



Date: 07-09-2026

To,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal St, Kala Ghoda, Fort,
Mumbai, Maharashtra 400001.

Scrip Code: 531395

Subject: Submission of 32nd Annual Report for the Financial Year 2025-26

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2025-26 along with the Notice convening the 32nd Annual General Meeting scheduled to be held on Wednesday, 30th September, 2026 at 12:00 PM. (IST) at 196, 1st Floor, G.T. Road, Opp. Red Cross Market Karnal- 132001, Haryana, India. The said Annual Report 2025-26 is being sent through electronic mode to the shareholders of the Company.

The aforesaid Annual Report is also available on website of the Company at [Padam Cotton Yarns LTD](https://www.padamcotton.com) and website of stock Exchange i.e. BSE India Limited at www.bseindia.com

Kindly take the above information on your records.

Yours faithfully,

For, Padam Cotton Yarns Limited

DINESH
SHIVCHARAN
BHAI
SHREEVASTAV
Digitally signed
by DINESH
SHIVCHARANBHAI
SHREEVASTAV
Date: 2026.09.07
17:30:55 +05'30'

Dinesh Shreevastav
Whole-Time Director
DIN: 11030609

PADAM COTTON YARNS LIMITED

Corporate Office : C-801, 8th Floor, Krish Cubical, Sindhu Bhavan Marg, Thaltej, Ahmedabad-380059, Gujarat

 cspcyl6@gmail.com  www.padamcotton.com  Regd. Office: 196, 1st Floor, G.T. Road, Opp. Red Cross Market, Karnal- 132001

CIN: L17112HR1994PLC033641



PADAM COTTON YARNS LIMITED

***32nd ANNUAL REPORT
2025-2026***

CORPORATE INFORMATION

Mr. Dinesh Shreevastav
Whole-Time Director and Chief Financial Officer

Mahendra Singh
Non-Executive Director
(resigned w.e.f. 09-02-2026)

Mr. Ashutosh Alaru
Independent Director
(designation changed from
Independent to Non-Executive
w.e.f. 09-02-2026)

Mrs. Kinjal Shah
Independent Director

Mr. Anand Manoharlal Kothari
Independent Director

Statutory Auditors
M/s. SVJK & Associates
(Chartered Accountants)
for the F.Y. 2025-26

Secretarial Auditors
M/s A. Goyal & Associates, Karnal
(Practicing Company Secretaries)

Registrar and Transfer Agent
(Electronic & Physical)
Beetal Financial & Computer Services (P) Ltd.
Email: beetalrta@beetalfinancial.com

Registered Office
196, 1st Floor, G.T Road, Opp. Red Cross Market,
Karnal- 132001 (Haryana)
Ph- 9998865217
Email- cspcyl6@gmail.com
Website- www.padamcotton.com
CIN- L17112HR1994PLC033641

Corporate Office:
C-801, Krish Cubical
Govardhan Partyplot, Avalon Hotel Road, Sindhu Bhavan Marg,
Thaltej, Ahmedabad, Gujarat, India, 380059.

I N D E X

Sr. No.	Particulars
1.	Notice
2.	Proxy Form (Form MGT-11) & Attendance Slip
3.	Route Map
4.	Directors' Report
5.	Content of Annexure to Directors' Report
6.	Secretarial Audit Report- Annexure A
7.	Particulars of Employees- Annexure B
8.	Management's Discussion & Analysis Report- Annexure C
9.	Report on Corporate social Responsibility - Annexure D
10.	Corporate Governance Report- Annexure E
11.	Whole-Time Director and Chief Financial Officer Certificate – Annexure-F
12.	Certificate on Compliance with Corporate Governance- Annexure G
13.	Certificate for Non Disqualification of Directors – Annexure H
14.	Independent Auditor's Report
15.	Financial Statements
16.	Attendance Slip and Route Map



NOTICE OF 32nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the **32nd (Thirty Second) Annual General Meeting** of the Shareholders of **PADAM COTTON YARNS LIMITED** will be held on Wednesday, 30th September 2026 at 12.00 p.m. at 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal, Haryana, 132001, to transact the following business:

ORDINARY BUSINESS:

1. TO RECEIVE, CONSIDER AND ADOPT

- **the Standalone audited Financial Statement of the Company for the financial year ended March 31, 2026, and the reports of the Board of Directors and Auditors thereon;**

2. APPOINTMENT OF M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY CAUSED:

To consider and if thought fit, to give your assent/dissent to pass with or without modification, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Section 139 (8) and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W) who have confirmed their eligibility to be appointed as Statutory Auditors of the Company in terms of Section 141 of the Act and applicable rules, be and is hereby appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. SVJK & Associates, Chartered Accountants (FRN:135182W), Chartered Accountants who shall hold office till the conclusion of the ensuing Annual General Meeting of the Company to be held in the year 2026 at such remuneration and out of pocket expenses as may be fixed by the Board of Directors of the Company in consultation with them.

RESOLVED FURTHER THAT the Board be and is hereby severally authorized to do all such acts, deeds, matters and execute all documents as may be necessary in this regard and to file all necessary forms and documents as may be required by the statutory authorities for the purpose of giving effect to the above resolution.”

3. TO APPOINT M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS A STATUTORY AUDITOR OF THE COMPANY:

To consider and if thought fit, to give your assent/dissent to pass with or without modification, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/S. Piyush Kothari, Chartered Accountants (FRN: 140711W), be and is hereby appointed as Statutory Auditor of the Company, to hold office for a period of four years from the conclusion of 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company to be held in the year 2031, at such remuneration as may be decided by the Board of Directors of the Company (or any committee thereof) in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT any of the director of the Company be and is hereby severally authorized to sign and submit necessary e-Forms with Registrar of Companies, Ahmedabad and to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS:**4. TO INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND SUBSEQUENT ALTERATION OF THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

To consider and if thought fit to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and read with the Companies (Share Capital & Debentures) Rules, 2014, framed thereunder, if any, approval of the members of the Company be and is hereby accorded to Increase the Authorized Share Capital of the Company from Rs. 22,00,00,000/- (Rupees Twenty-Two Crores only) divided into 22,00,00,000 (Twenty-Two Crore) Equity Shares of Re. 1/- (Rupee One Only) each to Rs. 49,00,00,000/- (Rupees Forty Nine Crores only) divided into 49,00,00,000 (Forty Nine Crore) Equity Shares of Re. 1/- (Rupee One Only) each and shall rank pari-passu with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Act, read with the Companies (Incorporation) Rules, 2014, including any statutory modification(s) thereof, the existing Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

"V. "The Authorized Share Capital of the Company is Rs. 48,00,00,000/- (Rupees Forty-Nine Crores only) divided into 49,00,00,000 (Forty-Nine Crore) Equity Shares of Re. 1/- (Rupee One Only)."

RESOLVED FURTHER THAT the Board of Directors of the Company [which expression shall include any Committee thereof or any other person(s) as may be authorized by the Board in that behalf], be and is hereby authorized to undertake, execute all such acts, deeds, matters and things as they may deem necessary, proper and/ or expedient, to apply for requisite approval(s) of the statutory or regulatory authorities, as may be required, to carry out all requisite, incidental, consequential steps and to settle any question, difficulty or doubt that may arise in order to give full effect to this resolution."

5. CONSIDERED AND APPROVED AN APPOINTMENT OF MR. DHARMESH MITHABHAI PATEL (DIN: 11389357) AS A DIRECTOR UNDER NON-EXECUTIVE INDEPENDENT CATEGORY:

To consider and if thought fit to pass the following resolution as a **Special Resolution**;

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (the "Act") (including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and Nomination and Remuneration Policy of the Company, Mr. Dharmesh Mithabhai Patel (DIN: 11389357), who was appointed as an Additional Director on the Board of the Company with effect from August 14, 2026 pursuant to Section 161 of the Act, who meets the criteria for independence under Section 149(6) of the Act, being so eligible, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five (5) years with effect from August 14, 2026 to August 13 2031, and he will not be liable to retire by rotation.

RESOLVED FURTHER THAT approval of the Members be accorded to the Board of Directors (which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

Regd Office:

196, 1st Floor, G T Road,
Opp. Red Cross Market Karnal,
Karnal , Haryana, 132001

**By Order of the Board of Directors
For, PADAM COTTON YARNS LIMITED**

Date: 07/09/2026

Place: Ahmedabad

**SD/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

**SD/-
Mr. Ashutosh Alaru
Director
(DIN: 07618648)**

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM"/"Meeting") is annexed hereto.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for another person or Member. The proxy holder shall prove his identity at the time of attending the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act"), setting out material facts concerning the business under Item Nos. 2 to 5 of the accompanying Notice, is annexed hereto. Relevant documents along with other details with respect to item No. 5 are available for inspection during the working hours of the Company upto this annual general meeting also during the AGM. Information regarding appointment / re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Act and details as per Regulation 36(3) of the Listing Regulations and Secretarial Standards (SS2) is annexed hereto as Annexure this notice.
5. In compliance with the Ministry of Corporate Affairs ("MCA") Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depository Participants (DPs). Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website at www.padamcotton.com. The Notice can also be accessed from websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com respectively. The AGM Notice is also available on the website of CDSL (agency for providing the Remote E-voting facility) i.e. <https://www.evotingindia.com>.
6. For receiving all communication (including Annual Report) from the Company electronically:
 - I. Members holding the shares in dematerialized mode are requested to register/ update their e-mail address with the relevant Depository Participant.
7. Institutional/ Corporate Members (i.e. other than Individuals, HUFs, NRIs, etc.) intending to send their authorized representative(s) to attend the Meeting are required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) at csashishgoyal@gmail.com in with a copy marked to helpdesk.evoting@cdslindia.com. Such authorization shall contain necessary authority in favor of its authorized representative(s).
8. Members / Proxies / Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.
9. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.
12. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date i.e. Wednesday, 23rd September, 2026 only shall be entitled to avail the facility of remote e-voting. A person, who is not a member as on the Cut-off Date, should treat the Notice for information purpose only.
13. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed

rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / RTA (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to beetalrta@gmail.com by September 20, 2026. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to beetalrta@gmail.com. The aforesaid declarations and documents need to be submitted by the shareholders by September 20, 2026.

