KAKATIYA TEXTILES LIMITED

Nallabandagudem Village, Kodad Mandal, Suryapeta Dist., Telangana State-508 206.
Email: ktlmail@gmail.com

CIN: L18100AP1981PL104439 **GSTIN: 36AAACK8363R1ZS**

Date:
04.09.2026

To
The Corporate Relations Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai–400 001
Fax No.: 022-22723121/3719

Dear Sir,

Sub: Notice of 44th Annual General Meeting (AGM) and Annual Report of the Company for the F Y 2025-26

Ref: Company Code: 521054

With reference to the subject cited above, Please find the enclosed Notice convening the 44th AGM of the Company to be held on Tuesday, the 29th day of September, 2026 at 3.00 P.M through Video Conference/Other Audio Visual Means (VC/OAVM).

In order to comply with the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2025-26 which is being dispatched / sent to the members by the permitted mode(s).

This is for your information and necessary records.

For **Kakatiya Textiles Ltd**

Ravali Vanka
Chairperson & Director
DIN: 05336333

VANKA RAVALI

Digitally signed by VANKA RAVALI
Date: 2026.09.04 16:23:58 +05'30'

ANNUAL REPORT FOR THE F.Y. 2025-26

KAKATIYA TEXTILES LIMITED

CIN: L18100AP1981PLC104439

Corporate Information

Board of Directors & Key Managerial Personnel

Smt. Raja Kumari Vanka	-	Non-Executive Director
Shri. Ravali Vanka	-	Non-Executive Director & Chairperson
Shri. Kosuru Venkata Sai Charan	-	Independent Director
Smt. Padmavathi Kalidindi	-	Independent Director
Shri. Bandlamudi Sunil Babu	-	Manager (w.e.f. 30.05.2026)
Shri. Atmakuri Rama Guravaiah	-	Chief Financial Officer (w.e.f 30.05.2026)

Statutory Auditors:	M/s. Brahmayya & Co. Chartered Accountants D.No.22-20-6, Gubbala Vari Street, Society Road, Tanuku, West Godavari, India-534211
Secretarial Auditor:	M/s. P.S. Rao & Associates Flat No.10, 4th Floor, # 6-3-347/22/2, Ishwarya Nilayam, Opp. Sai Baba Temple, Dwarakapuri Colony, Punjagutta, Hyderabad-500082 Telangana
Internal Auditor:	M/s. Cherukuri & Co., Chartered Accountants. 13-84, Kambala Vari Street, Penugonda, West Godavari District, Andhra Pradesh-534320
Registrar and Share Transfer Agent	MUFG Intime India Private Limited (Formerly known as Link Intime India Pvt Ltd) Surya, 35, Mayflower Avenue Behind Senthil Nagar, Sowripalayam Road Coimbatore – 641 028 Ph / Fax: (0422) 2314792 E-mail: coimbatore@linkintime.co.in
Registered Office	Plot No. 9 & 10, Industrial Estate, Tetali, Tanuku, West Godavari–534218, Andhra Pradesh Phone No: 08819-224005 / 225005 E-mail: shares.ktl@rspl.ind.in Internet: www.kakatiyatextiles.in

AUDIT COMMITTEE

Shri. Kosuru Venkata Sai Charan	- Chairman
Smt. Vanka Ravali	- Member
Smt. Padmavathi kalidindi	- Member

NOMINATION AND REMUNERATION COMMITTEE

Smt. Padmavathi kalidindi	- Chairman
Shri. Kosuru Venkata Sai Charan	- Member
Smt. Vanka Ravali	- Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri. Kosuru Venkata Sai Charan	- Chairman
Smt. Padmavathi kalidindi	- Member
Smt. Vanka Raja Kumari	- Member

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 44TH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON TUESDAY, THE 29TH DAY OF SEPTEMBER, 2026 AT 3:00 PM THROUGH VIDEO CONFERENCE/OTHER AUDIO-VISUAL MEANS (VC/OAVM) TO TRANSACT THE FOLLOWING ITEMS OF BUSINESS:

ORDINARY BUSINESS:

1. **Adoption of Financial Statements:**

   To receive, consider and adopt the audited Financial Statements of the company for the Financial Year ended on 31st March, 2026 together with the Report of the Board of Directors and Auditors thereon;

2. **Re-Appointment of Director:**

   To appoint a director in place of Smt. Vanka Ravali (DIN: 05336333), who retires by rotation and being eligible offers herself for re-appointment.

By Order of the Board of Directors
For Kakatiya Textiles Ltd

Place: Tanuku
Date: 13.08.2026

Sd/-
Vanka Ravali
Chairperson & Director
DIN: 05336333

NOTES:

1. In accordance with the provisions of the Companies Act, 2013 read with the Rules made thereunder and General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 5, 2022, 10/22 dated December 28, 2022, 09/2023 dated September 25, 2023, 09/2024 dated September 19, 2024 and September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA") read with Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and other relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meetings (AGMs) through Video Conference ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being convened through VC/OAVM and the venue of the AGM shall be deemed to be the Registered Office of the Company.

2. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.

   Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Service (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by CDSL.

3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re- appointment at this AGM is annexed.

4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd ("Link Intime") for assistance in this regard.

6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.

7. To promote green initiative, Members who have not registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with Link Intime, in case the shares are held in physical form.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime in case the shares are held by them in physical form.

9. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website https://www.kaktiyatextiles.in. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

12. Members seeking any information regarding the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 26.09.2026 through email on cs@rspl.ind.in the same will be replied by the Company suitably.

13. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/DOP/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

14. Members may also note that the Notice of the 44th Annual General Meeting is available on the Company's website: www.kakatiyatextiles.in. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company cs@rspl.ind.in

15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 05, 2023, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.

    Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.kakatiyatextiles.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and CDSL at https://www.evotingindia.com/. Members whose email IDs are not registered with the Company/Depositories are requested to follow the process provided further for registration of email IDs with the depositories for procuring user ID & password and registration of email IDs for e-voting for the resolutions set out in this notice.

16. At the Forty Third AGM held on September 30, 2025 the board has recommended the appointment of M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No. 000513S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Forty Eighth AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018.

17. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.

E-VOTING

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), the Ministry of Corporate Affairs ("MCA") vide its Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023, September 19, 2024 and September 22, 2025 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022 and SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023, The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kakatiyatextiles.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

I. The voting period begins on Saturday, 26th September, 2026 (09:00 A.M.) and ends on Monday, 28th September, 2026 (05:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

II. Board of Directors have appointed Mr. M.B. Suneel, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

III. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

IV. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on

	https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting optionwhere the e voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800225533
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

V. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

VI. After entering these details appropriately, click on "SUBMIT" tab.

VII. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they

are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

VIII. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

IX. Click on the EVSN for the relevant Company i.e. Kakatiya Textiles Limited on which you choose to vote.

X. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

XI. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

XII. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

XIII. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

XIV. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

XV. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

XVI. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com .
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@rspl.ind.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E- VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at-least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders: Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders: Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.

C. General Instructions:

A. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22.09.2026

B. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.

C. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

A member can opt for only one mode of voting, i.e., either through remote e-voting or by e-voting at the AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and e-Voting at the AGM shall be treated as invalid.

The results declared along with the Scrutinizer's Report will be posted on the Company's website and communicated to the Stock Exchange.

The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors

Particulars	**Ravali Vanka**
Date of Birth	13.12.1991
Date of Appointment	05.09.2025
Qualifications	BBA, LLB.
Expertise in specific Functional area	She is a graduate in BBA and LLB. Having rich experience in the field of Administration and Other business matters.
Directorship held in other public companies (excluding foreign companies)	NIL
Memberships / Chairmanships of committees of other Public companies (includes only Audit and Shareholders/Investors Grievance Committee)	NIL
Number of shares held in the company	7,33,203

DIRECTORS' REPORT

To
The Members

Your Directors are delighted to present their 44th Annual Report of the Company for the financial year 2025-26 along with the audited accounts for the financial year ended March 31, 2026

FINANCIAL PERFORMANCE:

(₹. In Lakhs)

PARTICULARS	Financial Year 2025-26	Financial Year 2024-25
Revenue from operation	3144.84	3371.35
Other Income	6.80	6.82
Total income	3151.64	3378.17
Profit/(Loss) before Interest, Depreciation and Tax	(420.5)	188.06
Finance Charges	-	-
Depreciation	81.73	54.54
Net Profit / Loss Before Tax (PBT)	(502.23)	133.52
Provision for Tax	-	-
Current Tax	-	-
Provision for earlier years	-	-
Deferred tax	-	-
Net Profit (PAT)	(502.23)	133.52
Earnings per share	(11.33)	2.31

DIVIDEND:

Directors of the Company do not recommend any dividend for the year ended 31st March, 2026.

TRANSFER TO RESERVES:

The Directors of the company didn't transfer any amount to its reserves.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since the Company has not declared any dividends, there is no unclaimed dividend to be transferred to Investor Education and Protection Fund.

LISTING OF EQUITY SHARES

Your Company's equity shares are listed on Bombay Stock Exchange (BSE Limited), Phirozee Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India.

BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW:

The meetings of the board are scheduled at regular intervals to decided and discuss on business performance, policies, strategies and other matters of significance.

