428.13	811.92	67.65	-	-	-	3,307.70
	Which have significant increase in credit risk	-	-	-	-	-	-	-
	Credit impaired	-	-	-	-	-	113.97	113.97
Disputed								-
	Considered good	-	-	-	-	-	-	-
	Which have significant increase in credit risk	-	-	-	-	-	-	-
	Credit impaired	-	-	-	-	-	266.26	266.26
Total		**2,428.13**	**811.92**	**67.65**	**-**	**-**	**380.23**	**3,687.93**

Trade Receivables ageing schedule:		Outstanding for following periods from due date of payment						
As at March 31, 2025		**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed								
	Considered good	2,156.22	1,408.94	39.42	0.25	-	-	3,604.83
	Which have significant increase in credit risk	-	0.01	0.03	0.001	-	-	0.05
	Credit impaired	-	-	-	-	-	204.35	204.35
Disputed								

(All amounts are Rupees in Lakhs, unless otherwise stated)

	Considered good	-	-	-	-	-	-	-
	Which have significant increase in credit risk	-	-	-	-	-	-	-
	Credit impaired	-	-	-	-	-	251.63	251.63
Total		**2,156.22**	**1,408.95**	**39.45**	**0.25**	**-**	**455.98**	**4,060.86**

11. Cash and Cash Equivalents

Accounting Policy:

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less for the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

	As at 31st March, 2026	As at 31st March, 2025
Balance with Banks :		
- In Current Accounts	0.44	7.59
- Cash on hand	3.78	3.60
	4.22	**11.19**

12. Other Bank Balances

	As at 31st March, 2026	As at 31st March, 2025
Earmarked balances with banks		
Unpaid Dividend Account	40.45	40.74
Fixed Deposit Account (maturity within one year)*	6.73	6.46
Fixed Deposit Account (Pledged with Sales Tax Department)	2.69	2.69
	49.87	**49.89**

(*Pledged as Margin with Bank against Bank Guarantee)

13. Other Current Financial Assets

	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, Considered Good)		
Subsidy Receivable	183.35	183.35
Interest Accrued	5.41	5.06
	188.76	**188.41**

14. Current Tax Assets (Net)

Accounting Policy:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using

(All amounts are Rupees in Lakhs, unless otherwise stated)

tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

	As at 31st March, 2026	As at 31st March, 2025
Advance Current Tax (Net of Provision)	566.10	498.71
	566.10	**498.71**

15. Other Current Assets (Other than Capital Advances)

	As at 31st March, 2026	As at 31st March, 2025
Payment under Protest against disputed statutory demands	446.82	446.82
Indirect taxes recoverable	445.46	1,100.79
Export Benefit Receivable	63.67	38.39
Advances Recoverable in Cash or in Kind	81.10	102.90
Prepaid Expenses	50.22	45.99
	1,087.27	**1,734.89**

16. Share Capital:

	As at 31st March, 2026	As at 31st March, 2025
Authorised:		
80,00,000 (Previous year 80,00,000) Equity Shares of Rs.10/- each.	800.00	800.00
60,00,000 (Previous year 60,00,000) Unclassified Shares of Rs.10/- each.	600.00	600.00
	1,400.00	**1,400.00**
Issued:		
72,12,868 (Previous year 72,12,868) Equity Shares of Rs.10/- each	721.29	721.29
	721.29	**721.29**
Subscribed and Fully Paid-up Shares		
71,89,368 (Previous year 71,89,368) Equity Shares of Rs.10/- each fully paid-up	718.94	718.94
	718.94	**718.94**

a. Terms and Rights attached to Equity Shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However dividend other than interim dividend, is subject to the approval of the shareholders in the Annual General Meeting.

(All amounts are Rupees in Lakhs, unless otherwise stated)

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at 31st March, 2026	As at 31st March, 2025
Equity Shares outstanding at the beginning of the year	7,189,368	7,189,368
Equity Shares allotted during the year	-	-
Equity Shares outstanding at the end of the year	7,189,368	7,189,368

c. Shareholders holding more than 5 percent Equity shares of the Company as per members' register:

Name of shareholder	As at 31st March,2026		As at 31st March,2025	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Sh. Yashwant Kumar Daga	997,878	13.88	997,878	13.88
M/s. Mangalam Engineering Projects Limited	869,429	12.09	869,429	12.09
M/s. Contransys Private Limited	402,100	5.59	402,100	5.59
M/s. Jalpaiguri Holdings Private Limited	400,070	5.56	400,070	5.56

d. Details of Shareholding of Promoters :

Shares held by promoters at the end of the year	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Sh. Yashwant Kumar Daga	997,878	13.88	No Change	997,878	13.88	0.75
Smt.Asha Devi Daga	-	-	(100.00)	428	0.01	No Change
Pradeep Kumar Daga (HUF)	150,934	2.10	No Change	150,934	2.10	No Change
Pradeep Kumar Daga as partner in Banshi Dhar Daga & Co.	103,805	1.44	No Change	103,805	1.44	No Change
Smt. Nandini Daga	299,509	4.17	No Change	299,509	4.17	2.91
Sh. Shantanu Daga	30,043	0.42	1.44	29,615	0.41	No Change
M/s. Manglam Engineering Projects Limited	869,429	12.09	No Change	869,429	12.09	No Change

(All amounts are Rupees in Lakhs, unless otherwise stated)

Shares held by promoters at the end of the year	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
M/s. Contransys Private Limited	402,100	5.59	No Change	402,100	5.59	No Change
M/s. Jalpaiguri Holding Private Limited	400,070	5.56	No Change	400,070	5.56	No Change
M/s.Coplama Products Private limited	49,500	0.69	No Change	49,500	0.69	No Change
Sh. Amritesh Daga	2500	0.03	100.00	-	-	

17. Other Equity

		As at 31st March, 2026	As at 31st March, 2025
(i)	**Capital Reserve**		
	Balance as per last financial statements	1.17	1.17
(ii)	**Securities Premium**		
	Balance as per last financial statements	217.81	217.81
(iii)	**General Reserve**		
	Balance at the beginning of the year	2,809.79	2,809.79
(iv)	**Retained earnings**		
	Balance at the beginning of the year	18,764.46	19,797.05
	Add : Other Comprehensive income (including tax thereon)		
	Remeasurement of Defined Benefit Plan	63.53	22.37
	Profit for the year	363.78	(1,019.01)
	Total	**19,191.77**	**18,800.41**
	Less: Annual Dividend	-	35.95
	Total	**19,191.77**	**18,764.46**
	Total (i to iv)	**22,220.54**	**21,793.23**

Nature and purpose of other reserves/ other equity

Securities Premium represents the amount received in excess of par value of equity share and can be utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve represents appropriation of a portion to general reserves out of the profits voluntarily to meet future contingencies. The said reserve is available for payment of dividend to shareholders as per the provisions of the Companies Act, 2013.