14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/ 2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company's RTA at www.beetalfinancial.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. MCA has notified provisions relating to unpaid /unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016("IEPF Rules"). As per these Rules, dividends which are not encashed / claimed by the Member for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The IEPF Rules also mandate the companies to transfer the shares of Members whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.
16. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's RTA.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

18. Mandatory furnishing of PAN, bank account details, KYC details and nomination by shareholders:

Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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.:

(a) For shares held in electronic form: to their Depository Participants (DPs)

(b) Members holding shares in physical mode are requested to note that SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, has made it mandatory for holders of physical securities to furnish PAN, bank account details, email address, mobile number, postal address (KYC details), and to register their nomination or opt-out of nomination. SEBI has notified forms for the purpose, as detailed below:

Sr. No.	Particulars	Form
1.	Registration of PAN, Postal Address, Email Address, Mobile Number, Bank Account Details or changes/update thereof;	ISR-1
2.	Confirmation of Signature of shareholder by the Banker	ISR-2
3.	Declaration for Nomination opt-out	ISR-3
4.	Registration of Nomination	SH-13
5.	Cancellation or Variation of Nomination	SH-14

6.	Declaration to opt out of Nomination	ISR- 13
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Members holding shares in physical mode are requested to send the duly filled forms i.e., Form ISR-1, Form ISR2, Form SH-13 or Form ISR-3 and along with requisite documents as mentioned in the respective forms to the address of Beetal Financial & Computer Services Pvt. Ltd (RTA).

Compulsory linking of PAN and Aadhaar:

Members are requested to note that in line with SEBI Circular dated March 16, 2023 read with SEBI Circular dated November 03, 2021 and December 14, 2021, RTA will accept only operative PAN (those linked with Aadhar) w.e.f. June 30, 2023 or such other date as may be notified by Central Board of Direct Taxes (CBDT). Those folios in which PAN is not linked with Aadhar subsequent to the due date, shall be frozen by the RTA.

Freezing of Folios:

- Further, in line with this Circular, RTAs are required to freeze folios wherein PAN, KYC and nomination is not available on or after October 01, 2023. Any service request in respect of these frozen folios will be undertaken only after the complete details are lodged with the RTA.
- Members may note that w.e.f. April 01, 2024, the Company will not be able to execute any type of Corporate Action, in respect of frozen folios until the complete details as required including bank account details are furnished to the RTA. Further, from December 31, 2025 or such due date as may be notified by the authority, the RTA is required to refer the details of the frozen folios to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. However, members can continue to hold the shares in physical form.

SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, M/s. Beetal Financial & Computer Services Pvt. Ltd. for assistance in this regard.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website RTA at www.beetalfinancial.com

Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual members holding shares in the physical form. The members who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.

To mitigate unintended challenges on account of freezing of folios, SEBI vide its circular dated November 17, 2023, has done away with the provision regarding freezing of folios and referral of the frozen folio to administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, not having AN, KYC, and Nomination details.

19. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. The members, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nominating form by quoting their folio number.

20. Non-Resident Indian Members are requested to inform the Company / Beetal respective DPs (if shareholding is in demat mode), immediately of:
- I. Change in their residential status on return to India for permanent settlement; and
 - II. Particulars of their bank account maintained in India with account type, account number, name and address of the bank with pin code number, if not furnished earlier.
21. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 23rd September 2026 by sending e-mail on cspcyl6@gmail.com. The same will be replied by the Company suitably.
22. (A) Process and manner for members opting for voting through Electronic means:
- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021, May 05, 2022, December 28, 2022 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, 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), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
 - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Wednesday, September 23, 2026 shall be entitled to avail the facility of remote e-voting as well as venue voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only
23. iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Wednesday, September 23, 2026 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part
- iv. The remote e-voting will commence on Sunday, September 27, 2026 at 9.00 a.m. and will end on Tuesday, September 29, 2026 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Wednesday, September 23, 2026 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
 - v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
 - vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cutoff date i.e. Wednesday, September 23, 2026
 - vii. The Company has appointed CS Ashish Goyal, Practising Company Secretary (CP No: 19535), to act as the Scrutinizer for conducting the remote e-voting process as well as the venue voting system on the date of the AGM, in a fair and transparent manner.
 - Viii. The Scrutinizer will, immediately after the conclusion of voting at the 32nd AGM, start scrutinizing the votes cast at the meeting along with remote e-voting and prepare a consolidated Scrutinizer's Report and submit thereafter to the Chairman of the meeting or any person authorised by him. The result declared along with the consolidated Scrutinizer's Report will be placed on the Company's website at <https://www.padamcotton.com/notices.php> within 48 hours of the conclusion of the meeting. The Company will simultaneously forward the results to BSE Limited where the shares of the Company are listed.
24. The instructions for shareholders for remote e-voting are as under
- (i) The voting period begins on Sunday, September 27, 2026 at 9.00 a.m. and will end on Tuesday, September 29, 2026 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 23, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 09, 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. However, it has been observed that the participation by the public noninstitutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders

25. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

26. THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

The voting period begins on Sunday, September 27, 2026 at 9.00 a.m. and will end on Tuesday, September 29, 2026 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 23, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
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Individual Shareholders holding securities in Demat mode with CDSL Depository	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	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. 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 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 For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	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.

27. 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 toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on “Shareholders” module.

Now enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

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.

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.

After entering these details appropriately, click on “SUBMIT” tab.

28. 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.

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

Click on the EVSN for the relevant <PADAM COTTON YARNS LIMITED> on which you choose to vote.

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.

Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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.

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

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

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.

There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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 will be mapped automatically & can be delink in case of any wrong mapping. It is Mandatory that, 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 mandatory 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; cspcyl6@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

29. 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. 1800 21 09911

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 toll free no. 1800 21 09911.

30. The facility for ballot / polling paper shall be made available at the AGM and the Members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper.

31. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
32. Any person, who acquires the shares of the Company and becomes Member of the Company after dispatch of the Notice and holding the shares as of the cut-off date i.e. Tuesday 23rd September, 2025 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com
33. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
34. The Scrutinizer shall after the conclusion of voting at the AGM, first scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
35. The Results of voting shall be declared within two working days of the conclusion of the AGM of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in this Notice shall be deemed to have been passed on the date of the Meeting, i.e., 30th September 2025.
36. The Results declared along with the consolidated scrutinizer's report will be available on Company's website at www.padamcotton.com. The results shall simultaneously be communicated to BSE Limited.
37. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 24th September 2025 to Tuesday, 30th September 2025 (both days inclusive) For the purpose of determining the shareholders eligible for dividend, if any, declared by the shareholders of the Company at the Annual General Meeting and for the purpose of 31st Annual General Meeting.
38. The Final Dividend, subject to approval of Members at the Annual General Meeting on 30th September, 2025, will be paid to the Members whose names appear in the Register of Members, as on the date of Book Closure/Record Date of the Company and for that the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 24th September 2025 to Tuesday, 30th September 2025 (both days inclusive).

Regd Office:

196, 1st Floor, G T Road,
Opp. Red Cross Market Karnal,
Karnal , Haryana, 132001

Date: 07/09/2026**Place:** Ahmedabad

**By Order of the Board of Directors
For, PADAM COTTON YARNS LIMITED**

SD/-

**Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

SD/-

**Mr. Ashutosh Alaru
Director
(DIN: 07618648)**

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013**Item No. 2:**

M/s. SVJK & Associates, Chartered Accountants, (FRN: 135182W), have resigned from the office of Statutory Auditors of the Company on July 27, 2026, due to the professional fees for the statutory audit assignment being commercially non-viable, causing casual vacancy in the office of Statutory Auditors pursuant to Section 139(8) of the Companies Act, 2013 for the FY 2026-27.

As per the provisions of Section 139(8)(i) of the Companies Act 2013, any casual vacancy caused in the office of Statutory Auditor shall be filled by the Board of Directors within thirty days from the date of resignation of such auditor and shall also be approved by the Company within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.

The Audit Committee and the Board of Directors vide their resolution passed on July 27, 2026 have considered and recommended appointment of M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W) as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of SVJK & Associates, Chartered Accountants. M/s. Piyush Kothari & Associates, Chartered Accountants shall hold the office of Statutory Auditor until the conclusion of the next annual general meeting of the Company to be held in the year 2026.

M/s. Piyush Kothari & Associates, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with confirmation that their appointment, if approved by the shareholders, would be within the limits prescribed under the Act and they satisfy the criteria provided in Section 141 of the Act.

None of the Directors, Key Managerial Personnel and their relatives, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends this Ordinary Resolution set forth in Item No. 2 to the members of the Company for their consideration and approval.

Item No. 3:

The Board has appointed M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W) as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. SVJK & Associates, Chartered Accountants, (FRN: 135182W) for the F.Y. 2025-26, subject to approval of members, who shall hold the office of Statutory Auditor until the conclusion of the next annual general meeting of the Company to be held in the year 2025.

The Board of Directors at their meeting held on September 05, 2026, as per the recommendation of the Audit Committee and pursuant to Section 139 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, recommended the appointment of M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W), as Statutory Auditor of the Company to hold office for a period of Four years i.e. F.Y. 2027-28 to 2030-31 till the conclusion of the 37th Annual General Meeting of the Company to be held in 2031 at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. Piyush Kothari & Associates, Chartered Accountants to act as Statutory Auditor of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The Board has considered factors such as qualifications, industry experience, competency of the audit team, efficiency in conduct of audit, independence, any pending proceedings relating to professional matters of conduct against M/s Piyush Kothari & Associates before the Institute of Chartered Accountants of India and before the Courts and were of the view that the qualification and experience of M/s. Piyush Kothari & Associates is commensurate with the size and requirements of the Company.

Approval of the members is sought for appointment of M/s Piyush Kothari & Associates, Chartered Accountants, (Registration No. 140711W) as the Statutory Auditors of the Company and to fix their remuneration by means of an Ordinary Resolution.

- The fees proposed to be paid to M/s Piyush Kothari & Associates towards statutory audit from the Financial Year 2026-27 to 2030-31 shall not exceed 6.10 Lakh per Annum, plus out of pocket expenses, with the authority to the Board to make revisions as it may deem fit for the Balance term, based on the recommendation of the Audit Committee.