The Company had conducted 5 (Five) Board meetings during the period under review. (i.e: 29.05.2025, 14.08.2025, 05.09.2025, 14.11.2025, 14.02.2026) The intervening gap between any consecutive board meetings was within the period prescribed under the provisions of the Companies Act, 2013 read with the circulars and notifications given by the statutory authorities.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from those standards;

(b) 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 loss of the company for that period;

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

(d) the directors confirm that the annual accounts have been prepared on a going concern basis;

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

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

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have enrolled their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013:

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished on the Company's website www.kakatiyatextiles.in.

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

The Company has not granted any loans or given any security or made any investments pursuant to the provisions of Section 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Related party transactions entered during the financial year under review are disclosed in Note No. 31 of the Financial Statements of the Company for the financial year ended 31st March, 2026. These transactions entered were at an arm's length basis and in the ordinary course of

business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the note on the aforesaid related party transactions is enclosed herewith as **Annexure – I**.

The policy on related party transactions as approved by the Board of Directors of the Company has been uploaded on the company's website and may be accessed through the website at www.kakatiyatextiles.in

ANNUAL RETURN:

The annual return is placed on the company's website on www.kakatiyatextiles.in

INTERNAL AUDITORS:

The Board of directors based on the recommendation of the audit committee has appointed M/s. Cherukuri & Co. as the Internal Auditors of the company. The internal auditors are submitting their report on quarterly basis.

STATUTORY AUDITORS:

Pursuant to Section 139 and other relevant provisions of the Companies Act, 2013 M/s. Brahmayya & Co., (FR No. 000513S), Chartered Accountants, were appointed as Statutory Auditors of the Company at the 43rd Annual General Meeting ("AGM") for the period of 5 years from conclusion of 43rd AGM till the conclusion of 48th AGM for a period of 5 years to be held in the Year 2030.

The Company has received consent to the said effect. Further, the Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143 (12) of the Companies Act, 2013 and Rules framed thereunder.

SECRETARIAL AUDITORS:

Pursuant to the amended provisions of Regulation 24A of the SEBI (LODR) Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have approved and recommended the appointment of M/s. P. S. Rao & Associates, Peer Reviewed Firm of Company Secretaries in Practice as Secretarial Auditors of the Company for a term of up to 5 (Five) consecutive years to hold office from 43rd AGM of the Company to 48th AGM of Company to be held in the Year 2030.

M/s. P. S. Rao & Associates have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI (LODR) Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and SEBI (LODR) Regulations.

The Secretarial Audit report for the F.Y. 2025-26, as per the Section 204 of the Companies Act, 2013 and Rule 9 there-under, forms part of this Report as **Annexure- II**.

COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

CHANGE IN NATURE OF BUSINESS:

There were no changes in the nature of business of the company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company which has occurred between the financial year ended 31st March, 2026 and the date of the report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.

WHISTLE BLOWER POLICY (VIGIL MECHANISM):

The Company has formulated a whistle blower policy in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 to enable the directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The policy also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower policy has been uploaded on the company's website at www.kakatiyatextiles.in.

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS:

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria.

The performance of each Independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.

DIRECTORS'& KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mrs. Vanka Ravali, Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends her reappointment for the consideration of the members of the company at the forthcoming Annual General Meeting.

COMPOSITION OF BOARD COMMITTEES:

We have in place of all the committees of the board which are required to be constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of various committees of the Board is hereunder:

AUDIT COMMITTEE

Shri. Kosuru Venkata Sai Charan	- Chairman
Smt. Vanka Ravali	- Member
Smt. Padmavathi kalidindi	- Member

NOMINATION AND REMUNERATION COMMITTEE

Smt. Padmavathi kalidindi	- Chairman
Shri. Kosuru Venkata Sai Charan	- Member
Smt. Vanka Ravali	- Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri. Kosuru Venkata Sai Charan	- Chairman
Smt. Padmavathi kalidindi	- Member
Smt. Vanka Raja Kumari	- Member

FIXED DEPOSITS:

Since the Company has not accepted any fixed deposits covered under Chapter V of the Companies Act, 2013, and accordingly, the question of default in repayment of deposits or payment of interest thereon, during the year, does not arise.

EROSION OF NETWORTH:

As at 31st March 2026, your Company had a net worth of Rs. (1785.54) lakhs. Your Directors believe that the Company's net worth could become positive if the favorable business trend continues for some time. Therefore, the sickness status has not been referred to BIFR.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The Company periodically reviews the adequacy and effectiveness of the control systems.
The Audit committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the company, recommendations made for corrective action and the internal audit reports. The committee reviews with the statutory auditors and the management, key issues, significant processes and accounting policies.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees, is attached herewith as **Annexure-III.**

Further, we do not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended i.e. 8.50 Lakhs per Month or Rs. 1.02 Crores per Annum.

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31st March 2026 as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended is attached herewith as **Annexure-III.**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to the Regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion and Analysis is herewith annexed as **Annexure-IV.**

CORPORATE GOVERNANCE REPORT:

Since the paid up capital of the Company is less than Rs.10 Crores and the net worth of the Company is less than Rs. 25 Crores, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY:

Since your Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made there under, reporting pursuant to Section 134 (3) (o) is not applicable.

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

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached herewith as **Annexure-V** to this report.

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

The Company has in place a policy on Sexual Harassment of Women at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The company has constituted an internal complaints committee to address the complaints regarding sexual harassment. All employees are covered under this policy. The company has not received any complaints during the year under review.

Following are the details w.r.t POSH cases, during the year under review:
(a) number of complaints of sexual harassment received in the year - Nil
(b) number of complaints disposed off during the year - Nil
(c) number of cases pending for more than ninety days - Nil

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, there are no application made or any pending proceedings under the Insolvency and Bankruptcy Code, 2016.

A STATEMENT BY THE COMPANY WITH RESPECT TO THE COMPLIANCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961:

During the year under review, not applicable to the Company.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

There were no such instances occurred during the year under review.

COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961

The Company is committed to ensuring a safe, inclusive, and supportive work environment for all employees. The Company has complied with the provisions of the Maternity Benefit Act, 1961, and extends all benefits and protections under the Act to eligible employees. Adequate internal policies and procedures are in place to uphold the rights and welfare of women employees in accordance with the applicable laws.

ACKNOWLEDGEMENTS:

Your Directors wish to thank the Company's Bankers, Financial Institutions, Customers and Suppliers for their unstinted support and co-operation.

Your Directors wish to place on record their appreciation of the confidence reposed by the shareholders in the Company at all times.

The Board of Directors also wishes to thank the employees at all levels for their excellent support and contribution made by them.

By Order of the Board of Directors
For Kakatiya Textiles Ltd

Place: Tanuku
Date: 13.08.2026

Sd/-
Vanka Ravali
Chairperson & Director
DIN: 05336333

Annexure I

FORM NO. AOC-2
Particulars of Contracts / Arrangements made with related parties
[Pursuant to clause (h) of sub-section (3) of section 134 of the act and rule 8(2) of the Companies (Accounts) Rules, 2014]

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

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

The Company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

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

Name(s) of the related party and nature of relationship	**Nature of contracts/arrangements/transactions**	**Duration of the contracts / arrangements/ transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any:**	**Date(s) of approval by the Board, if any:**	**Amount in Rs. (Lakhs)**
SVR Spinning Mills Private Limited	Sale of Goods	Every Year	N.A.	29.05.2025	33.74
Ravali Spinners Private Limited	Sale of Goods	Every Year	N.A.	29.05.2025	1866.40
SVR Spinning Mills Private Limited	Purchase of Goods	Every Year	N.A.	29.05.2025	347.73
Ravali Spinners Private Limited	Job Work charges	Every Year	N.A.	29.05.2025	87.70
Ravali Spinners Private Limited	Purchase of Goods	Every Year	N.A.	29.05.2025	1575.36

By Order of the Board of Directors
For Kakatiya Textiles Ltd

Place: Tanuku
Date: 13.08.2026

Sd/-
Vanka Ravali
Chairperson & Director
DIN: 05336333

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Kakatiya Textiles Limited
Plot No.9 & 10, Industrial Estate,
Tetali, Tanuku, West Godavari,
Andhra Prades-534218, India

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

Based on our verification of the Company's books, papers, minutes 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, we hereby report that in our 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 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 and Overseas Direct Investment.

(Not applicable to the company during the audit period).

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 (Issue of Capital and Disclosure Requirements) Regulations, 2018
(Not applicable to the Company during the audit period);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
(Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2018;

(Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

(Not applicable to the Company during the audit period)*;* and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

(Not applicable to the Company during the audit period);

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

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

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

further report that

- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- There are no such specific events/ actions in pursuance of the above referred laws, rules, regulations etc. having a major bearing on the Company's Affairs.