Capital reserve represents forfeited amount of Equity Share Capital and can be utilised in accordance with the provision of the Companies Act 2013

Retained Earnings represents profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

18. Lease Liabilities

Accounting Policy:

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re measured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re measured by discounting the revised lease payments using a revised discount rate.

	As at 31st March, 2026	As at 31st March, 2025
Lease obligations	-	-
Current Maturity of Lease liabilities	-	-

19. Non Current Provisions

Accounting Policy:

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

(All amounts are Rupees in Lakhs, unless otherwise stated)

of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits		
Leave Benefits	192.16	171.95
	192.16	**171.95**

20. Deferred Tax Liabilities (Net)

Accounting Policy:

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Assets		
Provision for Employees Benefit	109.44	122.99
Other Timing Differences	425.82	442.22
On Account of Business Loss	267.99	392.52
(A)	803.25	957.73
Deferred Tax Liability on account of :		
Deferred Tax Liabilities on account of :		
Depreciation & Amortisation	1,816.14	1,830.45
(B)	**1,816.14**	**1,830.45**
Deferred Tax Liabilities/ (Assets) Net (B-A)	**1,012.89**	**872.72**

(All amounts are Rupees in Lakhs, unless otherwise stated)

A. Movement in deferred Tax balances

	As at 31st March, 2025	Recognized in Profit & Loss	Recognized in OCI	As at 31st March, 2026
Deferred Tax Assets				
Provision for Employees Benefit	122.99	7.81	(21.36)	109.44
Other Timing Differences	442.22	(16.40)		425.82
On Account of Business Loss	392.52	(124.53)		267.99
Sub- Total (a)	**957.73**	**(133.12)**	**(21.36)**	**803.25**
Deferred Tax Liabilities				
Impact of difference in depreciation/amortization on Property, plant and equipment and Right of Use in tax accounts and depreciation/ amortization for financial reporting	1,830.45	(14.31)	-	1816.14
Sub- Total (b)	**1,830.45**	**(14.31)**	**-**	**1,816.14**
Net Deferred Tax Liability (b)-(a)	**872.72**	**118.81**	**21.36**	**1,012.89**

	As at 31st March, 2024	Recognized in Profit & Loss	Recognized in OCI	As at 31st March, 2025
Deferred Tax Assets				
Provision for Employees Benefits	113.83	16.68	(7.52)	122.99
Other Timing Differences	462.23	(20.01)	-	442.22
		392.52		392.52
Sub- Total (a)	**576.06**	**389.19**	**(7.52)**	**957.73**
Deferred Tax Liabilities				
Impact of difference in depreciation/amortization on Property, plant and equipment and Right of use in tax accounts and depreciation/amortization for financial reporting	1,779.11	51.34	-	1,830.45
Sub- Total (b)	**1,779.11**	**51.34**	**-**	**1,830.45**
Net Deferred Tax Liability (b)-(a)	**1,203.05**	**(337.85)**	**7.52**	**872.72**

(All amounts are Rupees in Lakhs, unless otherwise stated)

B. Amounts recognised in Other Comprehensive Income

	For the year ended 31st March, 2026			For the year ended 31st March, 2025		
	Before Tax	Tax (Expense)/ Income	Net Of Tax	Before Tax	Tax (Expense)/ Income	Net Of Tax
Remeasurements of defined benefit liability	84.89	(21.36)	63.53	29.89	(7.52)	22.37
	84.89	**(21.36)**	**63.53**	**29.89**	**(7.52)**	**22.37**

C. Reconciliation of Income Tax Expense

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit before tax from continuing operations	482.59	(1,396.92)
Tax using the Company's domestic tax rate @ 25.168%	121.46	(351.58)
Less:Previously Unrecognised Business Loss	(1.78)	-
Tax effect of:		
Non-deductible expenses	-	17.85
Timming Difference	(0.87)	(4.13)
Tax/Adjustments related to earlier years	-	(40.05)
Income tax expenses reported in the statement of profit and loss	**118.81**	**(377.91)**

21. Short-term Borrowings

		As at 31st March, 2026	As at 31st March, 2025
A	**Secured**		
	Loan repayable on demand		
	-From State Bank of India (Cash Credit)	3,048.82	3,680.87
		3,048.82	**3,680.87**

Securities:-

Primary: Exclusive Hypothecation 1st charge on the entire current assets of company (both present & future) comprising stock of raw materials, stock in process, finished goods, stores, receivables etc. including the goods in transit and all other miscellaneous current assets, and receivables at all units of the company and bills drawn by the company and submitted to the Bank for discounting.

Collateral:

i) Exclusive 1st charge by way of hypothecation of entire moveable fixed assets of the borrower including plant and machineries, equipment, vehicles, and other moveable fixed assets both present and future of the Company at Guna, Baddi and Rajgarh units.

ii) Exclusive 1st equitable mortgage charge over land and building in the name of the company situated at Baddi unit, Plot No. 121, Baddi, Tehsil Nalagarh , Solan, Himachal Pradesh – 175 205 measuring 34.90

(All amounts are Rupees in Lakhs, unless otherwise stated)

acres (87 bighas) and at Guna unit, Pagara, P. H. No. 69, Tehsil & District: Guna, Madhya Pradesh – 473 001 measuring 41.19 hectares Cash Credits is repayable on demand and carry an interest rate of 1.30% above MCLR (Linked to 6 months MCLR) which is 8.60% p.a. Effective rate being 9.9% p.a. as per the Sanction Letter.