- The fees for services in the nature of statutory certifications and other permissible non-audit services will be in addition to the statutory audit fees as above, and will be decided by the management in consultation with the Statutory Auditor. The provision of such permissible non-audit services will be reviewed and approved by the Audit Committee.
- The Audit Committee and the Board of Directors, while recommending the appointment of M/s Piyush Kothari & Associates as the Statutory Auditor of the Company, have taken into consideration, among other things, the credentials of the firm, proven track record of the firm and eligibility criteria prescribed under the Act.
- The firm M/s. Piyush Kothari & Associates is a Peer Reviewed partnership firm and was set up in the year 2015 by CA Piyush Kothari and within tenure of more than Ten years he has grown and at present working in the office at Ashram Road, Ahmedabad. The firm is having tie-ups and association with experts of various fields of Chartered Accountants, Merchant Bankers, Company Secretaries, Advocates, Management Consultants, Engineers and Retired Bankers. At present the firm is providing services in the fields of Accounts, Taxation, Finance, Audits and Company Law.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board accordingly recommends the Ordinary Resolution as set out at Item No. 3 of the accompanying Notice for approval of the Members.

Item No. 4:

The present Authorized Share Capital of the Company is Rs. 22,00,00,000/- (Twenty-Two Crore only) In order to broad base the Capital Structure and to meet funding requirements of the Company and to enable the Company to facilitate fund raising in future via issuance of equity shares, it is proposed to increase its authorized share capital to Rs. 49,00,00,000 (Rupees Forty Nine Crores Only) divided into 49,00,00,000 (Forty Nine Crore) Equity Shares of Re. 1/- (Rupee One Only) each.

The Increase in the Authorized Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company and pursuant to Section 13 and 61 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect therefore, the proposed Clause V of the Memorandum of Association of the Company after increase in Authorized Share Capital reflects face value of Re. 01/- (Rupee One Only) each.

The Board of Directors of your Company considers that the proposed resolution set out in Item No. 4 of this notice is in the interest of the Company, and the Board recommends your approval as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any

Item No. 5:

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act") and Regulations 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "SEBI Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and Articles of Association of the Company, and Based on the recommendations of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company (the "Board") at its meeting held on August 14, 2026 had appointed Dharmesh Mithabhai Patel (DIN: 11389357) as an Additional Director (Non-Executive and Independent Director) of the Company for a period of 5 (five) consecutive years with effect from August 14, 2026, subject to the consent of the Members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires consent of the members of the Company. Further pursuant to Regulation 17(1C) of the SEBI Listing Regulations, a listed entity shall ensure that consent of Members for appointment of a person in the Board of Directors is obtain at the next general meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. Dharmesh Mithabhai Patel (DIN: 11389357) would require consent of members of the Company.

The Board of Directors have adopted a skill matrix consisting of core skills/expertise/competencies required to be collectively possessed by the Board of Directors of the Company in the context of the business(es) and sector(s) of the Company. The core skill sets/ expertise as identified by the Board include business experience, financial experience and risk oversight, technology and innovation, governance & regulatory oversight, consumer insights and marketing exposure. Mr. Dharmesh Mithabhai Patel, possesses sufficient skill sets.

Further, she is Registered Independent Director with IICA, also holds Bachelor of Commerce from Gujarat University, Ahmedabad Gujarat in the year 2011. He is engaged in providing services of Tax Consultant for last 9 years. He has also gained the knowledge and expertise to deal with Taxation Matters.

Considering the balance of skills, knowledge and experience on the Board, In the opinion of NRC and the Board, Mr. Dharmesh Mithabhai Patel possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company.

Therefore, Mr. Dharmesh Mithabhai Patel is proposed to be appointed as an Independent Director of the Company, in accordance with applicable laws, including the Companies Act, 2013 as amended & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In this connection, the Board is of the opinion that Mr. Patel fulfils the criteria for Independent Director, as set out in the Companies Act, 2013, related rules framed thereunder and that Mr. Patel is independent of the management of the Company and does not hold any shares in the Company.

The Board of Directors has recommended the appointment of Mr. Dharmesh Mithabhai Patel as an Independent Director for a term of 5 (five) years subject to continuing to satisfy the criteria of independence in terms of the Companies Act, 2013, the rules made thereunder and shall not be liable to retire by rotation. A copy of the letter of appointment of Mr. Dharmesh Mithabhai Patel as Independent Director setting out the terms and conditions shall be available for inspection without any fee by the members of the Company at the Registered Office of the Company on all working days, except Sunday, between 11 a.m. and 3 p.m. upto the conclusion of General Meeting.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

The Board of Directors, accordingly, recommends the resolution for the consent of the Members as a Special Resolution.

Except Mr. Dharmesh Mithabhai Patel being appointee, and her relatives if any; none of the Directors, Key Managerial Personnel and relatives of Directors and/or Key Managerial Personnel (as defined in the Companies Act, 2013) are in any way concerned or interested, financially or otherwise, in resolutions set out at Item No. 05 of the Notice.

Details of Directors seeking appointment / re-appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings.

Name of Director and DIN	Mr. Dharmesh Mithabhai Patel (DIN: 11389357)
Age / Date of Birth	October 25, 1990
Nationality	Indian
No. of shares held including shareholding as beneficial owner	NIL
Qualification	He is Commerce Graduate from Gujarat University, Ahmedabad Gujarat in the year 2011.
Brief profile and nature of expertise in specific functional areas	Mr. Dharmesh Mithabhai Patel is Commerce Graduate from Gujarat University, Ahmedabad Gujarat in the year 2011. He is engaged in providing services of Tax Consultant for last 9 years. He has also gained the knowledge and expertise to deal with Taxation Matters.
Date of first appointment on the Board	14-08-2026
Terms and conditions of appointment	In terms of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sharmesh Mithabhai Patel, who retires by rotation, is proposed to be re-appointed as a Director of the Company, liable to retire by rotation.
Remuneration last drawn (FY 2025-26) (per annum)	Not Applicable
Relationship with other Directors, Manager and none other Key Managerial Personnel of the Company	NIL
Other Directorship	1. Mafia Trrnds Limited

Chairmanship/ Membership of the Committees of other Companies in which position of Director is held*	Name of the Company	Committee	Chairman/ Member
	Mafia Trends Limited	Audit Committee	Chairman
		Nomination & Remuneration Committee	Chairman
Resignations, if any, from listed entities (in India) in past three years	NIL		
Details of Board/ Committee Meetings attended during the year	Not Applicable, as appointed after the end of Financial Year.		

*Considered listed entities only.

Regd Office:

196, 1st Floor, G T Road,
Opp. Red Cross Market Karnal,
Karnal , Haryana, 132001

**By Order of the Board of Directors
For, PADAM COTTON YARNS LIMITED**

Date: 07/09/2026

Place: Ahmedabad

**SD/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

**SD/-
Mr. Ashutosh Alaru
Director
(DIN: 07618648)**

DIRECTORS' REPORT

Dear Members,

Your directors take pleasure in presenting the 32nd Annual Report on business and operations along with Audited Financial Statements and the Auditor's report of your Company for the financial year ended 31st March, 2026.

1. Financial Results

Financial Performance of the company for the year ended 31st March 2026 is summarized as below:

(Rs. in Lakh except EPS)

Particulars	March 31, 2026	March 31, 2025
Income from Operations	2440.60	1421.87
Other Income	34.71	1099.30
Total Income	2475.31	2521.17
Less: Total Expenses	1892.98	(1215.35)
Profit Before Depreciation, Exceptional Item and Tax	588.14	1309.54
Less: Depreciation	5.80	(1.86)
Profit Before Extra - ordinary Items and Tax	582.34	1307.68
Extra Ordinary Items	0.00	0.00
Profit Before Tax	582.34	1307.68
Tax Expense		
-Current Tax	149.39	236.03
-Deferred Tax	-0.46	11.70
Profit After Tax	432.41	1026.06
EPS (Basic) (In Rs.)	0.03	21.51
EPS (Diluted) (In Rs.)	0.03	21.51

2. Overview of Company's Financial Performance:

During the year under review, your Company recorded a total net sales of Rs. 2440.60 lakhs and reported a Net Profit after Tax (PAT) of Rs. 432.41 Lakhs. The Board of Directors remains optimistic about the Company's performance and growth prospects in the coming years.

3. Share Capital:

The authorized share capital of the Company was increased from Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore Lakh) equity shares of Rs. 10/- each to Rs. 13,00,00,000/- divided into 1,30,00,000 (One Crore Thirty Lakh) equity shares of Rs. 10/- each, by creation of an additional 30,00,000 (Thirty Lakh) equity shares of Rs. 10/- each, in the Extra-Ordinary General Meeting held on January 24, 2025.

During the FY 2024-25, the Company has approved subdivision of face value of Equity shares from Rs. 10/- each into smaller denomination of Rs. 01/- each and accordingly equity share of Face Value of 10/- each stand sub-divided into One (01) equity shares of face value of Rs. 1/- (Rupee One Only) w.e.f. 27th June, 2025.

Thereafter, the Company has further increased the Authorized share capital from Rs. 13,00,00,000/- to Rs. 22,00,00,000/- divided into 22,00,00,000 (Twenty Two Crore) equity shares of Rs. 01.00/- each, by creation of an additional 9,00,00,000 (Nine Crore) equity shares of Rs. 01.00/- each, by passing a resolution on August 08, 2025, being the deemed date of passing of the resolution through postal ballot.

Rights issue of shares

During the Financial year, the Board of Directors of the Company, in accordance with the Basis of Allotment finalized in consultation with BSE Limited (Designated Stock Exchange), the Registrar to the Issue i.e. Beetal Financial & Computer Services (P) Ltd and the Board of Directors of the Company has, at its meeting held on March 16, 2026 have, approved the allotment of 9,03,70,000 equity shares on Rights basis in the ratio of 07 (Seven) Rights Equity Shares for every 10 (Ten) Equity share held by the eligible shareholders as on the Record date i.e. Tuesday, February 24, 2026.

Consequent to the said allotment, the paid-up equity share capital of the Company stands increased from Rs. 12,91,00,000/- (consisting of 12,91,00,000 Equity Shares of Re.1/- each) to Rs. 21,94,70,000/- (consisting of 21,94,70,000 Equity Shares of Re.1/- each)

Hence, The Paid up, subscribed and issued share capital of the Company stands increased to Rs. 21,94,70,000/- (consisting of 21,94,70,000 Equity Shares of Re.1/- each) as on the March 31, 2026.