For **P S Rao& Associates**
Company Secretaries

MB Suneel
Company Secretary
C.P. No.: 14449
UDIN: A031197H001108438

Place: Hyderabad
Date: 13.08.2026

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

'Annexure A'

To
The Members
Kakatiya Textiles Limited
Plot No.9 & 10, Industrial Estate,
Tetali, Tanuku, West Godavari,
Andhra Prades-534218, India.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P S Rao& Associates**
Company Secretaries

MB Suneel
Company Secretary
C.P. No.: 14449
UDIN: A031197H001108438

Place: Hyderabad
Date: 13.08.2026

Annexure III

Report on Managerial Remuneration

As per Section 197 of the Companies Act 2013 Read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A) Statement of Particulars as per Rule 5 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 employees of the Company for the financial years:

S No.	Name of Director	Designation	Ratio of the remuneration of each Director to the median remuneration of employees
1	Smt. V Raja Kumari	Non-Executive Director	0
2	Smt. Ravali Vanka	Non-Executive Director	0
3	Shri. Kosuru Venata Sai Charan	Independent Director	0
4	Smt. Padmavathi Kalidindi	Independent Director	0

ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26:

S No.	Name of Director/KMP and Designation	Designation	% increase in Remuneration in the Financial year 2025-26
1	Smt. V Raja Kumari	Director	0
2	Smt. Ravali Vanka	Director	0
3	Shri. Bandlamudi Sunil Babu	Manager	0
4	Shri. Vikash Kumar Thakur	Company Secretary	0

iii. The percentage increase in the median remuneration of employees in the financial year: 27.98%

iv. The number of permanent employees on the rolls of Company as at March 31, 2026:

There were 40 permanent employees on the rolls of Company as on March 31, 2026

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

There was no increase in the Average percentile in the salaries of employees and managerial personnel.

vi. The Company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

B) Top 10 Employees in terms of remuneration:

Name	Age	Qualification	Designation	Date of commencement of employment	Experience Gross (years)	Nature of employment	Remuneration in (Rs. In Lacs) Per Month	Previous Employment	Relative of Director If any	% of Shareholding
B Sunil Babu	40	Diploma in Textile Technology	General Manager	24-04-2025	15 Years	Permanent	1.05	Amoda Spinning Mills	No	No
M Mohan Rao	35	B.Com .BED	Store &Dispatch	02.12.2024	12 Years	Permanent	0.35	Ramco Spinning	No	No
B Kishore Kumar	55	Technical	Production	01-10-2025	20 Years	Permanent	0.54	N R K R Textiles Pvt Ltd	No	No
K Raja Kumar	55	Diploma in Textile Technology	Maintenance Manager	26-08-2025	25 Years	Permanent	0.53	Super Spinning Mills	No	No
P Damodara Chari	56	Diploma Electrical	Electrical Incharge	01-09-2025	25 Years	Permanent	0.45	NSL Textiles	No	No
L Srinivasa Rao	40	Graduate	Supervisor	16-04-2025	15 Years	Permanent	0.29	NA	No	No
G Dharmendra	40	Graduate	Supervisory	01.03.2024	12 Years	Permanent	0.29	NA	No	No
Chandu Nayak	39	Graduate	Supervisory	10-06-2025	13 Years	Permanent	0.29	NA	No	No
B Siva Teja	35	Graduate	H R	01-02-2026	12 Years	Permanent	0.33	NA	No	No
K Muktheswara Rao	50	Inter	P O	12-03-2026	22 Years	Permanent	0.21	NA	No	No

C) The are no employees drawing Rs 8.50 Lacs per month or Rs. 102.00 Lacs per annum, whether employed throughout the year or part of the Financial year.

D) There are no employees in the service of the Company covered under Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

By Order of the Board of Directors
For Kakatiya Textiles Ltd

Place: Tanuku
Date: 13.08.2026

Sd/-
Vanka Ravali
Chairperson & Director
DIN: 05336333

Annexure-IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY CONDITIONS AND REVIEW OF OPERATIONS

1. INDUSTRY STRUCTURE:

The textile industry is a major sector that encompasses various activities related to the design, production, and distribution of textiles and clothing. It includes a wide range of products, such as fabrics, yarns, apparel, home textiles, and technical textiles. During 2022-27, the textile industry worldwide is anticipated to witness a projected CAGR of 5.67%. This growth is expected to be driven by various factors, such as increasing population, rising disposable income, and changing fashion trends. The demand for textiles and clothing is anticipated to rise with an increase in population, especially in emerging economies, such as India and China.

The Indian textile industry is the second-largest producer of man-made fibre (MMF) after China. Major textile and apparel export destinations for India include the US, EU-27 and UK, which account for approximately 50% of Indias textiles and apparel exports. India has a share of 4.6% of the global trade in textiles and apparel. The textile and apparel industry in India holds the second position in terms of employment prospects, with over 45 Million people directly employed and 100 Million people employed in allied industries.

Over the past few years, the world has steadily rebounded from the disruptions caused by COVID-19, yet geopolitical tensions have kept industries on edge. According to the latest India Development Update from the World Bank, India continues to demonstrate resilience amidst a challenging global environment. It stands out as one of the fastest-growing major economies. Paper consumption is closely tied to a country's economic development. Although India currently has low per capita paper consumption, this trend is steadily improving alongside economic progress and various governmental initiatives.

Opportunities

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The global textile industry will continue to grow along with growing consumption of textile products in developing countries and a gradual economic recovery of major developed economies. India's textile sector is aided by several key advantages, in terms of availability of adequate raw material, entrepreneurial skills, large domestic market, presence of supporting industries and supporting policy initiatives from the government.

Challenges, Risks and Threats

The broader trends in the economy are expected to have a direct impact on your Company's growth prospects as well. Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures. In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets.

In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviors and adversely impact the market for textiles and apparel. Migration to value for-money options could also lead to reduced growth and profitability for your Company

2. INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT:

Employees are the valuable assets and the strength of an organization in its growth, prosperity and development. Your Company is continuously striving to create appropriate environment, opportunity and systems for development and utilization of their full potential. The Company continued to have cordial and harmonious relations with its employees. It considers manpower as its assets and that people had been the driving force for growth of the Company.

3. HEALTH, SAFETY AND SECURITY ENVIRONMENT

The Company has always been adopting all possible safety measures considering the health and safety of the workers and staff at all levels. This has resulted in improvement in the working environment and motivation among workers and staff.

4. CAUTIONARY STATEMENT

Certain statements in the “Management Discussion and Analysis” section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook

By Order of the Board of Directors
For Kakatiya Textiles Ltd

Place: Tanuku
Date: 13.08.2026

Sd/-
Vanka Ravali
Chairperson & Director
DIN: 05336333

Annexure V

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under section 134 of the Companies Act, 2013 read with the rule 8(3) of Companies (Accounts) Rules, 2014 is here under:

(a) CONSERVATION OF ENERGY

Steps taken for conservation of energy: Energy conservation signifies how effectively and efficiently the company is managing its operations. The Company has undertaken various energy efficient practices and strengthened the Company's commitment towards becoming an environment friendly organization. The Company cautiously utilizes power and fuel to reduce the cost of maintenance.

(b) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

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

(a) The details of technology imported:

(b) The year of import:

(c) Whether the technology been fully absorbed:

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

(iv) The expenditure incurred on Research and Development:

(c) FOREIGN EXCHANGE EARNINGS AND OUTGO

S. No	Particulars	Rs. In Lakhs	
		2025-26	2024-2025
1	Earnings	Nil	Nil
2	Outgo	Nil	Nil

By Order of the Board of Directors
For Kakatiya Textiles Ltd

Place: Tanuku
Date: 13.08.2026

Sd/-
Vanka Ravali
Chairperson & Director
DIN: 05336333

INDEPENDENT AUDITOR'S REPORT

To
THE MEMBERS OF
KAKATIYA TEXTILES LIMITED,
TANUKU

Report on the Audit of the Financial Statements:

Opinion

We have audited the accompanying financial statements of **KAKATIYA TEXTILES LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2026, the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in equity for the year then ended on that date, and notes to financial statements, including a summary of material accounting policies and other explanatory information (herein after referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015,as amended,("Ind AS'') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its Loss, total comprehensive loss, its cash flows and the changes in equity and for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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Key Audit Matters

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

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of 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 Ind AS specified under Section 133 of the Act.

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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- 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 financial control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Companies Act,2013 based on our audit, we report that:

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

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph vi below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

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c) The Balance Sheet, the Statement of Profit and Loss including 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 financial statements comply with the Ind AS specified under Section 133 of the Act.

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

f) With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration for the year ended 31st March 2026 has been paid /provided by the company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Act.

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

i. The Company does not have any pending litigations which would impact its financial position as on reporting date.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

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Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared any dividend during the year.

vi. Based on our examination which included test checks and information given to us, the Company has used accounting software for maintaining its books of account, which did not have a feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the respective software, hence we are unable to comment on audit trail feature of the said software

For **BRAHMAYYA & Co.,**
Chartered Accountants
Firm Reg. No: 000513S

Place: Tanuku
Date: 30th May 2026

(CA Srinivasa Rao Cherukuri)
Partner
ICAI Memb.No.209237
UDIN: 26209237RLHBQA4989

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Annexure –A to the Independent Auditor's report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section to the members of the KAKATIYA TEXTILES LIMITED of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

[B]. The Company has no intangible assets hence clause 3(i) (a) (B) of the order is not applicable to the company.

(b) Some of the property, plant and equipment and right of use assets were physically verified during the year by the Management in accordance with a regular programme of verification, the periodicity of such verification which in our opinion is reasonable having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

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

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) during the year and hence reporting under this clause is not applicable to that extent

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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(ii). (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets at any points of time during the year and hence reporting under clause 3(ii) (b) of the order is not applicable.

(iii). During the year, the company has not made investments, provided any guarantee or security, or granted any loans or advances in the nature of loans; secured or unsecured to companies, firms, limited liability partnerships or any other parties hence clause 3(iii) (a) to 3(iii) (f) is not applicable to the company.

(iv). According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not granted any loans, investments, guarantees, and security as specified under section 185 or 186 of the Companies Act 2013.

(v). The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi). We have broadly reviewed the books of account maintained by the Company pursuant to rules made by the central government for the maintenance of cost records under section 148(1) of the Act in respect of company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.