B Summary of reconciliation and reasons of discrepancies between quarterly returns or statements of stock & debtors filed by the Company with bank during 2025-26;wherever applicable;

Quarter	Name of Bank	Particular of security Provided	Amount as per Books of Accounts	Amount as reported in quarterly statement/ return	Amount of difference	Reason for Difference
June'25	State Bank of India	Stock & Debtors	12,129.76	12,109.88	19.88	Difference in value due to change arised on completion of limited review.
September'25	State Bank of India	Stock & Debtors	12,317.15	12,367.07	(49.92)	
December'25	State Bank of India	Stock & Debtors	9,682.80	9,835.52	(152.72)	
March'26	State Bank of India	Stock & Debtors	11,968.16	12,196.03	(227.87)	Difference in value due to change arised on completion of audit

Summary of reconciliation and reasons of discrepancies between quarterly returns or statements of stock & debtors filed by the Company with bank during 2024-25, wherever applicable;

Quarter	Name of Bank	Particular of security Provided	Amount as per Books of Accounts	Amount as reported in quarterly statement/ return	Amount of difference	Reason for Difference
June'24	State Bank of India	Stock & Debtors	13,362.48	13,220.46	142.02	Difference in value due to change arised on completion of limited review.
September'24	State Bank of India	Stock & Debtors	13,357.38	13,224.81	132.57	
December'24	State Bank of India	Stock & Debtors	12,787.19	12,677.72	109.47	
March'25	State Bank of India	Stock & Debtors	12,838.33	12,882.40	(44.07)	Difference in value due to change arised on completion of audit

22. Current Lease Liabilities

	As at 31st March, 2026	As at 31st March, 2025
Lease Obligations	-	-
	-	-

(All amounts are Rupees in Lakhs, unless otherwise stated)

23. Trade Payables

	As at 31st March, 2026	As at 31st March, 2025
For Goods and Services		
a) total outstanding dues of micro and small enterprises	150.56	96.70
b) total outstanding dues of creditors other than micro and small enterprises	1,897.78	3,270.37
	2,048.34	**3,367.07**

23.1. Based on the information available the Company has identified certain vendors covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

a. (i)	Principal amount remaining unpaid to any supplier at the end of Financial Year	150.56	96.70
a. (ii)	Interest due on principle amount remaining unpaid to any supplier at the end of Financial Year	-	-
b.	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c.	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d.	the amount of interest accrued and remaining unpaid during the accounting year.	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

23.2. Trade payables ageing schedule

As at March 31, 2026	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	150.56	-	-	-	-	**150.56**
ii) Others	710.40	1,129.26	16.66	7.13	34.33	**1,897.78**
iii) Disputed Dues-MSME	-	-	-	-	-	**-**
iv) Disputed Dues-Others	-	-	-	-	-	-
Total	**860.96**	**1,129.26**	**16.66**	**7.13**	**34.33**	**2,048.34**

(All amounts are Rupees in Lakhs, unless otherwise stated)

As at March 31, 2025	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	96.70	-	-	-	-	**96.70**
ii) Others	1,027.24	2,181.48	27.32	2.43	31.90	**3,270.37**
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
Total	**1,123.94**	**2,181.48**	**27.32**	**2.43**	**31.90**	**3,367.07**

24. Other Financial Liabilities

	As at 31st March, 2026	As at 31st March, 2025
Unpaid Dividends	40.45	40.74
Security Deposits	24.56	24.09
Statutory Dues	112.60	114.23
Employees liabilities	951.55	966.04
	1,129.16	**1,145.10**

25. Other Current Liabilities

	As at 31st March, 2026	As at 31st March, 2025
Customers' Credit Balances and Advances against orders	145.67	122.12
	145.67	**122.12**

26. Short Term Provisions

	As at 31st March, 2026	As at 31st March, 2025
Provision for Statutory Disputed Matters (Refer Note 26.1)	1,063.15	1,063.15
Provision for Employee Benefits #	242.71	316.71
	1,305.86	**1,379.86**

Includes Gratuity and leave benefit (Refer Note 41)

26.1. Movement of Provision for Statutory Disputed Matters

	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	1,063.15	1,063.15
Addition during the year	-	-
Paid during the year	-	-
Closing balance	**1,063.15**	**1,063.15**

27. Current Tax Liabilities (Net)

	As at 31st March, 2026	As at 31st March, 2025
Current Tax Payable (Net of Advances)	-	-
	-	-

28. Revenue from Operations:

Accounting Policy:

a) The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue.

Performance Obligation is achieved when:

i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

iii) the amount of revenue can be measured reliably;

iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and

v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Shipping and handling amounts invoiced to customers are included in revenue and the related shipping and handling costs incurred are included in freight and forwarding expenses when the Company is acting as principal in the shipping and handling arrangement. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice. Sales exclude Goods and Service Tax.

b) Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

c) Interest other than interest on overdue debts from customers, is recognised on time proportion basis.

Sale of Manufactured goods:

	As at 31st March, 2026	As at 31st March, 2025
Man Made Synthetic Yarn *	53,225.51	52,183.40
Other Operating Revenue (including export incentives)	**190.20**	**223.26**
Revenue from Operations (Net)	**53,415.71**	**52,406.66**

* Sales includes Export Sales of Rs.3927.93 (Previous year Rs.4649.18)

(All amounts are Rupees in Lakhs, unless otherwise stated)

(A) Reconciliation of contract price vis a vis revenue recognised in the statement of profit and loss is as follows:

Particulars		
Contract Price		
(i) Sales of Man Made Synthetic Yarn	53,451.70	52,514.76
(ii) other operating revenue	190.20	223.26
Adjustments:		
Discount/rebate/ incentives	226.19	331.36
Revenue recognised in statement of profit and loss	**53,415.71**	**52,406.66**

(B)

Classification of revenue on basis of timing of revenue recognition		
Particulars		
(i) At point of time	53,415.71	52,406.66
(ii) Over the time	-	-

(C)

For Contract assets and balances refer note No. 10)		
Particulars		
(i) Trade receivables	3,687.93	4,060.86
Less: provision for loss allowances	380.23	456.03
	3,307.70	**3,604.83**

(D)

For Contract Liability against which sales will be made		
Particulars		
(i) Advance from and credit balance of customers (Refer Note No. 25)	145.67	122.12

(E)

Revenue from Contracts with Customers disaggregated based on geography		
Particulars		
In India	49,487.78	47,757.48
Outside India	3,927.93	4,649.18
	53,415.71	**52,406.66**