4. Promoter Reclassification:

During the period under review, the Company had submitted an application to BSE Limited for the reclassification of Padam Sain Gupta, Prem Lata, Radhika Gupta, Vivek Gupta, Vivek Gupta HUF, Rajev Gupta, Rajev Gupta HUF and Rekha Gupta ("Outgoing Promoters") from the "Promoter" category to the "Public" category under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') due to their NIL shareholding in the Company. On July 16, 2026, after the end of FY 2026, approval from the BSE Limited were received by the Company for this reclassification. Consequently, Padam Sain Gupta, Prem Lata, Radhika Gupta, Vivek Gupta, Vivek Gupta HUF, Rajev Gupta, Rajev Gupta HUF and Rekha Gupta have been reclassified from the "Promoter" category to the "Public" category based on the approval received from the Stock Exchanges.

5. Dividend:

The Company had paid a final dividend of Rs. 1.00/- per equity share (i.e. 10% on the Paid up Equity Share Capital) of face value of Rs. 10/- each fully paid up for F.Y. 2024-25. With this, the total dividend for the Financial Year 2024-25 was Rs. 1.00/- per share.

The Board of Directors, after considering the financial position and future business requirements of the Company, has not recommended any dividend for the financial year under review. Accordingly, no dividend has been proposed for the financial year ended March 31, 2026.

6. Dividend Distribution Policy:

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the requirement to formulate and disclose a Dividend Distribution Policy is applicable only to the top 1,000 listed companies based on market capitalization. As the Company does not fall within the said threshold, the provisions of Regulation 43A are not applicable to it.

7. Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Since there were no unpaid or unclaimed dividends during the year under review that were required to be transferred to the Investor Education and Protection Fund, the provisions of Section 125 of the Companies Act, 2013 are not applicable to the Company.

8. Change Of Registered Office:

During the year under review, there was no change in the registered office address of the Company. However, after the end of the year, the Company has obtained consent of Members by passing Special Resolution through postal Ballot on August 01, 2026 for shifting its Registered Office from the state of Haryana to the state of Gujarat, subject to the other regulatory approvals.

9. Change in the nature of business, if any:

During the year under review, there is no change in the nature of business of the Company.

10. Amounts Transferred to Reserves:

In accordance with the provisions of Section 134(3)(j) of the Companies Act, 2013 ("the Act"), the Board of Directors of the Company has not proposed to transfer any amount to the General Reserves of the Company for the financial year 2025-26.

11. Public Deposit:

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the disclosure relating to non-compliance with the requirements of Chapter V of the Act is not applicable to the Company.

12. Particulars of loan, Guarantees or Investment made under Section 186:

The Company has not given Guarantees or made investment during the Year. However, the Company has given Loans to Other parties which is provided in the note no. 11 to the audited financial statements annexed with the Annual Report.

13. Annual Return:

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company as at 31st March, 2026 is available on the website of the Company at <https://www.padamcotton.com/annual-return.php>

14. Directors & Key Management Personnel:**Board of Directors**

As on March 31, 2026, the Board of your Company comprised four members, consisting of One Whole-Time Director, one Non-Executive Director and Two Independent Directors, including one Woman Director.

The details relating to the composition of the Board and its Committees, the tenure of Directors, and other relevant information are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

In compliance with the requirements of the SEBI Listing Regulations, the Board has identified the core skills, expertise, and competencies of its directors in the context of the Company's business for effective governance and strategic guidance. These details are elaborated in the Corporate Governance Report.

Appointment / Resignation/ Cessation of Directors / Key Managerial Personnel (KMPs)**Retirement by Rotation**

In terms of the provisions of section 152 of the Companies Act, 2013 two third of the total number of directors i.e., excluding Independent Directors are liable to retire by rotation and out of which, one third is liable to retire by rotation at every annual general meeting pursuant to which none of the office of director is liable to retire by rotation at the ensuring Annual General Meeting.

Appointment, Resignation and Cessation of Directors:

During the Year under review,

- Mr. Mahendra Singh (DIN: 07684132), Non- Executive Director of the Company, has tendered his resignation vide letter dated February 09, 2026 due to pursuing other professional engagements.
- Mr. Ashutosh Alaru (DIN: 07618648) as an Additional Director in the category of Non-Executive Independent Director' of the Company w.e.f January 9, 2025. The appointment was duly approved and regularized by the Members of the Company in the Extra-Ordinary General Meeting ("EGM") held on February 24, 2025;

After the close of the financial year,

- Mr. Anand Manoharlal Kothari (DIN: 10900584) has tendered his resignation as Non-Executive-Independent Director of the Company w.e.f. August 14, 2026.

Key Managerial Personnel (KMPs)

1. Mr. Dinesh Shreevastav as Chief Financial Officer of the Company w.e.f. April 11, 2025;
2. Mr. Pernika Mittal was appointed as Managing Director of the Company w.e.f. May 30, 2024;
3. Ms. Vidisha Rathod has served a Company Secretary and Compliance Officer of the Company effective from August 17, 2025.

After the close of financial year, Ms. Vidisha Rathod has also resigned from the office of Company Secretary and Compliance Officer of the Company w.e.f. May 29, 2026.

As on the date of this Report, Mr. Dinesh Shreevastav serving as Whole-Time Director and Chief Financial Officer and designated as the Key Managerial Personnel of the Company.

Declarations by Independent Directors

Your Company has received necessary declarations from all its Independent Directors confirming that:

- They meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations; and
- There has been no change in circumstances affecting their independence during the year.

Additionally, Independent Directors have also confirmed compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with their names duly registered in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA).

15. Committees of Board:

As required under the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has constituted various statutory committees of the Board. As on March 31, 2026, the following Committees were in place:

- **Audit Committee**
- **Nomination and Remuneration Committee**
- **Stakeholders' Relationship Committee**

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

16. Number of meetings of the Board

The Board met 20 (Twenty) times during the year under review. The intervening gap between the meetings did not exceed 120 days, as prescribed under the Act and SEBI Listing Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

17. Independent Directors' Meeting

The Independent Directors met on February 18, 2026, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

18. Board Evaluation

The Board has adopted a formal mechanism for evaluating its own performance, as well as that of its Committees and individual Directors, including the Chairman. The evaluation was carried out through a structured process covering various aspects of the Board's functioning such as composition of the Board and its Committees, diversity of experience and competencies, performance of specific duties and obligations, contribution at meetings and otherwise, independent judgment, and governance practices.

A separate meeting of Independent Directors was held, where the performance of the Board as a whole and that of the Chairman was reviewed, taking into account the views of Executive and Non-Executive Directors. Thereafter, at the subsequent Board meeting, the performance of the Board, its Committees, and individual Directors was discussed. The performance evaluation of Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

19. Declaration regarding compliance by members of board of directors and senior management personnel with the code of conduct of board of directors and senior management:

The Board of Directors of the Company has adopted code of conduct; followed by all Members of the Board of Directors and all Senior Management Personnel of the Company in compliance with the Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This code is available on the Company's website: <https://www.padamcotton.com/policies/code-of-conduct-for-directors-and-senior-management.pdf>

This is to confirm that the Company has received a declaration of compliance with the Code of Conduct as applicable to them from each Member of the Board of Directors and Senior Management Personnel. A declaration to that effect is attached to the Corporate Governance report.

20. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review, no significant or material orders were passed by the regulators, courts or tribunals which would impact the going concern status of the Company or its future operations.

21. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

22. Auditors

Statutory Auditors:

M/s. SVJK & Associates, Chartered Accountants (FRN: 135182W), were appointed as Statutory Auditors of the Company to hold office until the conclusion of the 36th Annual General Meeting of the Company from 1st April, 2026 to 31st March, 2031.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. Further, no fraud has been reported by the Auditors in their report for the financial year ended 31st March, 2025.

During the year the Statutory Auditors have confirmed that they satisfy the independence criteria required the Companies Act, 2013, code of ethics issued by Institute of Chartered Accountants India.

Further, after the end of the financial year, M/s. SVJK & Associates, Chartered Accountants (FRN: 135182W) tendered their resignation vide their letters dated July 27, 2026 due non-viable commercial terms with the Company.

The Board of Directors, on the recommendation of the Audit Committee, at their meeting held July 27, 2026 appointed M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W) as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of the previous statutory auditor.

The Board has recommended the same for the approval of shareholders at this 32nd Annual General Meeting. The said appointment is pursuant to applicable provisions of the Companies Act 2013 and the SEBI Listing Regulations, 2015. On appointment, M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W), will hold the office for a total period of 5 (five) years from the conclusion of the 32nd Annual General Meeting of the Company till the conclusion of the 37th Annual General Meeting of the Company to be held in the year 2031.

M/s. Piyush Kothari & Associates, Chartered Accountants (FRN: 140711W) have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

Internal Auditors:

M/s. Saifuddin Lokhandwala & Company, Chartered Accountants, acted as the Internal Auditors of the Company for the financial year 2025-26. Internal Auditors are appointed annually by the Board of Directors, based on the recommendation of the Audit Committee. The Internal Audit reports and their findings are placed before the Audit Committee on a quarterly basis for review. The scope of Internal Audit is also reviewed and approved by the Audit Committee from time to time.

Secretarial Auditors:

Pursuant to the amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members has appointed Mr. Ashish Goyal, Proprietor of M/s A. Goyal & Associates, Company Secretary in Practice (C.P. No. 19535), as the Secretarial Auditor of the Company for a term of five (5) consecutive financial years, commencing from FY 2025-26 till FY 2029-30 in the 31st Annual General Meeting held in the Year 2025.

The Secretarial Audit Report is appended as **Annexure-A** to this Report. There are no adverse remarks/ observations/ qualifications/ reservations / disclaimers in the Secretarial Audit Report.

CS Ashish Goyal has confirmed that he is not disqualified from being appointed as a Secretarial Auditor and is eligible to hold office as such under the applicable provisions of law.

The Secretarial Audit Report for the year ended on March 31, 2026, contains the following observations as follows:

Sr. No.	Observation	Management response
1.	The Company has failed to appoint Company Secretary & Compliance Officer within 3 months of the Resignation of Previous Company Secretary w.e.f. June 20, 2026 and the BSE Limited has imposed a fine of Rs. 18,880/- for said non-compliance	The Company has paid the fine impose by BSE. Further the Company is in search of right candidate for the post of Company Secretary and we will appoint a Qualified Company Secretary as Compliance Officer as soon as possible.

Cost Auditors:

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company. Hence, the Board of Directors of your company had not been appointed Cost Auditor for obtaining Cost Compliance Report of the company for the financial year 2024-25.

Reporting of Frauds by Auditors:

During the year under review, the Auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013.

23. Particulars of Employees

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure-B**. Further, during the financial year under review, no employee of the Company was in receipt of remuneration exceeding the limits specified under Rule 5(2) of the said Rules. Accordingly, the disclosure required under Rule 5(2) and Rule 5(3) is not applicable.