(vii). In respect of statutory dues:

(a) Undisputed statutory dues, including Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other

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statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) There are no dues in respect of the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2026 on account of disputes.

(viii). There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Hence clause 3(viii) of the order is not applicable to the company.

(ix). (a). In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b). The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.

(c). The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix) (c) of the Order is not applicable

(d). On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e). The Company does not hold any investment in any subsidiary, associates or joint venture during the year ended 31st March,2026. According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence clause 3(ix) (e) of the order is not applicable.

(f). The Company does not hold any investment in any subsidiary, associates or joint venture during the year ended 31st March,2026. According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence clause 3(ix)(f) of the order is not applicable.

(x). (a). The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

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

(xi). (a). To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b). To the best of our knowledge, no report under sub section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c). As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii). The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii). In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv). (a).In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b).We have considered the internal audit reports of the company issued till date for the period under audit.

(xv). In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

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

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

(xvii). The Company has incurred cash losses of ₹ 573.92 Lakhs during the financial year covered by our audit and no cash losses were incurred in the immediately preceding financial year.

(xviii). There has been no resignation of the statutory auditors of the Company during the year.

(xix). 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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). Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) (a) and (b) of the order is not applicable.

(xxi). The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **BRAHMAYYA & Co.,**
Chartered Accountants
Firm Reg. No: 000513S

Place: Tanuku
Date: 30th May 2026

(CA Srinivasa Rao Cherukuri)
Partner
ICAI Memb.No.209237
UDIN: 26209237RLHBQA4989

Door No. 22-20-6, Gubbalavari Street, Society Road, Tanuku- 534211, Andhra Pradesh, India
Telephones: (91-8819) 221234, Cell: 9849347977
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[Also at Chennai,Bengaluru,adoni,New Delhi,Gurgaon,Mumbai]

ANNEXURE-B

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the KAKATIYA TEXTILES LIMITED of even date)

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 with reference to financial statements.

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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 authorizations of management and directors of the company; and
3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2026, based on the criteria for internal financial control with reference to financial statements 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 **BRAHMAYYA & Co.,**
Chartered Accountants
Firm Reg. No: 000513S

Place: Tanuku
Date: 30th May 2026

(CA Srinivasa Rao Cherukuri)
Partner
ICAI Memb.No.209237
UDIN: 26209237RLHBQA4989

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KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in Lakhs)

PARTICULARS	Note. No.	As at 31st March,2026	As at 31st March,2025
A. ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	1929.06	1868.00
(b) Capital work-in-progress	3.1	447.00	439.52
(c) Deffered tax asset (net)	4	297.95	297.95
(d) Income tax assets (net)		10.54	6.59
(e) Other non-current assets	5	120.92	354.86
TOTAL NON-CURRENT ASSETS		**2805.47**	**2966.92**
CURRENT ASSETS			
(a) Inventories	6	579.61	243.64
(b) Financial assets			
(i) Trade Receivables	7	205.08	232.25
(ii) Cash and cash equivalents	8	69.75	36.35
(iii) Bank balances other than (ii) above	9	5.48	5.48
(iv) Other financial assets	10	11.14	14.39
(c) Other current assets	11	468.94	411.68
TOTAL CURRENT ASSETS		**1340.00**	**943.79**
TOTAL ASSETS		**4145.47**	**3910.71**
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	578.54	578.54
(b) Other equity	13	(2364.08)	(1864.96)
TOTAL EQUITY		**(1785.54)**	**(1286.42)**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	14	4122.50	2033.50
(b) Provisions	15	49.39	49.97
TOTAL NON-CURRENT LIABILITIES		**4171.89**	**2083.47**
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of Micro and small enterprises	16	-	-
Total outstanding dues of creditors other than Micro and small enterprises	16	209.67	86.42
(ii) Other financial liabilities		-	-
(b) Provisions	17	13.90	12.81
(c) Other current liabilities	18	1535.55	3014.43
TOTAL CURRENT LIABILITIES		**1759.12**	**3113.66**
TOTAL EQUITY AND LIABILITIES		**4145.47**	**3910.71**
Corporate Information	1		
Material accounting policies	2		

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

As per our report of even date

For BRAHMAYYA & Co.,

Chartered Accountants

Firm Regn.No.000513S

For and on behalf of Board

VANKA RAJA KUMARI
Director
DIN .00480392

VANKA RAVALI
Chairperson & Director
DIN .05336333

Partner

(CA SRINIVASA RAO CHERUKURI)

ICAI M.No.209237

A.RAMA GURAVAIAH
Chief Financial Officer

VIKASH KUMAR THAKUR
Company Secretary

Place: Tanuku

Date: 30-05-2026

UDIN:26209237RLHBQA4989

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

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

(₹ in Lakhs)

	PARTICULARS	Note. No.	Year ended March 31,2026	Year ended March 31,2025
	INCOME			
I	Revenue from operations	19	3144.84	3371.35
II	Other income	20	6.80	6.82
III	**Total Income (I+II)**		**3151.64**	**3378.17**
IV	**EXPENSES**			
	Cost of materials consumed	21	1772.28	775.92
	Purchases of stock-in-trade		592.48	1803.67
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(34.16)	(57.62)
	Employee benefits expense	23	198.02	135.81
	Finance costs	24	-	-
	Depreciation and amortisation expense	3	81.73	54.54
	Other expenses	25	1196.94	532.33
	Total Expenses (IV)		**3807.29**	**3244.65**
V	**Profit/(Loss) before exceptional items & tax (III - IV)**		**(655.65)**	**133.52**
	Exceptional items	35	153.42	-
	Profit/(Loss) before tax		**(502.23)**	**133.52**
VI	**Tax expense**			
	(i) Current tax	37	-	-
	(ii) Deferred tax (credit) / expense	37	-	-
	Total Tax expense (VI)		**-**	**-**
VII	**Profit/(Loss) for the year after tax (V - VI)**		**(502.23)**	**133.52**
VIII	Other Comprehensive Income			
A.	(i) Items that will not be reclassified to profit or loss:		3.11	1.12
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B.	(i) Items that will be reclassified to profit or loss:		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive (Loss) / Income [(i)+(ii)]		**3.11**	**1.12**
IX	**Total comprehensive income/(Loss) for the year (VII + VIII)**		**(499.12)**	**134.64**
	Earnings per share (of ₹ 10/- each):			
	Basic and Diluted (₹) (Before Exceptional items)	32	**(11.33)**	**2.31**
	Basic and Diluted (₹) (after Exceptional items)	32	**(8.68)**	**2.31**
	Corporate Information	1		
	Material accounting policies	2		

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

As per our report of even date

For **BRAHMAYYA & Co.,**
Chartered Accountants
Firm Regn.No.000513S

For and on behalf of Board

VANKA RAJA KUMARI
Director
DIN .00480392

VANKA RAVALI
Chairperson & Director
DIN .05336333

Partner
(CA SRINIVASA RAO CHERUKURI)
ICAI M.No.209237

Place: Tanuku
Date: 30-05-2026
UDIN:26209237RLHBQA4989

A.RAMA GURAVAIAH
Chief Financial Officer

VIKASH KUMAR THAKUR
Company Secretary

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ In Lakhs)

PARTICULARS	Year ended 31.03.2026	Year ended 31.03.2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax & exceptional items	(655.65)	133.52
Adjustments for		
Depreciation and amortization expense	81.73	54.54
Interest Income	(6.80)	(6.63)
Remeasurement of defined benefit plans	3.11	1.12
Operating profit before working capital changes	(577.61)	182.55
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	27.17	(204.65)
Inventories	(335.97)	(94.91)
other financial and current assets	(54.01)	(239.26)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	123.25	63.40
Other financial and current liabilities	(1478.88)	1059.66
Provisions	0.51	0.09
Cash generated from operations	(2295.54)	766.88
Less: Direct taxes paid	3.95	0.23
Net cash from operating activities (A)	**(2299.49)**	**766.65**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment/Capital Work in Progress	(150.27)	(701.60)
Proceeds from sale of property, plant and equipment	153.42	-
Increase in other non current assets	233.94	0.45
Interest Received	6.80	6.63
Net cash from Investing activities (B)	**243.89**	**(694.52)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	2089.00	(37.66)
Net cash from financing activities (C)	**2089.00**	**(37.66)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**33.40**	**34.47**
Cash and cash equivalents at the beginning of the year	36.35	1.88
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-
Cash and cash equivalents at the end of the period (Refer Note No.8)	**69.75**	**36.35**

Note:

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

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

iii) Reconciliation of liabilities from financing activities for the year ended March 31,2026 and March 31,2025 (Refer Note No.38)

As per our report of even date

For BRAHMAYYA & Co.,

Chartered Accountants

Firm Regn.No.000513S

Partner

(CA SRINIVASA RAO CHERUKURI)

ICAI M.No.209237

Place: Tanuku

Date: 30-05-2026

UDIN:26209237RLHBQA4989

For and on behalf of Board

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DIN .00480392

VANKA RAVALI
Chairperson & Director
DIN .05336333

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Chief Financial Officer

VIKASH KUMAR THAKUR
Company Secretary

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

Statement of changes in equity for the year ended March 31, 2026

A.Equity share capital

1) Current reporting period

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
578.54	-	578.54	-	578.54

2) Previous reporting period

(₹ in Lakhs)