29. Other Income:

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Interest Income	195.37	136.02
Interest on Income Tax Refund	-	5.51
Scrap Sales	87.77	72.81
Dividend on Non-Current Investment	0.38	0.38
Miscellaneous Income	82.25	5.57

(All amounts are Rupees in Lakhs, unless otherwise stated)

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Profit (Loss) on Sale/Discard of Property, Plant and Equipment (Net)	3.08	(26.50)
Net Gain on Termination of Lease*	-	27.94
Reversal of Provision for Loss Allowance (Net)	75.80	5.39
Sundry Credit Balances Written Back	1.68	2.61
	446.33	**229.73**

30. Cost of Materials Consumed:

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Man Made Fibres *	31,243.84	31,207.56
Dyes & Chemicals	998.45	938.23
	32,242.29	**32,145.79**

*Cost of Materials Consumed includes Man Made fibres destroyed by fire amounting Rs.Nil (Previous Year- Rs. 13.84 lakhs) in the factory of Guna Unit.

31. Changes in Inventories of Finished Goods, Work-in-Progress and Waste

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Closing Inventories		
Work-in-Progress	769.83	999.23
Finished Goods	5,040.81	5,741.49
Waste	22.89	16.54
Total (A)	**5,833.53**	**6,757.26**
Opening Inventories		
Work-in-Progress	999.23	757.17
Finished Goods	5,741.49	7,487.31
Waste	16.54	3.37
Total (B)	**6,757.26**	**8,247.85**
Total (B-A)	**923.73**	**1,490.59**

32. Employee Benefit Expense

Salaries, Wages and Bonus	6,490.27	6,517.04
Gratuity	200.35	194.69
Contribution to Provident and Other Funds	510.53	513.15
Staff Welfare	158.08	163.45
	7,359.23	**7,388.33**

(All amounts are Rupees in Lakhs, unless otherwise stated)

33. Finance Costs

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Interest	252.57	355.24
Interest on Lease Obligations	-	7.47
Other Borrowing Costs	21.42	13.82
	273.99	**376.53**

34 Depreciation and Amortization Expense

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
On Tangible Assets	1,697.88	1,735.83
On Intangible Assets	-	1.72
On Right of Use Assets	0.97	17.51
	1,698.85	**1,755.06**

34 a. Impairment Loss

On Tangible Assets	-	-
	-	**-**

35. Other Expenses

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Consumption of Stores & Spares *	2,118.34	1,942.33
Consumption of Packing Materials	850.89	829.59
Job Charges	300.79	245.86
Power & Fuel	5,069.09	5,105.54
Rent	37.51	60.43
Insurance	71.00	55.33
Rates & Taxes	18.29	22.27
Net loss on Foreign Currency Transactions and Translation	32.30	(1.65)
Repair and Maintenance		
Buildings	106.52	6.71
Machinery	178.90	164.64
Freight & Other selling expenses	1,582.62	1,868.45
Auditor's Remuneration		
As Auditor	12.10	11.00
For Limited Review	2.70	2.70
For Certification and Other Matters	0.60	0.60

(All amounts are Rupees in Lakhs, unless otherwise stated)

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Reimbursement of Expenses	0.92	0.90
Cost Audit Fee	0.72	0.72
Commission to Directors	-	-
Sundry balance written off	1.06	0.28
Corporate Social Responsibility (CSR) Expenses	-	70.92
Donation	-	-
Miscellaneous	497.01	490.39
	10,881.36	**10,877.01**

*Includes on account of written down of stores and spare parts amounting Rs. Nil (Previous Year-Rs.15.96 lakhs)

36. Current Tax

Accounting Policy:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current Tax for the year	-	-
Income Tax related to earlier year	-	(40.05)
Total Current Tax	**-**	**(40.05)**

37. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

EPS is computed as below :

A. Total profit for the year	363.78	(1,019.01)
B. Weighted average number of equity shares of Rs. 10/- each	7,189,368	7,189,368
C. EPS - Basic and Diluted (per share in Rs.) (A/B)	5.06	(14.17)

(All amounts are Rupees in Lakhs, unless otherwise stated)

38. Contingent liabilities, contingent assets and commitments

Accounting Policy:

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

			As at 31st March, 2026	As at 31st March, 2025
A.	**Contingent liabilities (not provided for) in respect of:**			
	1.	Demand for Excise duty, being contested by the Company	2.34	2.34
	2.	Demand for Income Tax, being contested by the Company (A.Y 18-19)	46.63	200.02
	3.	Legal Cases (Employees) , being contested by the Company	11.04	10.44
	4.	Demand for Cess on own generation of electricity, being contested by the Company	44.89	44.89
	5	Demand for Descrepancies in GST Return 17-18 , being contested by the Company	1.58	1.58
	The management believes that the Company has a strong chance of favorable decision in above cases, hence no provision has been considered necessary.			
	6.	The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.		
B.	**Commitments**			
	1.	Estimated amount of Contracts remaining to be executed on Capital Account [Net of Advances] not provided for	3,396.46	3,396.46
	2.	The Company has availed certain government subsidies. As per the term and conditions, the Company has to continue production for specified number of years and others conditions failing which amount of subsidies availed along with interest penalty etc. will have to be refunded.	-	-

(All amounts are Rupees in Lakhs, unless otherwise stated)

39. Leases

As a Lessee

Due to adoption of Ind AS 116 following assets has been classified as Right of Use Assets

Right of Use Assets Category	Net Carrying Amount As at 31st March, 2025	Addition	Depreciation	Adjustment on account of Termination	Net Carrying Amount As at 31st March, 2026
Leasehold Land	54.00	-	0.97	-	53.03
Total	**54.00**	**-**	**0.97**	**-**	**53.03**

(A) There are no variable lease payments for the year ended March 31, 2026. (Previous year Nil)

(B) Total cash outflow on leases for the previous year ended March 31, 2026 was Nil. (Previous year Rs. 25.84 Lakhs) out of which interest expense (outflow) on lease for the year ended March 31, 2026 is NIL. (Previous year Rs. 7.47 lakhs)

(C) Lease Liabilities

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Non- Current	Current	Non- Current	Current
Lease liabilities against ROU assets	-	-	-	-

(D) The maturity profile of the cash outflow of the lease liabilities is as follows:

Particulars	As at 31st March, 2026	As at 31st March, 2025
0-1 year	-	-
1-3 years	-	-
3-5 Years	-	-
More Than 5 Years	-	-
Total	**-**	**-**

(E) The Company has also recognize expenses of short-term leases on a straight-line basis over the lease term. The expenses related to short-term leases are Rs. 37.51 Lakhs during the year ended March 31, 2026(Previous Year - Rs. 60.43 Lakhs).