Further, we confirm that no employee employed throughout the financial year or part thereof received remuneration in the financial year that, on the aggregate, was more than that drawn by the Whole-Time Directors and holds by himself or along with his spouse and dependent children more than 2 per cent of the equity shares of your Company.

24. Management's Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which, inter alia, covers the state of the Company's affairs, forms part of this Report and is annexed hereto as **Annexure-C**.

25. Conservation of energy, technology absorption and foreign exchange earnings and outgo

I. CONSERVATION OF ENERGY

- a) **Steps taken or impact on conservation of energy:** Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of electricity.
- b) **Steps taken by the company for utilizing alternate sources of energy:** NIL
- c) **The Capital investment on energy conservation equipment's:** NIL

II. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION AND RESEARCH & DEVELOPMENT

No research & development or technical absorption or adaption & innovation taken place in the company during the Financial Year 2024-25, the details as per rule 8(3) of The Companies (Accounts) Rules, 2014 are as follows:

- i. **Efforts made towards technology absorption:** NIL

ii. **Benefits derived like product improvement, cost reduction, product development or import substitution:**
NIL

iii. **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):**

- a. Details of technology imported: NIL
- b. Year of Import: NIL
- c. Whether the technology been fully absorbed: NIL
- d. Areas where absorption has not taken place and the reasons there of: NIL

iv. **Expenditure incurred on Research and Development:** NIL

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

As your Company does not deal in Foreign Exchange, therefore the particulars relating to Foreign Exchange Earnings and Outgo are not applicable to your Company.

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

26. Corporate Social Responsibility (CSR)

During the year, as part of its Corporate Social Responsibility (CSR) initiatives, the Company has initiated its efforts towards the social and economic development of villages and communities located near its operations. Our focus remains on improving their quality of life and meeting the development needs of the local community.

Further, in accordance with the requirements of the provisions of Section 135 of the Act, 2013 the Company is not required to constitute the Corporate Social Responsibility Committee as the contribution to CSR is not exceeding Rs. 50.00 Lakhs. The CSR Policy of the Company is available on the website of the Company and the weblink is: padamcotton.com/policies/CSR_POLICY_PCYL.pdf

Pursuant to Section 134(3)(o) of the Act read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended, the Annual Report on CSR activities of the Company undertaken during the year under review, including salient features of Company's CSR Policy forms part of this Report as **Annexure-D**.

27. Particulars of contracts or arrangements with related parties

The Company has not entered into any Material related party transactions with the related parties. All other related party transactions entered into by the Company during the financial year were on an arm's length basis and in the ordinary course of business and disclosed in the Note to the Financial Statement forming part of the Financial Statements. Accordingly, the disclosure of such transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-2, is not required to be annexed.

28. Subsidiary, Joint Ventures and Associate Companies:

The company does not have any subsidiary or associates or joint ventures, the accounts of which are to be consolidated and as such there are no consolidated financial statements, hence a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, is not required to annex with this report.

29. Statement regarding the development and implementation of Risk Management Policy

The Company has not developed and implemented any formal risk management policy, as the nature and extent of risks threatening the business activities carried out by the Company during the year under review were considered minimal. However, the Board periodically reviews business risks and takes appropriate measures to mitigate them as and when required.

30. Internal Financial Control and their adequacy

The Company has established and implemented a process-driven framework for Internal Financial Controls (“IFC”) within the meaning of Section 134(5)(e) of the Companies Act, 2013. For the financial year ended March 31, 2025, the Board is of the opinion that the Company has adequate and effective IFC commensurate with the nature, size, and complexity of its business operations. These controls were operating effectively and no material weaknesses were observed.

The Company has put in place procedures for ongoing monitoring and review of the IFC framework to ensure timely identification of any gaps and to implement necessary improvements, wherever required, so that such gaps do not materially affect the Company’s operations.

During the year under review, no reportable material weakness in the design or operation of IFC was observed.

31. Directors’ Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- a) in the preparation of the annual financial statements for the financial year ended **March 31, 2026**, the applicable accounting standards have been followed and no material departures have been made therefrom;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements 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 were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

32. Green Initiative:

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued Circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members.

As a responsible corporate citizen, the Company welcomes and supports the ‘Green Initiative’ undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, amongst others, to shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA.

33. Prevention of Sexual Harassment at Workplace:

In order to prevent sexual harassment of women at work place an act “The Sexual Harassment of Women at Workplace” (Prevention, Prohibition and Redressal) Act, 2013 has been notified in December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace of any women employee.

Your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a committee for implementation of said policy.

The Company has zero tolerance for sexual harassment and during the year under review, there were no complaint received and no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

34. Vigil Mechanism/ Whistle Blower Policy:

The Company is committed to conducting its affairs in a fair and transparent manner, fostering professionalism, honesty, integrity, and ethical behaviour among its employees and stakeholders. In line with this commitment, the Company has adopted a Whistle Blower Policy as part of its vigil mechanism.

Further, the Code of Business Conduct (“the Code”) sets out important corporate ethical practices that guide the Company’s value system and business functions, and embody the core values of the Company.

During the financial year ended March 31, 2026, no whistle blower complaints were received from any employee or Director of the Company. The Board also confirms that no employee or Director was denied access to the Audit Committee or its Chairman under the vigil mechanism.

35. Human resources

Your Company considers its human resources as the most valuable asset and a key driver in achieving its strategic objectives. In line with this belief, the Company places strong emphasis on attracting, nurturing, and retaining high-quality talent. The work environment is designed to empower employees, encourage innovation, and motivate them to consistently deliver higher levels of performance.

The commitment and dedication of employees continue to be the driving force behind the Company’s growth and vision. The Board places on record its appreciation for the enthusiasm, hard work, and contribution of the employees at all levels.

36. Corporate Governance

The Company is committed to adhere to the best corporate governance practices. All the committees of the Board of Directors meet regularly as required in terms of SEBI Listing Regulations. The Board of Directors has taken the necessary steps to ensure compliance with statutory requirements. The Company's Directors, Key Management Personnel, and Senior Management Personnel have complied with the approved ‘Code of Conduct for Board of Directors and Senior Management Personnel’. According to schedule V of the SEBI Listing Regulations, a declaration to this effect, signed by the Managing Director and CEO of the Company, forms part of the Annual Report.

The Report on Corporate Governance, as required under Regulation 34(3), read along with Schedule V of the SEBI Listing Regulations, is given in **Annexure E**. The Certificate from the Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under Listing Regulations forms part of the Annual Report.

37. Various Policies of The Company

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has formulated and implemented various policies to ensure good governance and transparency in its operations. These policies are available on the Company’s website at www.padamcotton.com under the “Company Information” section of the “Investor” tab. The Board periodically reviews these policies and updates them, as and when required, to align with regulatory requirements and business needs.

38. Code for Prevention of Insider Trading:

Your Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives (“the Code”) in compliance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code, inter alia, prescribes the procedures to be followed by designated persons while trading or dealing in the Company’s securities and provides guidelines on the handling and communication of Unpublished Price Sensitive Information (“UPSI”). It also covers the Company’s obligation to maintain a Structured Digital Database (SDD), establishes mechanisms for the prevention of insider trading, and outlines processes for sensitizing designated persons about the significance and confidentiality of UPSI.

To strengthen awareness and ensure compliance, the Company has been conducting regular training sessions for all designated persons, thereby enabling them to identify, understand and discharge their obligations effectively under the Insider Trading Regulations.

39. Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all 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, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

40. General Disclosures

Neither the Executive Chairman nor the CEO of the Company received any remuneration or commission from any of the subsidiaries of the Company.

The Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions or events of these nature during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting, or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Significant or material orders passed by regulators, courts, or tribunals which impact the going concern status or the operations of the Company in the future.
4. Voting rights not directly exercised by employees in respect of shares for which loans were provided by the Company (as no scheme exists under Section 67(3)(c) of the Companies Act, 2013, enabling such beneficial ownership).
5. Applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.
6. One-time settlement of loans obtained from banks or financial institutions.
7. Revision of financial statements or Directors' Report of the Company.

41. Enclosures:

The following are the enclosures attached herewith and forms part of the Director's Report:

- a. Annexure A: Secretarial Auditors Report in Form No. MR-3;
- b. Annexure B: Details of personnel/particulars of employees;
- c. Annexure C : Management Discussion and Analysis Report;
- d. Annexure D: Report on Corporate Social Responsibility
- e. Annexure E: Corporate Governance Report
- f. Annexure F: WTD & CFO Certificates
- g. Annexure G-: Certificate on Corporate Governance by PCS
- h. Annexure H- Certificate on non-disqualification of Directors by PCS

42. Acknowledgement

The Directors express their sincere gratitude for the guidance, support, and assistance received from the Government of India, the governments of various states, concerned government departments, financial institutions, and banks.

The Directors also thank the esteemed shareholders, customers, suppliers, and business associates for their continued trust and confidence in the Company.

**By Order of the Board of Directors
For, Padam Cotton Yarns Limited**

Date: 07-09-2026
Place: Ahmedabad

Sd/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)

Sd/-
Mr. Ashutosh Alaru
Director
(DIN: 07618648)

ANNEXURE-A**Form No. MR-3****SECRETARIAL AUDIT REPORT****For the Financial Year Ended 31.03.2026***[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,
Padam Cotton Yarns Limited
CIN: L17112HR1994PLC033641
 196, 1st Floor, G T Road,
 Opp. Red Cross Market Karnal,
 Haryana, 132001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Padam Cotton Yarns Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2015;
 - d. The SEBI (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - e. The company has complied with the requirements under the Equity Listing Agreements entered into with the Bombay Stock Exchange Limited.
 - f. I have relied on the representation made by the company and its officers for systems and mechanism put in place by the company for compliance under the applicable Acts, laws and regulations to the company, the details of which are attached as Annexure to the management representation.

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

- a. The Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government, namely SS-1 and SS-2, as applicable to the Company,
- b. The Listing Agreement entered into by the Company with Bombay Stock Exchange and The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and subject to the following observations;

1. *The Company has failed to appoint Company Secretary & Compliance Officer within 3 months of the Resignation of Previous Company Secretary w.e.f. June 20, 2026 as required under Regulation 6(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the BSE Limited has imposed a fine of Rs. 18,880/- for said non-compliance.*

I report that:

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) 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.
- c) The Compliance by the Company of applicable financial laws like direct taxes and indirect taxes and maintenance of financial records and books of accounts has not been reviewed in this Audit, since the same has been the subject to be review by statutory financial audit and designated professionals.
- d) Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive 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 Meeting, 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.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that during the year under review, the Company declared a Final Dividend of ₹0.10/- (Rupees Ten Paise Only) per equity share of face value of ₹1/- each, equivalent to 10% of the face value, for the Financial Year ended 31st March, 2025, as recommended by the Board of Directors and approved by the members at the Annual General Meeting held on 30th September, 2025.