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
578.54	-	578.54	-	578.54

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves & Surplus					
	Capital reserve	Securities Premium	General reserve	Retained earnings	Other items of Other Comprehensive Income (Acturial gains/Losses)	Total
Balance at the end of reporting period 31st March 2024	**-**	**-**	**17.50**	**(2010.86)**	**(6.24)**	**(1999.60)**
Profit/(Loss) for the year	-	-	-	133.52	-	133.52
Other Comprehensive Income (OCI) for the year	-	-	-	-	1.12	1.12
Final dividends	-	-	-	-	-	-
Balance at the end of reporting period 31st March 2025	**-**	**-**	**17.50**	**(1877.34)**	**(5.12)**	**(1864.96)**
Profit/(Loss) for the year	-	-	-	(502.23)	-	(502.23)
Other Comprehensive Income (OCI) for the year	-	-	-	-	3.11	3.11
Final dividends	-	-	-	-	-	-
Balance at the end of reporting period 31st March 2026	**-**	**-**	**17.50**	**(2379.57)**	**(2.01)**	**(2364.08)**

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

As per our report of even date

For BRAHMAYYA & Co.,

Chartered Accountants

Firm Regn.No.000513S

Partner

(CA SRINIVASA RAO CHERUKURI)

ICAI M.No.209237

Place: Tanuku

Date: 30-05-2026

UDIN:26209237RLHBQA4989

For and on behalf of Board

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Director
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Chairperson & Director
DIN .05336333

A.RAMA GURAVAIAH
Chief Financial Officer

VIKASH KUMAR THAKUR
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information:

Kakatiya Textiles Limited is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 vide CIN NO: L18100AP1981PLC104439. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the manufacture and sale of cotton yarn.

2. Material Accounting Policies and Key Accounting Estimates and Judgements

A. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards "Ind AS" notified under Section 133 of the Companies Act, 2013 "the Act" read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act

B. Basis of preparation and presentation

These financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. These financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 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.

C. Operating Cycle

All assets have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

D. Use of estimates and judgements

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

E. Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of Property Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax and Service Tax, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is de-recognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Depreciation and amortization

Depreciation on property, plant and equipment has been provided on the Straight Line method as per the useful life prescribed in Schedule II to the Act.

Assets individually costing ₹ 5,000 and below are fully depreciated in the year of acquisition.

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

F. Capital work-in-progress

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress Group to Tangible Fixed Assets Group.

G. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years

H. Foreign currency transactions and translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the exchange rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

I. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates

J. Employee benefits

(i) Defined contribution plans:

The Company's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

(ii) Defined benefit plans:

In accordance with The Payment of Gratuity Act, 1972 The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Gratuity benefits are managed through the Group Gratuity Scheme of LIC. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government Bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net-off deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

K. Revenue Recognition :

Sale of goods:
Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per the terms of contracts with customers.

Sale of services:
Revenue from sale of services is recognised based on the contracts with customers and when the services are rendered by measuring progress towards satisfaction of performance obligation for such services.

Other Income:
Interest income is recognised using effective interest method. Dividend income is accounted for in the year when the right to receive such dividend is established and the amount of dividend can be measured reliably.

L. Financial instruments, Financial assets, Financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Company commits to purchase or sell the asset.

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

i) Financial assets

Recognition: Financial assets include Investments, Trade receivables, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Financial assets are classified as those measured at:

a) amortised cost, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.

b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

ii) **Financial liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

M. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from Profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority

N. Provisions, Contingent Liabilities and Contingent assets

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made

O. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

P. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions/banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet..

Q. Borrowings

Borrowing cost incurred in connection with the funds borrowed for acquisition/erection of assets that necessarily take substantial period of time to get ready for intended use, are capitalized as part of such assets. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are charged to revenue.

R. Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

i) Cost of raw materials, components, stores, spares are valued at cost, determined on a first-in-first-out basis.

ii) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolesces, defective inventories are duly provided for.

iii) By-products and scrap are valued at net realizable value and it is reduced from cost of the main product.

iv) Excess/ shortages, if any, arising on physical verification are absorbed in the respective consumption accounts.

v) The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

S. Cash flow statement:

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

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

NOTE No.3 PROPERTY, PLANT AND EQUIPMENT (₹ in Lakhs)

Particular	Land - Freehold	Non Factory Buildings	Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Computers	Vehicles	Total
Gross Carrying Amount As at 01.04.2025	11.86	234.22	246.23	2781.39	239.66	30.50	16.30	46.61	3606.77
Additions	-	-	-	140.57	-	-	2.22	-	142.79
Disposals / Transfers	-	-	-	153.42	-	-	-	-	153.42
Gross Carrying Amount As at 31.03.2026	**11.86**	**234.22**	**246.23**	**2768.54**	**239.66**	**30.50**	**18.52**	**46.61**	**3596.14**
Accumalated Depreciation As at 01.04.2025	-	54.46	235.82	1191.59	168.25	28.82	15.76	44.07	1738.77
Depreciation charged for the year	-	3.82	0.12	73.57	3.76	0.36	0.10	-	81.73
Disposals / Transfers	-	-	-	153.42	-	-	-	-	153.42
Accumalated Depreciation As at 31.03.2026	**-**	**58.28**	**235.94**	**1111.74**	**172.01**	**29.18**	**15.86**	**44.07**	**1667.08**
Net Carrying Amount									
As at 31.03.2025	**11.86**	**179.76**	**10.41**	**1589.80**	**71.41**	**1.68**	**0.54**	**2.54**	**1868.00**
As at 31.03.2026	**11.86**	**175.94**	**10.29**	**1656.80**	**67.65**	**1.32**	**2.66**	**2.54**	**1929.06**

Note:

1) There are no intangible assets to the company

2) No Impairment of Assets held by the company as at 31.03.2026 hence the relevant information is not furnished herein above.

3) None of the assets were acquired/transferred by way of business combinations

4) No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

5) The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

NOTE No.3 PROPERTY, PLANT AND EQUIPMENT (₹ in Lakhs)

Particular	Land - Freehold	Non Factory Buildings	Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Computers	Vehicles	Total
Gross Carrying Amount As at 01.04.2024	11.86	234.22	246.23	1883.90	224.49	30.50	16.30	46.61	2694.11
Additions	-	-	-	897.49	15.17	-	-	-	912.66
Disposals / Transfers	-	-	-	-	-	-	-	-	-
Gross Carrying Amount As at 31.03.2025	**11.86**	**234.22**	**246.23**	**2781.39**	**239.66**	**30.50**	**16.30**	**46.61**	**3606.77**
Accumalated Depreciation As at 01.04.2024	-	50.64	235.70	1146.39	164.76	28.46	15.54	42.74	1684.23
Depreciation charged for the year	-	3.82	0.12	45.20	3.49	0.36	0.22	1.33	54.54
Disposals / Transfers	-	-	-	-	-	-	-	-	-
Accumalated Depreciation As at 31.03.2025	**-**	**54.46**	**235.82**	**1191.59**	**168.25**	**28.82**	**15.76**	**44.07**	**1738.77**
Net Carrying Amount									
As at 31.03.2024	**11.86**	**183.58**	**10.53**	**737.51**	**59.73**	**2.04**	**0.76**	**3.87**	**1009.88**
As at 31.03.2025	**11.86**	**179.76**	**10.41**	**1589.80**	**71.41**	**1.68**	**0.54**	**2.54**	**1868.00**

Note:

1) There are no intangible assets to the company

2) No Impairment of Assets held by the company as at 31.03.2025 hence the relevant information is not furnished herein above.

3) None of the assets were acquired/transferred by way of business combinations

4) No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

5) The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.

NOTE NO.3.1

CAPITAL WORK-IN PROGRESS

(₹ in Lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
A.Building under construction		
Opening Balance	409.16	329.41
Additions during the year	-	79.75
Less:Capitalised during the year	-	-
Closing Balance(A)	**409.16**	**409.16**
B.Plant & Machinery under installation		
Opening Balance	30.36	321.17
Additions during the year	7.48	606.68
Less:Capitalised during the year	-	897.49
Closing Balance (B)	**37.84**	**30.36**
Total (A+B)	**447.00**	**439.52**

Notes:

1) Refer Note No.26 Capital work-in progress ageing Schedule

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

(₹ in Lakhs)