40. Foreign exchange exposures outstanding at the year-end:

(a) Foreign Currency exposure not hedged by derivative instrument or otherwise :

i. Receivable	30.86	228.91
ii. Payable	-	-

41. Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement

(All amounts are Rupees in Lakhs, unless otherwise stated)

benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. During the year the Company has contributed to Government Provident Fund Rs.510.53 (Previous year Rs. 513.15).

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service subject to maximum limit of Rs. 20 Lakhs. Gratuity liability is being contributed to the Group Gratuity-cum-Life Assurance Cash Accumulation Policy administered by the LIC of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March, 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31st March, 2026	31st March, 2025
Net defined benefit liability / (asset)	191.4	263.52
Liability for Gratuity		
Current	191.4	263.52

B. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	31st March, 2026			31st March, 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1st April	1,214.33	950.81	263.52	1,132.37	934.82	197.55
Included in profit or loss						
Service costs	182.09	-	182.09	180.43	-	180.43
Interest cost /(income)	84.15	(65.89)	18.26	81.75	(67.49)	14.26
	266.24	**(65.89)**	**200.35**	**262.18**	**(67.49)**	**194.69**
Included in OCI						
Premeasurements loss / (gain)	-	-	-	-	-	-
Actuarial loss / (gain) arising from:						
- financial assumptions	111.15	-	111.15	31.00	-	31.00

(All amounts are Rupees in Lakhs, unless otherwise stated)

	31st March, 2026			31st March, 2025		
	Defined benefit obligation	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**	**Defined benefit obligation**	**Fair value of plan assets**	**Net defined benefit (asset)/ liability**
- experience adjustment	(191.04)	-	(191.04)	(60.50)	-	(60.50)
- on plan assets		(5.00)	(5.00)		(0.40)	(0.40)
	(79.89)	**(5.00)**	**(84.89)**	**(29.50)**	**(0.40)**	**(29.90)**
Other						
Contributions paid by the employer	-	187.57	(187.57)	-	98.83	(98.83)
Benefits paid	(168.69)	(168.69)	-	(150.73)	(150.73)	-
	(168.69)	18.89	(187.57)	(150.73)	(51.90)	(98.83)
Balance as at 31st March 2026	**1,232.00**	**1,040.59**	**191.41**	**1,214.32**	**950.81**	**263.51**

		31st March, 2026	31st March, 2025
C.	**Plan assets**		
	Fund managed by insurer	100%	100%

D. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).		
Discount rate	7.70%	6.93%
Expected rate of future salary increase	8.00%	6.00%
Mortality	100% of IALM (2012-14)	
Assumptions regarding future mortality have been based on published statistics and mortality tables.		

E. Sensitivity analysis

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

Particulars	31st March, 2026		31st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(50.11)	55.17	(54.14)	59.65
Expected rate of future salary increase (0.50% movement)	54.74	(50.20)	59.85	(54.80)

Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(All amounts are Rupees in Lakhs, unless otherwise stated)

F. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

a) Salary Increases- Actual Salary increases will increase the plan's liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.

b) Investment Risk: If Plan is funded then asset liablity mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumption in the valuation can impact the liabilities.

e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

42. Related parties

A. Related parties and their relationships

i Key Managerial Personnel (KMP) and their relatives

Name	Relationship
Sh. Pradip Kumar Daga	Chairman Emeritus(till 18th November,2025)
Sh. Yashwant Kumar Daga	Chairman and Managing Director (Son of Late Shri P.K Daga)
Smt. Asha Devi Daga	Director (KMP under Ind-AS) (Wife of Shri. P.K Daga) (till 30th August 2024)
Sh. Shantanu Daga	Director (KMP under Ind-AS) (Son of Shri Yashwant Kumar Daga)(till 14th September,2025)
Sh. Hussan Lal	Independent Director (KMP under Ind-AS) (with effect from 6th January 2025)
Smt. Sonu Jain	Independent Director (KMP under Ind-AS) (with effect from 6th January 2025)
Sh. Sanjiv Banerji	Independent Director (KMP under Ind-AS) (with effect from 13th November 2024)
Sh. Shounak Mitra	Independent Director (KMP under Ind-AS) (with effect from 13th November 2024)
Sh. Satya Prakash Sarda	Independent Director (KMP under Ind-AS) (with effect from 30th December 2024)
Sh. Raja Ram Kankani	Whole-Time Director (KMP under Ind-AS)(with effect from 22nd May, 2025)
Sh.Gajendra Singh Rathore	Chief Financial Officer (KMP under Companies Act, 2013) (with effect from 1st Feburary 2025)
Smt. Puneeta Arora	Company Secretary (KMP under Companies Act, 2013)

(All amounts are Rupees in Lakhs, unless otherwise stated)

ii. Enterprise over which Key Management Personnel and their relatives exercise significant influence and with whom transactions have taken place during the year

Deepak Industries Limited

Contransys Private Limited

Coplama Products Private Limited

Bansidhar Daga Foundation

Daga Seva Nidhi

Merlin Holdings Private Limited

B. Transactions with the above in the ordinary course of business

a) Payments to Key Managerial Personnel and their relatives

			For the year ended	
			31st March, 2026	31st March, 2025
Name	**Nature**	**Category**		
Sh. Pradip Kumar Daga	- Remuneration	Short Term Employee Benefits	-	6.78
Smt. Asha Devi Daga	- Sitting Fees	Other Transactions	-	0.22
Sh. Shantanu Daga	- Remuneration	Short Term Employee Benefits	-	-
	- Sitting Fees	Other Transactions	0.44	1.76
Sh. Pradeep Kumar Drolia	- Sitting Fees	Other Transactions	-	1.29
Sh. Anand Prasad Agarwalla	- Sitting Fees	Other Transactions	-	1.19
Sh. Vivek Chiraniya	- Sitting Fees	Other Transactions	-	1.06
Sh. Sharad Agarwal	- Sitting Fees	Other Transactions	-	0.88
Sh. Hussan Lal	- Sitting Fees	Other Transactions	1.1	0.44
Smt. Sonu Jain	- Sitting Fees	Other Transactions	1.1	0.44
Sh. Sanjiv Banerji	- Sitting Fees	Other Transactions	1.72	1.60
Sh. Shounak Mitra	- Sitting Fees	Other Transactions	1.63	1.29
Sh. Satya Prakash Sarda	- Sitting Fees	Other Transactions	1.35	1.03
Sh. Raja Ram Kankani	- Remuneration #	Short Term Employee Benefits	69.6	56.25
	- Perquisites	Rent Free Accomodation (paid to the party by the company)	-	6.14
Sh.Gajendra Singh Rathore	- Remuneration #	Short Term Employee Benefits	14.23	13.97
Sh. Punam Chand Sharma	- Remuneration	Short Term Employee Benefits	-	19.60