I further report that during the year, the Company has increased the Authorised Share Capital of the company from existing Rs. 13,00,00,000/- (Rupees Thirteen Crore Fifty Lakh Only) to 22,00,00,000/- (Rupees Twenty-Two Crore Only) divided into 22,00,00,000 (Twenty Two Crore) Equity Shares of Rs. 1/- (Rupee One Only) each and corresponding amendments to the Clause V of the Memorandum of Association of the Company by passing Ordinary Resolution through Postal Ballot on August 08, 2025 (deemed date of passing the resolution through postal Ballot);

I Further Report that during the financial year, The Company has issued and 9,03,70,000 (Nine Crore Three Lakh Seventy Thousands) equity shares at an issue price of Rs.2.07/- per equity share, aggregating to an issue size of Rs.18,70,65,900/-. The allotment of the aforesaid Rights Issue shares was completed on March 16, 2026, in accordance with the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (SEBI) Regulations, and other applicable law. These shares are ranking pari-passu with the existing equity shares of the company.

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

- (i) Public/Preferential issue of Shares/~~Rights~~/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Major Decisions taken by the members in pursuant to section 180 of the Companies Act, 2013
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable

I 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, suits, rules, regulations and guidelines.

For A. Goyal & Associates

Company Secretaries

Sd/-

CS Ashish Goyal Proprietor

Membership No.: 13544

C.P. No.: 19535

UDIN: F013544H001389261

Date: 05-09-2026

Place: Karnal

ANNEXURE-B**DISCLOSURES REGARDING REMUNERATION REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sr. No.	Requirements	Disclosure	
1.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	Whole-Time Director	1.00
		Non-Executive Director	Nil
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	CFO	Nil
		CS	Nil
3.	The percentage increase in the median remuneration of employees in the financial year	N.A.	
4.	The number of permanent employees on the rolls of the Company as on March 31, 2026.	10	
5.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

**By Order of the Board of Directors
For, Padam Cotton Yarns Limited**

Date: 07-09-2026
Place: Ahmedabad

**Sd/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

**Sd/-
Mr. Mahendra Singh
Director
(DIN: 07684132)**

ANNEXURE-C**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (FY 2025-26)****INDIAN ECONOMY**

Over the course of the last decade, India has showcased a robust and resilient growth story driven by perseverance, ingenuity, and vision. In the face of unprecedented challenges such as the Covid pandemic and geopolitical conflicts, the Indian economy has demonstrated a remarkable ability to bounce back and convert challenges into opportunities while striving to achieve strong, sustainable, balanced, and inclusive growth.

India has been showing both resilience as well as progress despite all risks and uncertainties in the global economic landscape. Through timely and effective policy actions aimed at achieving macro stability and repairing the balance sheets of financial and non-financial sectors, as well as by investing significantly in building world-class physical and digital public infrastructure, India has been able to withstand the challenges, both domestic and global, and ensure that the economy continues to progress on a steady path. With the policy reforms that the government has already rolled out and which are on the anvil, there is significant optimism and confidence in the Indian economy and its prospects today. India embarks on her 'Amrit Kaal' with confidence and the attitude that challenges to growth and inclusive development are stepping stones and not obstacles.

INDIAN TEXTILE INDUSTRY

The Indian textile and apparel market size reached US\$ 197.2 Billion in 2023. Looking forward, IMARC Group expects the market to reach US\$ 592.7 Billion by 2032, exhibiting a growth rate (CAGR) of 12.6% during 2024-2032. The increasing demand for premium quality clothing and footwear items, rising number of schemes launched by the Government of India to empower weavers, and the growing ethically sourced sustainable materials represent some of the key factors driving the market.

Government of India is undertaking initiatives to empower domestic textile manufacturers. They are consequently providing financial assistance to the weavers by launching production-linked incentive (PLI) schemes to improve the production of textiles and apparel in the country. In addition, the easy accessibility and availability of various raw materials, such as cotton, wool, and silk, in India is contributing to the growth of the market. Apart from this, key market players are manufacturing textiles and apparel with sustainable and ethically sourced materials, such as vegan leather and plant-based faux fur, to prevent animal cruelty and reduce the implementation of unethical practices in rearing animals. They are also minimizing the use of various toxic chemicals in the textile processing and dyeing method to reduce water pollution in India. Additionally, the rising utilization of various silks and leather by luxury apparel brands to manufacture multiple clothing items and durable bags and footwear is propelling the growth of the market in the country. Moreover, the growing number of e-commerce businesses and distribution channels selling premium quality fabrics and apparel online is offering a favorable market outlook. Furthermore, the increasing demand for durable and long-lasting clothing and footwear items due to the rising awareness about the harmful impacts of fast fashion on the environment is bolstering the market growth in India.

BUSINESS OPERATIONS

The Company was incorporated on November 2, 1994 and has not carried any commercial activity during the year under review as the entire plant & machinery and major parts of the building had got damaged in July, 2001 due to major fire in the factory premises.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS**Opportunities:**

- Continuous market research and development efforts have allowed us to identify emerging trends and customer preferences in the domestic market.
- Rising demand for low cost, sustainable and eco-friendly products. This presents an opportunity for textile manufacturers to develop new products that are made from renewable materials and produced using sustainable manufacturing processes. Cost can be reduced by blending with cheaper man-made fibre.

Threats:

- The biggest threat to cotton products is competition from other low-cost man-made fibres. Consumers are shifting their

focus to low-cost products which has led to intense competition and pricing pressure in the global textile industry.

- There is a high cost to comply with environmental, social and labour regulations which can be costly and time - consuming.
- Further the textile industry is highly sensitive to global economic conditions and can be significantly impacted by global demand and pricing.

Future Outlook:

Looking ahead, we remain optimistic about the prospects of our export of yarn to the domestic trading market. We will focus on the following strategies to sustain growth and capitalize on emerging opportunities:

- Demand for textiles
- Raw material availability and prices
- Technological advancements
- Sustainability and eco-friendly practices
- Global trade and geopolitical factors
- Online Expansion
- Premiumisation and access to global brands
- Further Growth of Private Brands
- Focus on analytics

Risks and concerns:

Management recognizes the following principal risks that may influence decisions made by investors given their significant impact on business conditions as stated in the securities report, and among matters pertaining to accounting status and business performance, as well as cash flows. Our risk management system addresses the increasingly complex risks that we face in our day-to-day operations. The risk management system conducts risk analysis of economic and social changes and implements preventive measures that are best suited for the Company.

OUTLOOK

The textile industry's outlook for 2024 and beyond is characterised by a strong emphasis on sustainability, incorporating both natural and synthetic fibres, prioritising yarn quality, embracing technical textiles and digital printing, and maintaining a resolute dedication to creating a more environmentally friendly and ethical future. Looking ahead, we anticipate that the Indian textiles market will exceed a valuation of \$ 209 billion by 2029. The textile sector remains resilient by evolving to meet the demands of a changing world, actively embracing innovation, sustainability, and consumer preferences to maintain its enduring relevance.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company maintains an adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguard the assets of the Company and prevent misuse/ losses and legal compliances.

The internal control system includes a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well-structured budgeting process and internal audit. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

HUMAN CAPITAL MANAGEMENT

Number of people employed by Padam Cotton Yarns Limited are only Ten (8) as on March 31, 2026 excluding Directors of

the Company.

KEY FINANCIAL RATIOS:

Sr. No.	Particular	2025-26	2024-25	Variance	Reason for variance
1	Debtors Turnover Ratio	1.81	2.14	-15.60%	-
2	Inventory Turnover Ratio	13.14	-	-	-
3	Interest Coverage Ratio	0.00	0.00	-	-
4	Current Ratio	1.85	2.27	-18.70%	-
5	Debt-Equity Ratio	0.00	-	-	-
6	Operating Profit Margin (%)	18.09%	14.72	3.37%	-
7	Net Profit Margin (%)	14.90%	74.55%	-80.01%	The ratio has declined as a result of higher turnover accompanied by a reduction in profit margins.
8	Return on Capital employed (in %)	32.72%	75.89%	-56.88%	This ratio fell because the company issued more share capital, which increased the total capital employed. As a result, the returns look lower compared to the larger capital base.

The reasons for significant changes in the ratios, where the variation is 25% or more as compared to the previous financial year, have been provided.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information or events.

**By Order of the Board of Directors
For, PADAM COTTON YARNS LIMITED**

Date: 07/09/2026
Place: Ahmedabad

**SD/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

**SD/-
Mr. Ashutosh Alaru
Director
(DIN: 07618648)**

“ANNEXURE-D”

Annual Report on Corporate Social Responsibility (CSR) Activities as per Section 135 of the Companies Act, 2013 for the FY 2025-26**1. Brief outline on CSR Policy of the Company**

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The CSR Policy has been uploaded on the website of the Company at : [Padam Cotton Yarns LTD](#)

2. **Composition of the CSR Committee:** The constitution of the CSR Committee is not applicable to the Company, as the amount required to be spent towards CSR activities does not exceed ₹50 lakh during the financial year, in accordance with the applicable provisions of the Companies Act, 2013.