Note No.	Notes Annexed and Forming Part of Balance Sheet	As at 31st March,2026	As at 31st March,2025
4	**DEFERRED TAX ASSET(Net):**		
	Depreciation	(26.92)	(26.92)
	Losses	309.94	309.94
	Others	14.93	14.93
		297.95	**297.95**
5	**OTHER NON CURRENT ASSETS:**		
	Security Deposits	94.12	92.23
	Capital advances	26.80	262.63
		120.92	**354.86**
6	**INVENTORIES:(Valued at lower of cost and net realisable value)**		
	(a) Raw materials and bought-out components	328.88	31.36
	(b) Work-in-progress	27.95	2.29
	(c) Finished goods		
	Cotton Yarn	63.29	55.76
	Cotton Waste	1.73	0.76
	(d) Stores and spares (including secondary packing material)	157.76	153.47
	Notes:		
	i) The mode of valuation of inventories has been stated in Note 2.R.		
	ii) The cost of inventories recognised as an expense during the year was ₹ 2542.55 Lakhs for the year ended 31st March, 2026 (₹ 2601.94 Lakhs for the year ended 31.03.2025)		
	iii) There are no inventories expected to be recovered after more than twelve months.		
	iv) No inventory write-down or reversal of inventory write-down was recognised during the year.		
	v) The amount of goods in transit is Rs. Nil Lakhs (Rs. Nil Lakhs for previous year)		
		579.61	**243.64**
7	**TRADE RECEIVABLES: (See Note No.29)**		
	Trade receivables considered good- Secured	-	-
	Trade receivables considered good- Unsecured	188.00	215.17
	Trade receivables which have significant increase in credit risk	17.08	17.08
	Trade receivables - Credit impaired	-	-
		205.08	**232.25**
	Less: Provision for expected credit loss	-	-
		205.08	**232.25**
8	**CASH AND CASH EQUIVALENTS:**		
	Cash in hand	0.07	0.07
	Balances with Banks		
	-In Current Acounts	69.68	36.28
	Cash and cash equivalents as per cash flow statement	**69.75**	**36.35**
9	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	Earmarked balances with banks held as margin deposits	5.48	5.48
		5.48	**5.48**
10	**OTHER CURRENT FINANCIAL ASSETS**		
	Interest accrued on fixed deposits	4.21	4.19
	Employee related Advances	0.48	6.50
	Prepaid Expenses	6.45	3.70
		11.14	**14.39**
11	**OTHER CURRENT ASSETS:**		
	Advance for purchase of Raw Material	10.79	30.26
	Advance for purchase of stores	18.79	14.87
	Advance for Expenses	50.60	23.66
	Other Advances	1.31	1.31
	Receivable on account of sale of Machinery	58.32	58.32
	Receivable on account of Indirect income	6.19	6.19
	Receivable on account of VAT	63.44	63.44
	GST Receivable	259.50	213.63
		468.94	**411.68**

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

(₹ in Lakhs)

Note No.	Notes Annexed and Forming Part of Balance Sheet	As at 31st March,2026	As at 31st March,2025
12	**SHARE CAPITAL:**		
	a) **Authorised Share capital**		
	65,00,000 (65,00,000) Equity Shares of ₹ 10/- each	650.00	650.00
	5,00,000 (5,00,000) Cumulative Redeemable	500.00	500.00
	Preference Shares of ₹ 100/- each.	**1150.00**	**1150.00**
	b) **Issued, Subscribed & Paid Up Capital**		
	58,10,600 (58,10,600) Equity shares of ₹ 10/- each	581.06	581.06
	Less:Calls in arrears	2.52	2.52
		578.54	**578.54**

c) The Reconciliation of number of shares (In numbers)	As at 31st March 2026	As at 31st March 2025
	Equity	Equity
Number of Shares at the beginning	58,10,600	58,10,600
Add: Shares issued	-	-
Balance as at the end of the year	**58,10,600**	**58,10,600**

The Reconciliation of Value of shares:	As at 31st March 2026	As at 31st March 2025
	Equity	Equity
Value of Shares at the beginning	581.06	581.06
Add: Shares issued	-	-
Balance as at the end of the year	**581.06**	**581.06**

d) **Terms/Rights attached to shares:**

Equity Shares:

The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their share holding after distribution of payments to preferential creditors.

e) **Particulars regarding bonus issue and other details during the period of last five financial years:**

i) Out of the last five financial years, the company does not issued any bonus shares.

ii) None of the shares were issued in pursuant to contract without payment being received in cash.

f) **The details of Shareholders holding more than 5% shares:**

Name of the Share holders	As at 31-Mar-26		As at 31-Mar-25	
	No. of shares	% of Holding	No. of shares	% of Holding
Vanka Ravindra Nath	7,47,603	12.87	7,47,603	12.87
Vanka Raja Kumari	7,33,203	12.62	7,33,203	12.62
Vanka Raghuveer	7,33,203	12.62	7,33,203	12.62
Vanka Ravali	7,33,203	12.62	7,33,203	12.62

g) **The details of Shares held by promoters at the end of the year**

Name of the Shareholders	% change during the	As at 31-Mar-26		As at 31-Mar-25	
		No. of shares	% of Holding	No. of shares	% of Holding
Vanka Ravindra Nath	0.00%	7,47,603	12.87	7,47,603	12.87
Vanka Raja Kumari	0.00%	7,33,203	12.62	7,33,203	12.62
Vanka Raghuveer	0.00%	7,33,203	12.62	7,33,203	12.62
Vanka Ravali	0.00%	7,33,203	12.62	7,33,203	12.62

13	**OTHER EQUITY:**			
	i) **General reserve**			
	(This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.			
	Opening Balance		17.50	17.50
	Add: Additions		-	-
	Less:Utilised/transferred		-	-
	Closing Balance	(A)	**17.50**	**17.50**
	ii) **Surplus/(Deficit) in Other Comprehensive Income**			
	(This reserve represents the cumulative gain or loss on account of remeasurement of defined benefit plans net of amounts reclassified if any to retained earnings)			
	Balance as per last Financial Statements		(5.12)	(6.24)
	Other Comprehensive Income (OCI) for the Year		3.11	1.12
	Closing Balance	(B)	**(2.01)**	**(5.12)**
	iii) **Surplus/(Deficit) in Statement of profit and loss**			
	(Represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.)			
	Opening Balance		(1877.34)	(2010.86)
	Add: Net Profit/ (Loss) transferred from statement of Profit & Loss		(502.23)	133.52
	Closing Balance	(C)	**(2379.57)**	**(1877.34)**
		(A+B+C)	**(2364.08)**	**(1864.96)**

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

(₹ in Lakhs)

Note No.	Notes Annexed and Forming Part of Balance Sheet	As at 31st March,2026	As at 31st March,2025
14	**NON-CURRENT BORROWINGS**		
	a) Unsecured Loans		
	i) Inter Corporate Loan	3410.20	1321.20
	ii) Directors	212.30	212.30
	b) Preference Shares	500.00	500.00
		4122.50	**2033.50**
15	**PROVISIONS (NON CURRENT)**		
	Provision for Employee Benefits	49.39	49.97
		49.39	**49.97**
16	**TRADE PAYABLES: (See Note No.27 & 28)**		
	i) Due to Micro and Small Enterprises	-	-
	ii) Others	209.67	86.42
		209.67	**86.42**
17	**CURRENT PROVISIONS**		
	Provision for Employee Benefits	13.90	12.81
		13.90	**12.81**
18	**OTHER CURRENT LIABILITIES:**		
	i) Other Payables		
	a) Advance from customers	1414.11	2847.06
	b) Statutory Liabilities	6.34	5.99
	c) Employee related payables	38.14	22.27
	d) Creditors for Capital Goods	4.73	4.22
	e) Creditors for Commission	15.02	15.28
	f) Creditors for Expenses	57.21	119.61
		1535.55	**3014.43**

KAKATIYA TEXTILES LIMITED

CIN NO: L18100AP1981PLC104439

(₹ in Lakhs)

Note No.	Notes Annexed and Forming part of Profit & Loss	Year ended March 31,2026	Year ended March 31,2025
19	**REVENUE FROM OPERATIONS:**		
	a) Sale of Products:	3057.14	3088.83
	b) Other Operating Revenue	87.70	282.52
		3144.84	**3371.35**
20	**OTHER INCOME:**		
	Interest Income	6.80	6.63
	Credit balances written off	0.00	0.19
		6.80	**6.82**
21	**COST OF MATERIALS CONSUMED:**		
	Opening Stock of Cotton Lint	31.36	9.63
	Add: Purchases	2069.80	797.65
	Less: Closing Stock of Cotton Lint	328.88	31.36
		1772.28	**775.92**
22	**CHANGE IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS & STOCK IN TRADE:**		
	Inventories at the beginning of the year		
	Finished Goods	55.76	0.69
	Stock-in-Process	2.29	-
	Process waste	0.76	0.50
		58.81	**1.19**
	Inventories at the end of the year		
	Finished Goods	63.29	55.76
	Stock-in-Process	27.95	2.29
	Process waste	1.73	0.76
		92.97	**58.81**
		(34.16)	**(57.62)**
23	**EMPLOYEE BENEFIT EXPENSES:**		
	Salaries,Wages and Bonus	166.26	113.20
	Contributions to Provident fund and other funds	5.59	5.73
	Gratuity	6.24	6.71
	Staff Welfare Expenses	19.93	10.17
		198.02	**135.81**

KAKATIYA TEXTILES LIMITED

CIN NO: U18100AP2005PTC046237

(₹ in Lakhs)

Note No.	Notes Annexed and Forming part of Profit & Loss	Year ended March 31,2026	Year ended March 31,2025
24	**FINANCE COST:**		
	Interest Paid to Banks	-	-
	Interest paid to Others	-	-
		-	-
25	**OTHER EXPENSES:**		
	Stores and spares Consumed	211.95	79.97
	Power & Fuel	578.88	262.21
	Taxes & Licences	15.09	13.46
	Repairs & Maintenance		
	--Factory Building	15.93	-
	--Plant & Machinery	316.59	135.55
	--Others	0.73	0.22
	Selling expenses	7.73	2.53
	Payment to Auditors		
	--Towards statutory audit	0.30	0.30
	--Towards tax audit	2.00	-
	--Towards other services		
	Professional charges	7.88	4.17
	Insurance	3.95	1.38
	Postage,Telephone & Printing	0.85	0.40
	Traveling & Conveyance Expenses	2.65	0.04
	Others	32.41	32.10
		1196.94	**532.33**

26. Capital Work-In-Progress Ageing Schedule:

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March,2026					
Projects in progress	7.48	110.11	165.58	163.83	447.00
Projects temporarily suspended	-	-	-	-	-
Total	**7.48**	**110.11**	**165.58**	**163.83**	**447.00**
As at 31st March,2025					
Projects in progress	110.11	165.58	47.01	116.82	439.52
Projects temporarily suspended	-	-	-	-	-
Total	**110.11**	**165.58**	**47.01**	**116.82**	**439.52**

There are no capital work-in-progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2026.