(All amounts are Rupees in Lakhs, unless otherwise stated)

			For the year ended	
			31st March, 2026	31st March, 2025
	- Retirement Benefit (Leave Encashment)		-	3.27
Smt. Puneeta Arora	- Remuneration#	Short Term Employee Benefits	17.41	16.86

Above remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall Company basis.

b) With Enterprises over which Key Management Personnel or his relative are able to exercise significant influence. are as under

- Deepak Industries Limited		
Purchase of Electricity	121.68	203.78
- Contransys Private Limited		
Rent received for premises	3.86	3.69
- Merlin Holdings Private Limited		
Rent payment	4.80	4.80

	As at	
Closing Balance	**31st March, 2026**	**31st March, 2025**
Payable		
- M/s. Deepak Industries Limited	12.89	10.25
- M/s. Contransys Private Limited (Security Deposit)	0.20	0.20
- Sh. Pradip Kumar Daga	-	-
- Smt Asha Devi Daga	-	-
- Sh. Shantanu Daga	-	-
- Sh. Pradeep Kumar Drolia	-	-
- Sh. Anand Prasad Agarwalla	-	-
-Sh. Vivek Chiraniya	-	-
-Sh. Sharad Agarwal	-	-
-Sh. Raja Ram Kankani	2.99	1.28
-Sh.Gajendra Singh Rathore	0.73	0.66
-Sh. Punam Chand Sharma*	-	20.00
-Smt. Puneeta Arora	0.71	0.71
Receivable		
- M/s. Contransys Private Limited (Rent)	0.38	0.35

*Paid from the Gratuity Fund.

(All amounts are Rupees in Lakhs, unless otherwise stated)

43. Financial instruments

I. Fair value measurements

A. Financial instruments by category

	As at 31st March, 2026		As at 31st March, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Trade receivables	-	3,307.70	-	3,604.83
Cash and cash equivalents	-	4.22	-	11.19
Bank balances other than above	-	49.87	-	49.89
Investment*	-	1.90	-	1.90
Others				
Non Current	-	439.96	-	438.46
Current	-	188.76	-	188.41
	-	**3,992.41**	**-**	**4,294.67**
Financial liabilities				
Long Term Borrowings	-	-	-	-
Short terms borrowings	-	3,048.82	-	3,680.87
Trade payables	-	2,048.34	-	3,367.07
Lease Liability	-	-	-	-
Other current financial liabilities	-	1,129.16	-	1,145.10
	-	**6,226.32**	**-**	**8,193.04**

*Shivalik Solid Waste Management Limited
19,000 (Previous Year '19000') Equity Share of Rs. 10 each

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

There are no financial assets or financial liabilities which are required to measure at fair value using recurring fair value measurements.

Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at 31st March, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
	-	**-**	**-**	**-**

(All amounts are Rupees in Lakhs, unless otherwise stated)

	As at 31st March, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds 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: 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: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between level 1 and level 2 during the year

C. Fair value of financial assets and liabilities measured at amortised cost

	As at 31st March, 2026		As at 31st March, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Trade receivables	3,307.70	3,307.70	3,604.83	3,604.83
Cash and cash equivalents	4.22	4.22	11.19	11.19
Bank balances other than above	49.87	49.87	49.89	49.89
Investment	1.90	1.90	1.90	1.90
Others				
Non Current	439.96	439.96	438.46	438.46
Current	188.76	188.76	188.41	188.41
	3,992.41	**3,992.41**	**4,294.67**	**4,294.67**
Financial liabilities				
Short terms borrowings	3,048.82	3,048.82	3,680.87	3,680.87
Trade payables	2,048.34	2,048.34	3,367.07	3,367.07
Lease Liability	-	-	-	-
Other current financial liabilities	1,129.16	1129.16	1,145.10	1,145.10
	6,226.32	**6,226.32**	**8,193.04**	**8,193.04**

The management considers that carrying amount of financial assets and financial liabilities are at amortised cost which approximates to their fair value.

II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk;
- market risk; and
- currency risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure.

The Company monitor credit risk very closely both in domestic and export market.

The Management impact analysis shows credit risk and impact assessment as low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company management has established a credit policy under which each new customer is analyzed individually for creditworthiness as per the Company's standard payment and delivery terms and conditions. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available. Sale limits are established for each customer and reviewed periodically.

(All amounts are Rupees in Lakhs, unless otherwise stated)

More than 60 % of the Company's customers have been transacting with the Company for over four years. In monitoring customer credit risk, customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

The carrying amount net of credit loss allowances of trade receivables is Rs. 3307.70 (31st March, 2025 – Rs. 3604.83)

Ageing of trade receivables are as under:-

As at 31.03.2026

Particulars	Not Due	Less than 6 months	6-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross Debtors	2,428.13	811.92	67.65	-	-	380.23	3,687.93
Historical Loss Rates	0.00%	0.00%	0.00%	-	-	100.00%	
Loss Allowance	-	-	-	-	-	380.23	380.23
As at 31.03.2025							
Gross Debtors	2156.22	1,408.95	39.45	0.26	-	455.98	4,060.86
Historical Loss Rates	0.00%	0.01%	0.23%	0.47%		100.00%	
Loss Allowance	-	0.01	0.03	0.001	-	455.98	456.03

Reconciliation of loss allowance provision – Trade receivables

	31st March, 2026	31st March, 2025
Opening balance	456.03	461.41
Add: Provision made during the year	-	29.89
Less: Reversal of Provision for Loss Allowance (Net)	(75.79)	(35.27)
Closing balance	**380.23**	**456.03**

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(All amounts are Rupees in Lakhs, unless otherwise stated)

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out at unit level and monitored through caproate office of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(a) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at	
	31st March, 2026	**31st March, 2025**
Variable rate		
Expiring within one year (bank overdraft and other facilities)	3,144.01	3,811.96
Expiring beyond one year (bank loans)	-	-
	3,144.01	**3,811.96**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian rupee and have an average maturity within a year.