3. **Web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. –**

The details are available at: [Padam Cotton Yarns LTD](#)

4. **Executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable**
Not Applicable during the year under review.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- NOT APPLICABLE**

6. CSR Financial Details

- (a) Average Net Profit of the Company as per Section 135(5): ₹ 2,74,20,155.96/-
(b) Two percent of average net profit as per Section 135(5): ₹ 5,48,403.12/-
(c) Surplus arising out of CSR activities of previous financial years: ₹ 0.00
(d) Amount required to be set-off for the financial year, if any: ₹ 0.00
(e) Total CSR Obligation for the financial year [(b)+(c)-(d)]: ₹ 5,48,403.12/-

7. CSR Expenditure Details (Other than on going project)

- (a) Amount spent on CSR Projects : ₹ 5,55,000/-
(b) Amount spent on Administrative Overheads: ₹ 0.00
(c) Amount spent on Impact Assessment, if applicable: ₹ 0.00
(d) Total amount spent for the financial year: ₹ 5,55,000/-
(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 5,55,000/-	NIL		Not Applicable		

(f) Excess amount for set off, if any

Sl. No	Particulars	Amount (In ₹)
(i)	Two percentage of average net profit of the company as per section 135(5)	₹ 5,48,403.12/-
	Amount available for set off from FY 2024-25	0.00
	CSR obligation for FY 2025-26	₹ 5,48,403.12/-
(ii)	Total amount spent for the Financial Year	₹ 5,55,000/-
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	₹ 6,596.88/-

Sl. No	Particulars	Amount (In ₹)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.00
(v)	Amount available for set off in the succeeding Financial Years [(iii) - (iv)]	₹ 6,596.88/-

8. (a) Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8	9
Sl. No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135(6) (in `)	Balance Amount in Unspent CSR Account under Section 135(6) (in `)	Amount spent in the Financial Year (in `)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in `).	Deficiency, if any
					Amount (in `)	Date of Transfer		
1	FY 2024-25	NIL						
2	FY 2023-24							
3	FY 2022-23							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Lacs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
Not Applicable										

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Promote environmental conservation	To promote environmental conservation and sustainable forestry practices.	Yes	Gujarat	Ahmedabad	Rs. 5,55,000/-	No	Jay Harihar Krupa Foundation.	CSR00078243

9. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NO

If yes, enter the number of capital assets created/ acquired:

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

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6	7	8
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

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

**By Order of the Board of Directors
For, PADAM COTTON YARNS LIMITED**

Date: 07/09/2026
Place: Ahmedabad

**SD/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

**SD/-
Mr. Ashutosh Alaru
Director
(DIN: 07618648)**

“ANNEXURE E”**CORPORATE GOVERNANCE REPORT****I. Company's philosophy on code of corporate governance**

The company's philosophy on corporate governance is founded on the fundamental ideologies of the group viz., trust, value and service. It has been a constant endeavor on the part of the company to achieve excellence in corporate governance by following the principles of transparency, accountability and integrity in functioning, so as to constantly striving to enhance value for all the stakeholders and society in general. The company's governance framework is based on the principles of appropriate composition and size of the board with each member bringing in expertise in their respective domains; timely disclosure of material operational and financial information to the stakeholders; proper systems and processes of internal control as well as proper business conduct by the board, senior management and employees.

II. Board of directors**a. Composition of the board**

The Company's Board comprises an ideal mix of Non-Executive Non-Independent Directors, and Independent Directors. The structure of the Board of Directors adheres to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as well as Sections 149 and 152 of the Companies Act, 2013 ("Act"). The independent directors on the board are experienced, competent and reputed persons from their respective fields. As at March 31, 2026, the composition of board is given herein below:

- Mr. Dinesh Shreevastav (DIN: 11030609 (Executive, Whole-Time Director)
- Mr. Ashutosh Alaru (DIN: 07618648) (Non-executive, Non Independent director)
- Mr. Anand Manoharlal Kothari (DIN: 10900584) (Non-Executive, Independent, Director)
- Mrs. Kinjal Jigar Shah (DIN: 11031676) (Non-executive, Independent director)

b. Attendance of each director at the board meetings and at the last annual general meeting

The board meets at least once a quarter to review the quarterly financial results and operations of your company. In addition, the board has also constituted a managing committee to look after other managerial affairs of the company when it is not feasible to the board to convene a meeting.

Attendance each director at the Board meeting and at the last 31st Annual General Meeting (AGM) (held on September 30, 2025), their designation, directorships held in other listed companies and relationship Between Directors and at the board meetings and is as under:

Sr.no	Name of Director	Designation	Directorships held in other listed companies	No. of board committees (other than Padam Cotton Yarns Limited)	Relationship Between Directors	No. of shares held by them	Board Meeting attended (Attended/ Entitled)	Present in Previous Annual General Meeting
1.	Mr. Dinesh Shreevastav	Executive, Whole Time Director	NIL	NIL	No relation	NIL	20/20	
2.	¹ Mr. Ashutosh Alaru	Non-Executive-Director	NIL	NIL	No relation	NIL	15/20	NA
3.	Mr. Anand Manoharlal Kothari	Non-Executive-Independent Director	NIL	NIL	No relation	NIL	19/20	NA
4.	Mrs. Kinjal Shah	Non-Executive-Independent Director	NIL	NIL	No relation	NIL	18/20	

5.	² Mr. Mahendra Singh	Non-Executive	1. Mafia Trends Limited	Mafia Trends Limited	No relation	NIL	16/16	NA
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1. Change in designation of Mr. Ashutosh Alaru from Independent to No Executive Director w.e.f. 09-02-2026

2. Mr. Mahendra Singh was resigned w.e.f. 09-02-2026

c. Web link of details of familiarization programmes imparted to the independent directors

Following is the web link of familiarization programmes imparted to the independent directors of the company
<https://www.padamcotton.com/policies/familiarisation-programme-for-independent-directors.pdf>

d. Matrix / table containing skills / expertise / competence of the board of directors

The Board members come from diversified backgrounds and possess the requisite knowledge, competencies, skills, and experience to effectively discharge their responsibilities. Their collective expertise spans across i.e. primary market, secondary market, mutual funds, arbitrage operations, banking & finance, taxation and legal.

The Company has identified and broadly categorized its core skills, expertise, and competencies as follows:

Particulars	Detailed list of core skills, expertise and competencies
Core Skills	Strategic policy formulation and advising, regulatory framework knowledge, financial performance, advising on Risk mitigation and compliance requirements
Expertise	Knowledge of stock market, commercial acumen and able to guide in building the right environment for human assets development
Competencies	Strategic leadership, execution of policies framed by the board, identifying the growth areas for expanding the business in India and outside India and advising on business risks & environment

All the Board members, Viz. Mr. Dinesh Shreevastav, Mr. Mahendra Singh, Mr. Ashutosh Alaru, Mr. Anand Manoharlal Kothari and Mrs. Kinjal Jigar Shah, possess the requisite skills, expertise, and competencies as mentioned in the table above, along with the necessary knowledge of corporate governance and corporate advisory skills

e. Confirmation of the board regarding the independent directors

The board of directors confirms that in the opinion of the board, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and are independent of the management.

III. Audit committee

a. Brief description of terms of reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as applicable along with other terms as referred by the Board of Directors. The terms of reference of the Audit Committee are broadly as under:

- Oversight of the Company's Financial Reporting Process and the disclosure of its Financial Information to ensure that the Financial Statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Examination and reviewing, with the Management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 (3)(c) of the Act;
 - ii. Changes, if any, in the Accounting Policies and Practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by Management;
 - iv. Significant adjustments made in the Financial Statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to Financial Statements;
 - vi. Disclosure of any Related Party Transactions;
 - vii. Qualifications in the draft Audit Report;
- Reviewing with the Management, the quarterly Financial Statements before submission to the Board for approval;
- Review and monitor the Auditors' independence and performance and effectiveness of audit process;

- Approval or any subsequent modification of transactions of the Company with Related Parties;
- Scrutiny of Inter - Corporate Loans and Investments;
- Evaluations of Internal Financial Controls and Risk Management Systems;
- Reviewing with the Management, performance of Statutory and Internal Auditor and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function and discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the Whistle Blower Mechanism;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Oversight of the Listed entity's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.

b. Composition of the audit committee

During the financial year under review and as on **March 31, 2026**, the following Directors were members of the Audit Committee:

Name of the member	Designation in committee	Designation in company
Ms. Kinjal Shah	Chairperson	Independent Director
Mr. Anand Manoharlal Kothari	Member	Independent Director
Mr. Dinesh Shreevastav	Member	Whole-Time Director

All members of the audit committee have the requisite qualification for appointment on the committee and possess sound knowledge of finance, accounting practices and internal controls.

The Company Secretary & Compliance Officer of the company acts as the Secretary to the Committee.

c. Meetings and attendance

During the financial year ended on March 31, 2026, ten meetings of the audit committee were held on April 11, 2025, April 23, 2025, June 30, 2025, July 11, 2025, July 31, 2025, September 05, 2025, October 09, 2025, November 5, 2025, February 09, 2026 and March 16, 2026.

All the members of the audit committee had attended all the meetings held during the financial year under report.

IV. Nomination and remuneration committee:

a. Brief description of terms of reference

The Nomination and Remuneration Committee is constituted vide Board Resolution dated 26/07/2017 in accordance with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee and the Committee Members are:

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Determination and recommendation of criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Review and approval of compensation / remuneration payable to Senior Management Personnel, Relatives of Directors, Executive and Non-Executive Directors etc. and recommend to the Board for their approval;
- Succession planning for Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment of Directors / Independent Directors based on laid down criteria;
- Examination and evaluation of performance of the Board of Directors and Senior Management Personnel including Key Managerial Personnel based on criteria approved by the Board.

b. Composition of the nomination and remuneration committee

During the financial year under report and as at March 31, 2026, following directors were the members of the nomination and remuneration committee:

Name of the member	Designation in committee	Designation in company
Mrs. Kinjal Shah	Chairman	Independent Director
Mr. Anand Manoharlal Kothari	Member	Independent Director
¹ Mr. Ashutosh Alaru	Member	Non- Executive Director

¹The designation of Mr. Ashutosh Alaru was changed from Independent to Non Executive w.e.f. 09.02.2026

The Company Secretary & Compliance Officer of the company acts as the Secretary to the Committee.

c. Meetings and attendance

During the financial year ended on March 31, 2026, seven meetings of the nomination and remuneration committee were held on April 01, 2025, April 12, 2025, June 30, 2025, July 31, 2025, September 05, 2025, October 17, 2025 and February 09, 2026.

All the members of the nomination and remuneration committee had attended all the meetings held during the financial year under report.

d. Performance evaluation criteria for independent directors

The performance evaluation of the independent directors of the company is made on the basis of their presence in the board and committee meetings, their approach of implementation of activities of the independent directors' familiarization programmes, their suggestions and advices for the betterment of business of the company, taking active part in the formulation of future plans of the company and performing the duties as entrusted by the provisions of the law and from the board of directors, from time to time etc.