27. The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

(₹ in Lakhs)

Particulars	As at 31–Mar–26	As at 31–Mar–25
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

* In the absence of information with regard to status of the trade payable to categorise into MSME or Other than MSME under MSME Act, 2006, the total trade payables are being categorised under 'others. In view of this, we are unable to present the disclosure pursuant to the said MSMED Act, 2006.

28. Trade Payables Ageing Schedule:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment# As at 31st March 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	-	-	-	-	-
(ii) Others	196.63	2.65	-	10.39	209.67
(iii) Disputed dues-MSME*	-	-	-	-	-
(iv) Disputed dues other than MSME*	-	-	-	-	-
	196.63	**2.65**	**-**	**10.39**	**209.67**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment# As at 31st March 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME*	-	-	-	-	-
(ii) Others	66.03	-	14.00	6.39	86.42
(iii) Disputed dues-MSME*	-	-	-	-	-
(iv) Disputed dues other than MSME*	-	-	-	-	-
	66.03	**-**	**14.00**	**6.39**	**86.42**

* In the absence of information with regard to status of the trade payable to categorise into MSME or Other than MSME under MSME Act, 2006, the total trade payables are being categorised under 'others. In view of this, we are unable to present the disclosure pursuant to the said MSMED Act, 2006.

29. Trade Receivables Ageing Schedule:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment# As at 31st March 2026					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	119.01	66.93	0.06	-	2.00	188.00
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	17.08	17.08
(iv) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
	119.01	**66.93**	**0.06**	**-**	**19.08**	**205.08**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment# As at 31st March 2025					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	58.31	146.40	5.43	-	5.03	215.17
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	17.08	17.08
(iv) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(v) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
	58.31	**146.40**	**5.43**	**-**	**22.11**	**232.25**

Notes:

a) The average credit period of trade receivables varies from 15-45 days.

b) The above includes an amount of Rs. Nil Lakhs for the year ended 31st March, 2026 and Rs.151.83 Lakhs for 31st March 2025 due from related parties.

c) The Company has used practical expedient by computing the expected credit loss for doubtful trade receivables based on ageing of receivables, history of recoverability from the customers, credit worthiness of the customers etc.

d) During the year, the company has recognised loss allowance of **Rs. Nil** under12 months expected credit loss model.

e) Trade receivables include amounts due from the following customers which represent more than 10% of the total trade receivables of the company:

(₹ in Lakhs)

Name of the customer	As at 31st March,2026	% of Total Receivables	As at 31st March,2025	% of Total Receivables
SVR spinning Mills Pvt Ltd	-	-	151.83	65.38%
Mahalakshmi Tex com	62.69	30.57%	-	-
Shri Shanmuga Textiles	87.92	42.87%	-	-
Sri Dhanalakshmi Cotton and Rice Mills Pvt Ltd	29.66	14.46%		
Fabrication Textiles LLP	-	-	25.09	25.09%
Total	**180.27**	**87.90%**	**176.92**	**76.18%**

f) As at March 31, 2026, debts due by a private company in which a director of the Company is also a director amount to ₹ Nil Lakhs (Previous year – ₹ 151.83 Lakhs). These balances are unsecured and are recoverable in the ordinary course of business."

30. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividend to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure

Refer note 42 for information on ratios.

31. As per Indian Accounting Standard 24 "Related Parties Disclosure" the disclosure of related parties as defined in the standard are given hereunder:

A. List of Related parties:

a) Key Management Personnel

Vanka Raja Kumari	Director
Vanka Ravali	Director
Vikash Kumar Thakur	Company Secretary (appointed w.e.f 16/07/2025)
Peeyush Sethia	Company Secretary (upto16/07/2025)
Velicherla hari Obula reddy	CFO (upto30/05/2026)
Atmakuri Rama Guravaiah	CFO (appointed w.e.f 30/05/2026)

b) Relatives of Key Management Personnel

Vanka Raghuveer	Son of Mr.Vanka Ravindranath
Vanka Ravindranath	Husband of Mrs. Vanka Raja Kumari

c) Enterprises controlled by directors/ Key Management Personnel/Relatives of KMP:

Indian Hair Industries Private Limited
R.K Hair Products Private Limited
Ravali Spinners Private Limited
SVR Spinning Mills Private Limited
Raghuveer Infra & Fashions Private Limited
Vanka Agro Industries Private Limited

B. List of Related party transactions:

(₹ in Lakhs)

S. No	Nature of transaction	Key Management Personnel		Relatives of Key Management Personnel		Companies / firms controlled by KMP / Relatives of KMP	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
	(A) Transactions						
1	**Sale of goods to**						
	SVR Spinning Mills Pvt Ltd	-	-	-	-	33.74	131.20
	Ravali Spinners Pvt Ltd	-	-	-	-	1866.40	2743.82
2	**Job work charges received from**						
	SVR Spinning Mills Pvt Ltd	-	-	-	-	-	8.23
	Ravali Spinners Pvt Ltd	-	-	-	-	87.70	274.29
3	**Purchase of Goods from**						
	Ravali Spinners Pvt Ltd	-	-	-	-	1575.36	2315.48
	SVR Spinning Mills Pvt Ltd	-	-	-	-	347.73	-
4	**Remuneration paid to KMP**						
	Peeyush Sethia	0.54	3.12	-	-	-	-
	Vikash Kumar Thakur	2.70	-	-	-	-	-
	Hari Obula reddy V	0.80	4.80	-	-	-	-
5	**Loans received from**						
	Indian Hair Industries Pvt Ltd	-	-	-	-	2174.00	-
6	**Loans repaid to**						
	Indian Hair Industries Pvt Ltd	-	-	-	-	25.00	37.66
	RK Hair Products Pvt Ltd	-	-	-	-	60.00	-
	(B) Balances						
7	**Share capital of the company held by**						
	Equity Share Capital						
	Vanka Ravindra Nath	74.76	74.76	-	-	-	-
	Vanka Raja Kumari	73.32	73.32	-	-	-	-
	Vanka Raghuveer	-	-	73.32	73.32	-	-
	Vanka Ravali	-	-	73.32	73.32	-	-
	Preference Share Capital						
	Vanka Ravindra Nath	125.00	125.00	-	-	-	-
	Vanka Raja Kumari	125.00	125.00	-	-	-	-
	Vanka Raghuveer	-	-	125.00	125.00	-	-
	Vanka Ravali	-	-	125.00	125.00	-	-

(₹ in Lakhs)

S. No	Nature of transaction	Key Management Personnel		Relatives of Key Management Personnel		Companies / firms controlled by KMP / Relatives of KMP	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
8	**Amount due to**						
	Ravali Spinners Pvt Ltd (Net)	-	-	-	-	1067.56	2833.28
	SVR Spinning Mills Pvt Ltd	-	-	-	-	313.54	-
	Raghuveer Infra & Fashions Pvt Ltd	-	-	-	-	4.86	4.86
	RK Hair Products Pvt Ltd	-	-	-	-	1256.34	1316.34
	Indian Hair Industries Pvt Ltd	-	-	-	-	2149.00	-
	Vanka Ravindra Nath	212.30	212.30	-	-	-	-
9	**Amount due from**						
	SVR Spinning Mills Pvt Ltd	-	-	-	-	-	151.83

32. Particulars of earnings per share:

(₹ in Lakhs except per share data)

PARTICULARS		31.03.2026	31.03.2025
i)	Net Profit attributable to the ordinary share holders for Basic & Diluted EPS(Before Exceptional items)	(655.65)	133.52
ii)	Net Profit attributable to the ordinary share holders for Basic & Diluted EPS (After Exceptional items)	(502.23)	133.52
ii)	No. of ordinary shares	57,84,950	57,84,950
iii)	Nominal value per share (₹)	10	10
iv)	Weighted average No of equity shares	57,84,950	57,84,950
v)	Basic & Diluted EPS (₹)(Before Exceptional items)	(11.33)	2.31
v)	Basic & Diluted EPS (₹)(After Exceptional items)	(8.68)	2.31
	Equity shares reconciliation for EPS*		
	Number of equity shares outstanding	57,84,950	57,84,950
	Add: Shares issued	-	-
	Weighted average numbers of equity shares considered for basic and diluted EPS	**57,84,950**	**57,84,950**

33. Employee benefits

i) **Defined Contribution Plans**

a) Provident Fund/ Employees' Pension Fund

b) Employees' State Insurance

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Employer's Contribution to Provident Fund	4.02	4.14
Employer's Contribution to ESI	1.57	1.59
	5.59	**5.73**

ii) Defined Benefit Plans

c) Gratuity

The company has unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972, as amended.