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payment.

	Carrying Amounts 31st March, 2026	**Contractual cash flows**				
		Total	**0- 1 Year**	**1–3 years**	**3-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Borrowings	-	-	-	-	-	-
Short term borrowings	3,048.82	3,048.82	3,048.82	-	-	-
Trade payables	2,048.34	2,048.34	2,048.34	-	-	-
Lease Liability (terminated during the year)	-	-	-	-	-	-
Other current financial liabilities	1,129.16	1,129.16	1,129.16	-	-	-
Total non-derivative liabilities	**6,226.32**	**6,226.32**	**6,226.32**	**-**	**-**	**-**

(All amounts are Rupees in Lakhs, unless otherwise stated)

	Carrying Amounts 31st March, 2025	Contractual cash flows				
		Total	0- 1 Year	1–3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	-	-	-	-	-	-
Short term borrowings	3,680.87	3,680.87	3,680.87	-	-	-
Trade payables	3,367.07	3,367.07	3,367.07	-	-	-
Lease Liability	-	-	-	-	-	-
Other current financial liabilities	1,145.10	1,145.10	1,145.10	-	-	-
Total non-derivative liabilities	**8,193.04**	**8,193.04**	**8,193.04**	**-**	**-**	**-**

Provision against disputed Statutory dues not considered above as outflow depends upon conclusion of legal procedings

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for liquidity / credit management purposes and which are not usually closed out before contractual maturity.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company generally uses derivatives like forward contracts to manage market risks on account of foreign exchange. All such transactions are carried out within the guidelines set by the Board of Directors.

iii (a). Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions by hedging the foreign exchange inflows on regular basis.

Currency risks related to the principal amounts of the Company's foreign currency payables, if any, are partially hedged using forward contracts taken by the Company.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

(All amounts are Rupees in Lakhs, unless otherwise stated)

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows(amounts in lakhs)

	As at 31st March, 2026		As at 31st March, 2025	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	30.86	-	228.91	-
Other payables	-	-	-	-
Net statement of financial position exposure	**30.86**	**-**	**228.91**	**-**

The following significant exchange rates have been applied

	Average Rates		Year end spot rates	
	31st March, 2026	31st March, 2025	31st March, 2026	31st March, 2025
USD 1	83.31	84.57	94.65	85.58
EUR 1	102.46	90.76	109.01	92.32

iii. (b) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March, 2026 and 31st March, 2025, the Company's borrowings at variable rate were denominated in Indian Rupees and US Dollars.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any hedge to mitigate the interest rate risk and movement in foreign currency.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instrument is as follows

	Nominal Amount	
	31st March, 2026	31st March, 2025
Fixed-rate instruments		
Financial assets	439.55	447.61
Financial liabilities	-	-
	439.55	**447.61**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	3,048.82	3,680.87
	3,048.82	**3,680.87**

(All amounts are Rupees in Lakhs, unless otherwise stated)

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31st March, 2026				
Variable-rate instruments	(15.24)	15.24	(11.41)	11.41
Cash flow sensitivity	**(15.24)**	**15.24**	**(11.41)**	**11.41**
31st March, 2025				
Variable-rate instruments	(18.40)	18.40	(13.77)	13.77
Cash flow sensitivity	(18.40)	18.40	(13.77)	13.77

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

44. Disclosure of Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013

a. Current Ratio = Current Assets divided by Current liabilities

	31st March, 2026	31st March, 2025
Current Assets	13,943.16	14,881.93
Current Liabilities	7,677.85	9,695.02
Ratio (Times)	**1.82**	**1.54**
% Change from previous year	**18.18%**	**0.25%**
As at March 31, 2026 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

b. (i) Debt Equity ratio [Total debt divided by total equity, where total debt refers to sum of current and non current borrowings]

	31st March, 2026	31st March, 2025
Total debt*	3,048.82	3,680.87
Total equity	22,939.48	22,512.17
Ratio (Times)	**0.13**	**0.16**
% Change from previous year	**-18.75%**	**-10.33%**
As at March 31, 2026 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

(All amounts are Rupees in Lakhs, unless otherwise stated)

c. Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

	31st March, 2026	31st March, 2025
Earnings available for Debt Service (A) [Net Profit after Tax + Profit on Sale of Property, Plant & Equipment - Net Gain on Termination of Lease + Non-Cash Operating Expense]	2,333.53	1,111.14
Total Debt (B)	3,322.81	4,057.40
Ratio (Times) (A/B)	**0.70**	**0.27**
% Change from previous year	**159.26%**	**-45.45%**
As at March 31, 2026 : Reason for change more than 25%: Debt service coverage ratio has increased due to increase in earning.		
As at March 31, 2025 : Reason for change more than 25%: Debt service coverage ratio has decreased due to decrease in earning.		

d. Return on Equity Ratio / Return on Investment Ratio [Profit after tax divided by Average Equity]

	31st March, 2026	31st March, 2025
Net profit after tax	363.78	(1,019.01)
Average equity	22,725.82	23,028.46
Ratio (%)	**1.60%**	**-4.42%**
% Change from previous year	**136.20%**	**-899.34%**
As at March 31, 2026 : Reason for change more than 25%: Return on Equity Ratio/Return on Investment ratio increased due to increase in profit .		
As at March 31, 2025 : Reason for change more than 25%: Return on Equity Ratio/Return on Investment ratio decreased due to loss.		

e. Inventory Turnover Ratio [Sales divided by Average annual inventory]

	31st March, 2026	31st March, 2025
Sales	53,415.71	52,406.66
Average inventory	8,766.62	9,476.54
Ratio (no. of times)	**6.09**	**5.53**
% Change from previous year	**10.13%**	**17.41%**
As at March 31, 2026 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