(₹ in Lakhs)

I. Changes in the Present Value of Obligation	**31st March 2026**	**31st March 2025**
Present Value of Obligation as at the beginning	60.04	59.91
Current Service Cost	2.34	2.43
Interest Cost	3.90	4.28
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	(1.08)	2.10
- experience variance (i.e. Actual experience vs assumptions)	(2.03)	(3.22)
- others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(2.99)	(5.46)
Transfer In / (Out)	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	60.18	60.04
II. Changes in the Fair Value of Plan Asset	**31st March 2026**	**31st March 2025**
Fair Value of Plan Assets as at the beginning	-	-
Investment Income	-	-
Employer's Contributions	-	-
Employee Contributions	-	-
Benefits Paid	-	-
Return on plan assets , excluding amount recognised in net interest expense	-	-
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	**-**	**-**
III. Net (asset) / liability recognised in the balance sheet	**31st March 2026**	**31st March 2025**
Present Value of Obligation	60.18	60.04
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	**(60.18)**	**(60.04)**
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	**(60.04)**	**(60.04)**
Recognised under:		
Non-Current	49.39	49.97
Current	10.79	10.07

(₹ in Lakhs)

IV. Expenses Recognised in the Income Statement	31st March 2026	31st March 2025
Current Service Cost	2.34	2.43
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability /(Asset)	3.90	4.28
Expenses Recognised in the Income Statement	**6.24**	**6.71**
Other Comprehensive Income	**31st March 2026**	**31st March 2025**
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	(1.08)	2.10
- experience variance (i.e. Actual experience vs assumptions)	(2.03)	(3.22)
- others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	**(3.11)**	**(1.12)**
VI. Actuarial assumptions	**31st March 2026**	**31st March 2025**
Financial Assumptions		
Discount rate (per annum)	6.50%	6.50%
Salary growth rate (per annum)	15.00%	15.00%
Demographic Assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	58 years	58 years
Attrition / Withdrawal rate (per annum)	15.00%	15.00%

During the year ended March 31, 2026, the Company has recognised an amount of ₹ 4.04 Lakhs (2024-25: ₹ 7.92 Lakhs) as remuneration to key managerial personnel. The details of such remuneration are as below:

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Short-term employee benefits	4.04	7.92
Post-employment benefits	-	-
Other long-term employee benefits	-	-
Total	**4.04**	**7.92**

34. Impairment of Assets

According to an internal technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of Indian Accounting Standard 36 'Impairment of Assets

35. Exceptional items for the year ended 31st March 2026 includes an amount of ₹ 103.00 Lakhs on account of surcharge and interest waiver on power charges for the period October 2016 to March 2024 and ₹ 50.00 Lakhs on account of profit on sale of old machinery. Whereas Exceptional items for the year ended 31st March 2025 of ₹ 20.36 Lakhs for the year ended 31.03.2024 is on account of profit on sale of old machinery.

36. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

S.No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	**Contingent Liabilities (to the extent not provided for) :**		
	a) Claims against the Company not acknowledged as debts	-	-
	b) Guarantees excluding financial guarantees	-	-
	c) Other money for which the Company is contingently liable	-	-
(ii)	**Commitments:**		
	a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	b) Uncalled liability on shares and other investments partly paid	-	-
	c) Other commitments (specify nature).	-	-

37. Income Taxes:

a) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025

(₹ in Lakhs)

Particulars	31st March 2026	31st March 2025
Profit/(Loss) before Income tax	(502.23)	133.52
Domestic Rate	26.00%	26.00%
Expected tax expense [A]	**-**	**34.72**
Effect of non-taxable income	-	-
Deferred tax not recognised on unabsorbed losses and other items	-	(34.72)
Current Tax Expense	-	-
Net Deferred tax Asset/ (Liability) recognised	**-**	**-**
Adjustment of Tax expense for earlier years	**-**	**-**
Income tax reported in Statement of profit and Loss	**-**	**-**

b) The gross movement in the current income tax asset / (liability) for the years ended March 31, 2026 and March 31, 2025 is as follows

(₹ in Lakhs)

Particulars	31/03/2026	31/03/2025
Net Current Income Tax Asset/(Liability) at the beginning	-	-
Adjustment of Tax expense for earlier years	-	-
Income tax paid	3.95	1.19
Current income tax expense	-	-
Net Current Income Tax Asset/(Liability) at the end	**3.95**	**1.19**

c) The movement in gross deferred income tax assets / liabilities (before set-off) for the year ended March 31, 2026 and March 31, 2025 is as follows:

(₹ in Lakhs)

Deferred tax Assets/ (Liabilities) in relation to	Opening Balance	Charge/(credit) to profit& Loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment	(26.92)	-	-	(26.92)
Unabsorbed Losses	304.94	-	-	304.94
Others	14.93	-	-	14.93
Total	**297.95**	-	-	**297.95**

38. Reconciliation of liabilities from financing activities for the year ended March 31, 2026 and March 31, 2025

(₹ in Lakhs)

Reconciliation between opening and closing balance	Opening balance 1st April, 2025	Cash flow	Non-cash movement	Closing balance 31st March, 2026
Borrowings	2033.50	2089.00	-	4122.50
Total	**2033.50**	**2089.00**	-	**4122.50**

(₹ in Lakhs)

Reconciliation between opening and closing balance	Opening balance 1st April, 2024	Cash flow	Non-cash movement	Closing balance 31st March, 2025
Borrowings	2071.16	(37.66)	-	2033.50
Total	**2071.16**	**(37.66)**	-	**2033.50**

39. The Company has issued **5,00,000 Cumulative Redeemable Preference Shares of ₹100 each**, aggregating to **₹500 lakhs**. Although the terms of repayment are not specified, as per Section 55 of the Companies Act, 2013, these shares are mandatorily redeemable. Accordingly, they have been classified as **Borrowings** in accordance with Ind AS 32.

40. The Company has received unsecured loans which has outstanding balance as at 31st march 2026 aggregating to **₹ 3622.50 lakhs** (Previous year: ₹**1533.50** lakhs) from promoters and related parties. These loans are **unsecured, interest-free**, and **do not have any fixed repayment schedule**. Accordingly, these have been presented as **non-current borrowings**, except to the extent that repayment is expected within 12 months from the reporting date, in compliance with the requirements of Ind AS 1 and Schedule III to the Companies Act, 2013."

41. The Company has accumulated tax losses and depreciation under the Income Tax Act. Management has evaluated the probability of generating future taxable profits against which these losses and depreciation can be utilized. Since realization is not virtually certain, **deferred tax assets have not been recognized** in these financial statements in accordance with Ind AS 12."

42. Key Analytical Ratios

Particulars	Numerator	Denominator	2025-26	2024-25	% variance	Reason for Variance of morethan 25%
Current Ratio (in times)	Current assets	Current liabilities	0.76	0.30	153.33%	Refer Note -1
Debt-Equity Ratio (in times)	Total Debt (Borrowings)	Total Equity	-2.31	-1.58	46.20%	
Debt Service Coverage Ratio (in times)	Earnings available for debt service#	Finance costs + Repayment of Borrowings	NA	NA	NA	Refer Note -2
Return on Equity Ratio (in %)	Net profit after taxes	Average shareholders' equity	NA	NA	NA	Refer Note -3
Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	7.17	6.62	8.31%	
Trade Receivables Turnover ratio (in times)	Revenue from operations	Average Trade Receivables	14.38	25.95	-44.59%	Refer Note -1
Trade Payables Turnover Ratio (in times)	Total Purchases	Average Trade Payables	19.45	22.91	-15.10%	
Net Capital Turnover Ratio (in times)	Revenue from operations	Working Capital	-7.50	-1.55	383.87%	Refer Note -5
Net profit ratio (in %)	Net profit after taxes	Revenue from operations	-20.85%	3.96%	-626.42%	Refer Note -4
Return on Capital employed (in %)	Earnings before interest and taxes	Capital employed	-28.06%	17.87%	-256.98%	Refer Note -4
Return on Investment (in %)	Income generated from invested funds	Average Investment fund	NA	NA		Refer Note -6

Earnings for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

Note:

1) Due to restart of manufacturing activity during the year including job work, the working capital cycle of the company like stronger liquidity, higher sales efficiency, better receivable collections, and timely payment to suppliers thereby inventory, trade receivable and trade payable ratios have been improved.

2) Due to no interest on loans & repayment during the year the Debt service coverage ratio is not arrived

3) Due to negative earnings with negative equity the return on equity ratio is misleading and hence not applicable or Zero

4) The improvement in ROCE was driven by higher operating profits and efficient utilization of capital, reflecting better cost control, revenue growth, and optimized deployment of resources

5) The decline in the Net Working Capital Turnover Ratio was primarily due to increased current liabilities and reduced current assets, indicating higher dependence on short-term financing and potential liquidity challenges.

6) Due to no investments made by the company the return on investment ratio is not applicable.

Additional regulatory information required by Schedule III

43. No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.

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

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

46. There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

47. Relationship With Struck Off Companies

The Company does not have any relationship or any transaction with struck off companies.

48. Utilisation of borrowed funds and share premium:

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall 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 to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall 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

49. Since the company deals only in Manufacturing of Cotton yarn products and there are no geographical segments to be reported.

50. The previous year figures have been re-grouped / re-classified wherever required to conform to current year's classification.

51. The financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 30, 2026.

As per our report of even date
For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Regn.No.000513S

For and on behalf of Board

VANKA RAJA KUMARI
Director
DIN .00480392

VANKA RAVALI
Chairperson & Director
DIN .05336333

Partner
(CA SRINIVASA RAO CHERUKURI)
ICAI M.No.209237

A.RAMA GURAVAIAH
Chief Financial Officer

VIKASH KUMAR THAKUR
Company Secretary

Date: 30th May 2026
Place: Tanuku
UDIN: 26209237RLHBQA4989