(All amounts are Rupees in Lakhs, unless otherwise stated)

f. Trade Receivables turnover ratio [Sales divided by Average trade receivables, where Sales is Revenue from Operations]

	31st March, 2026	31st March, 2025
Sales	53,415.71	52,406.66
Average Trade Receivables	3,456.27	3,189.02
Ratio (no. of times)	**15.45**	**16.43**
% Change from previous year	**-5.96%**	**0.14%**
As at March 31, 2026 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 - Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

g. Trade payables turnover ratio [Purchases divided by Average trade payables]

	31st March, 2026	31st March, 2025
Purchases of raw materials and packing materials	32,736.81	32,767.50
Purchases of Stores & Spares	3,401.09	3,043.69
Total Purchases	**36,137.90**	**35,811.19**
Average Trade Payables	2,707.70	3,329.43
Ratio (no. of times)	**13.35**	**10.76**
% Change from previous year	**24.07%**	**-1.86%**
As at March 31, 2026 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 : Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

h. Net Capital Turnover Ratio [Sales divided by Working capital, where Working Capital is Current assets minus Current liabilities]

	31st March, 2026	31st March, 2025
Sales (refer (f) above)	53,415.71	52,406.66
Working Capital	6,265.31	5,186.91
Ratio (no. of times)	**8.53**	**10.10**
% Change from previous year	**-15.54%**	**17.50%**
As at March 31, 2026 - Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 - Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

(All amounts are Rupees in Lakhs, unless otherwise stated)

i. Net profit ratio [Profit after tax divided by Sales]

	31st March, 2026	31st March, 2025
Profit After Tax	363.78	(1,019.01)
Sales (refer (f) above)	53,415.71	52,406.66
Ratio (%)	**0.68%**	**-1.94%**
% Change from previous year	**135.05%**	**-802.61%**
As at March 31, 2026 - Reason for change more than 25%: Net profit ratio increased due to increase in profit		
As at March 31, 2025 - Reason for change more than 25%: Net profit decreased due to loss		

j. Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed

	31st March, 2026	31st March, 2025
Profit before tax (A)	482.59	(1,396.92)
Finance Costs (B)	273.99	376.53
EBIT (D) = (A)+(B)-(C)	**756.58**	**(1,020.39)**
Average Capital Employed (D)	27,033.47	28,053.45
Ratio % (C/D)	**2.80%**	**-3.64%**
% Change from previous year	**176.92%**	**-278.81%**
As at March 31, 2026- Reason for change more than 25%: Return on Capital employed increased due to profit		
As at March 31, 2025- Reason for change more than 25%: Return on capital employed decreased due to loss		

k. Return on Investment=Net investment Income divided by Cost of investment

	31st March, 2026	31st March, 2025
Net Investment Income (A)	0.38	0.38
Cost of Investment (B)	1.90	1.90
Ratio % (A/B)	**20.00%**	**20.00%**
% Change from previous year	**0.00%**	**0.00%**
As at March 31, 2026 - Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		
As at March 31, 2025 - Reason for change more than 25%: Not applicable since the percentage of change in ratio is less than 25%		

45. Balances of certain trade receivables and trade payables are in the process of confirmation and/or reconciliation.

46. Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing

(All amounts are Rupees in Lakhs, unless otherwise stated)

its performance. The business activity of the company falls within one broad business segment viz. "Textile" and substantially sale of the product is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered.

47. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The following table summarises the capital of the Company :

Particulars	31.03.2026	31.03.2025
Equity Share Capital	718.94	718.94
Other Equity	22,220.54	21,793.23
Total Equity	**22,939.49**	**22,512.17**
Non-Current Borrowings	-	-
Current maturities of Non-Current Borrowings	-	-
Current Borrowings	3,048.82	3,680.87
Total Debts	**3,048.82**	**3,680.87**

48. CSR Expenditure

The Company undertook Corporate Social responsibility('CSR') programme and activities through a registered under the Income Tax Act,1961.

Particulars	31.03.2026	31.03.2025
Amount required to be spent during the year	-	-
Amount spent during the year	-	70.92
(Excess) / Shortfall for the year	-	(70.92)
Total of previous year shortfall [net]	-	(2.24)
Excess of earlier previous years adjusted in current year	-	(1.62)
Excess amount spent shall be set off against subsequent years obligation	-	74.78
Details of related party transactions such as Contribution to trust controlled by the company	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately	-	-
Nature of CSR activities:	-	-
a) Contribution to PM Cares and State CMRF/AP Disaster Management Authority	-	-
b) Health/Eradicating Hunger/Proverty and malnutrition/Safe Drinking water/Sanitation	-	17.11
c) Promoting Education	-	48.46
d) Ensuring environmental sustainability Ecological balance/ Protection of flora and fauna/Animal welfare	-	5.35

(All amounts are Rupees in Lakhs, unless otherwise stated)

e) Woman Empowerment	-	-
f) Promoting National Sports	-	-
	-	-

As the company's networth or turnover or net profit criteria for applicability of Corporate Social Responsibility (CSR) under section 135(1) of the Companies Act, 2013 is below the threshhold limit in the preceeding financial year , therefore the company is not statutorily required to incur any expenditure for the year under section 135(5) of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR).However, in previous year 24-25 the company has voluntarily incurred expenditure amounting to Rs. 70.92 lakh towards CSR activities during the year.

49. Dividend

The Board of directors in their meeting held on 26th May, 2026, have not recommended any dividend.

50. The figures for the previous periods have been regrouped/rearranged, wherever considered necessary, to conform current year classifications.

The accompanying notes are an integral part of the financial statements
As per our report of even date attached.

For **Salarpuria & Partners**
Chartered Accountants
Firm Reg. No. 302113E

Anand Prakash
Partner
Membership No. 056485

Place : Kolkata
Date: 26 May, 2026

Yashwant Kumar Daga
Chairman and Managing Director
DIN: 00040632

Rajaram Kankani
President & Whole Time Director
DIN: 09188079

Shounak Mitra
Director
DIN: 07762047

Puneeta Arora
Company Secretary
FCS:7466

Gajendra Singh Rathore
Chief Financial Officer

DEEPAK SPINNERS LIMITED

DEEPAK SPINNERS LIMITED
121, Industrial Area, Baddi,
Tehsil Nalagarh, District Solan,
Himachal Pradesh - 173205.