V. Remuneration of the directors**a. Pecuniary relationship or transactions of the non-executive directors vis-à-vis company**

During the financial year under report, the company has compensated the non-executive independent directors by way of paying them sitting fees for attending the board and committee meetings. Apart from above, no transaction for payment of any sum has been made with non-executive directors vis-à-vis your company.

b. Criteria for making payments to the non-executive directors

The criteria of making payments to the non-executive directors are enumerated in the nomination and remuneration policy adopted by the board and uploaded on the website of the company at the web link given below:

c. Remuneration of directors

Sr. No.	Name of the Director	Basic Fixed Salary / Sitting Fee (₹)	Other Benefits	Stock Option & Pensions	Fixed & Performance Linked Incentives (₹)	Stock Option	Total (₹)
1.	Dinesh Shreevastav	1,00,000	0	0	0	0	1,00,000
2.	Anand Kothari	1,00,000	0	0	0	0	1,00,000
3.	Ashutosh Alaru	5,00,000	0	0	0	0	5,00,000
Total		7,00,000	--	--	--	--	7,00,000

Further, none of the directors has been appointed on service contract basis. The notice period and severance fees are decided based on the mutual understandings between the board members from time to time. Also no stock options are issued / given to any of the directors / employees of the company.

VI. Stakeholders' grievance committee**a. Brief description of terms of reference**

The Stakeholders Relationship Committee is constituted in compliance with the requirements of Section 178 of the Companies Act, 2013. The Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

Name of the member	Designation in committee	Designation in company
Mr. Ashutosh Alaru	Chairman	Non-Executive Director
Mr. Anand Manoharlal Kothari	Member	Independent Director
Mr. Dinesh Shreevastav	Member	Whole-Time Director

1. The designation of Mr. Ashutosh Alaru was changed from Independent to Non Executive w.e.f. 09.02.2026

The Stakeholders Relationship Committee looks into shareholders' complaints related to transfer of shares, non-receipt of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent and recommends measures for overall improvement in the quality of investor services. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints.

➤ **Terms of reference:**

- Transfer and transmission of shares held by shareholders in physical format;
- Shareholder's Compliant viz non-receipt of dividend, annual report, shares after transfer, delays in transfer of shares etc.;
- Status of dematerialization/rematerialization of shares;
- Issue of duplicate share certificates;
- Monitor and Track redressal of Investor complaints;
- Oversee the performance of the Company's Registrar and Transfer Agents;
- Suggest measures for improvement upgrade the standard of services to investors from time to time;
- Carry out any other function as is referred by the board from time to time or enforced by any statutory modification/ amendment or modification as may be applicable;

b. Meetings and attendance

During the financial year ended on March 31, 2026, four meetings of the Stakeholders' grievance committee were held on April 11, 2025, April 23, 2025, September 30, 2025 and March 16, 2026.

All the members of the Stakeholders' grievance committee had attended all the meetings held during the financial year under report.

During the financial year ended on March 31, 2026, the company did not receive any investor complaint.

VII. General body meetings

a. Dates, time and places of last three annual general meetings (AGMs)

AGM	Date	Time	Place
31 st AGM for the FY 2024-25	30 th September, 2025	12:00 P.M.	196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001
30 th AGM for the FY 2023-24	10 th July, 2024	10:00 A.M.	
29 th AGM for the FY 2022-23	26 th September, 2023	11:30 A.M.	

b. Special resolution(s) passed in the previous three annual general meetings

AGM	Particulars of special resolutions passed
31 st AGM for the FY 2024-25	NIL
30 th AGM for the FY 2023-24	1. Approval of regularisation of Additional Director, Mr. Sanjay Kumar Bansal (DIN: 10600836) by appointing him as a Non-Executive Independent Director of the Company. 2. To the approve Loans, Investments or Guarantee or Security under Section 186 of Companies Act, 2013;

	3. Approval to advance any loan, give guarantee or provide any security under Section 185 of the Companies Act, 2013.
29 th AGM for the FY 2022-23	1. To the approve Loans, Investments or Guarantee or Security under Section 186 of Companies Act, 2013; 2. To Approval of Loans, Investments or Guarantee or Security under Section 185 of the Companies Act, 2013.

c. Special resolution(s) passed during the year through postal ballot :

1. APPROVAL FOR SUB-DIVISION/ SPLIT OF EQUITY SHARES OF THE COMPANY;
2. APPROVAL FOR ALTERATION OF THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY;
3. APPOINTMENT OF MR. DINESH SHIVCHARANBHAI SHREEVASTAV (DIN: 11030609), WHOLE-TIME DIRECTOR OF THE COMPANY;
4. CONSIDERED AND APPROVED AN APPOINTMENT OF MRS. KINJAL SHAH (DIN: 11031676) AS A DIRECTOR UNDER NON-EXECUTIVE INDEPENDENT CATEGORY.

d. Special resolution(s) passed during the year in the Extra-Ordinary General Meeting:

1. TO INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY AND SUBSEQUENT ALTERATION OF THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION;
2. TO SHIFT REGISTERED OFFICE OF THE COMPANY FROM THE STATE OF HARYANA TO THE STATE OF GUJARAT;
3. APPOINTMENT OF M/S. SVJK & ASOCIATES, CHARTERED ACCOUNTANTS, AHMEDABAD (FRN: 135182W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY CAUSED.

VIII. Means of communication

Financial Results	The quarterly, half-yearly and annual results are published in two newspaper i.e. Financial Express in English and Hindi and are displayed on the website of the Company
Website	The Company's website https://www.padamcotton.com/ provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report and Accounts of the Company will also be made available on the websites of the Stock Exchanges. Annual Report and accounts of the Company and its subsidiaries will be available on the website of the Company in downloadable format
Filing with Stock Exchanges	Information to Stock Exchanges is now being also filed online on listing portal of BSE.
Annual Report	Annual Report is circulated to all the members and all others like auditors, secretarial auditor, equity analysts etc.
Presentations/ Investor call made to Institutional Investors and Analysts	The schedule of analyst/institutional investor meets and presentations if made to them are placed on the website of the Company.
Registrar and Share Transfer Agents (RTA)	Beetal Financial & Computer Services Pvt. Ltd, Beetal House, 3rd Floor, 99, Madangir, Behind LSC, New Delhi, Delhi, 110062
Plant Location	NIL
Address of correspondence	C-801, Krish Cubical, Govardhan Partyplot, Avalon Hotel Road, Sindhu Bhavan Marg Thaltej, Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059

IX. General shareholder information**a. Annual general meeting**

Day and Date	Wednesday, September 30, 2026
Time	12:00 pm
Venue	At the registered office of the company 196, 1st Floor, G.T. Road, Opp. Red Cross Market Karnal- 132001, Haryana, India
Record Date for E-voting	Wednesday, September 23, 2026

b. Financial year

Tentative calendar for the Financial year : April 1, 2026 to March 31, 2027

Period	Due Date for Submission
First Quarter result	Within 45 days from closure of quarter ending on June 30, 2026
Second Quarter / Half Year result	Within 45 days from closure of quarter / half year ending on September 30, 2026
Third Quarter result	Within 45 days from closure of quarter ending on December 31, 2026
Results for the financial year ending on March 31, 2027	Within 60 days from closure of quarter / financial year ending on March 31, 2027

* Subject to additional relaxation(s), if any, granted by respective authorities

c. Dividend payment dates

The Company has not declared the dividend during the FY 2025-26.

d. Listing of securities

As on March 31, 2026, the equity shares of the Company were listed on the BSE Limited. The Company had duly paid the annual listing fees for the financial year 2025-26.

e. No suspension of trading

During the financial year under report and during any of the previous financial years, the securities of the company were never suspended from trading on any of the stock exchange(s).

f. Registrar and share transfer agent

Beetal Financial & Computer Services Pvt. Ltd is acting as registrar & share transfer agent of the company for physical and demat segment. The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects. A summary of approved transfers, transmissions, deletion requests, etc., are placed before the board of directors / stakeholders' grievance committee from time to time as per the listing regulations.

Their address for communication is as under:

Beetal Financial & Computer Services Pvt. Ltd

C Beetal House,

3rd Floor, 99, Madangir, Behind LSC,

New Delhi, Delhi, 110062

E-mail: beetalrta@gmail.com

Tele No.: 011 - 29961281-283 / 26051061 / 26051064

Website: www.beetalfinancial.com

SEBI Registration Number: INR000000262

g. Distribution of shareholding as on March 31, 2026

No. of Equity Shares Held	No. of Shareholders	% to total Shareholders	No. of Equity Shares held	% of Shareholding
Upto 5000	22083	87.917	15064159	6.8639
5001 – 10000	1680	6.688	12161788	5.5414

No. of Equity Shares Held	No. of Shareholders	% to total Shareholders	No. of Equity Shares held	% of Shareholding
10001 – 20000	640	2.548	9221345	4.2016
20001 – 30000	264	1.051	6594593	3.0048
30001 – 40000	120	0.478	4206481	1.9167
40001 – 50000	76	0.303	3458453	1.5758
50001 – 100000	112	0.446	8063720	3.6742
100000 and above	143	0.569	160699461	73.2216
Total	25118	100.00	219470000	100.0000

h. Dematerialization of shares and liquidity

The company's equity shares have been allotted ISIN (INE448D01025) both by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

As on March 31, 2026, 21,94,70,000 equity shares, representing 92.26% of the paid-up equity share capital of the Company, are in dematerialized form.

Holding as on March 31, 2026

Mode of Holding	No. of Equity Shares	% of Total Paid-up Capital
Electronic – CDSL	170404629	77.64%
Electronic – NSDL	32075751	14.62%
Physical	16989620	7.74%
Total	1,29,10,000	100.00%

i. Outstanding GDRs / ADRs / warrant(s) / convertible instrument(s)

The company has not issued any of the securities stated above.

j. Commodity price risk / foreign exchange risk and hedging activities

The nature of business of the company doesn't involve any commodity price risk / foreign exchange risk and doesn't require any hedging activities.

k. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

Not Applicable

X. Other Disclosures

i. The company doesn't have any material significant related party transactions that may have potential conflict with the interests of the listed entity at large;

ii. Details of the penalties imposed on the company by the BSE Limited

Sr. No.	Particulars	Status of fine	Remarks	Compliance Status
1.	Regulation 6(1) - Non appointment of Company Secretary & Compliance officer within due timelines	Rs. 18,880/- including GST@ 18 %	The Company has paid such fine	Delayed in complied
2.	Regulation 18(1) - Non-compliance with the constitution of audit committee	Rs. 25,960/- including GST@ 18 %	The Company has paid such fine	Complied within time
3.	Regulation 19(1)/ 19(2) - Non-compliance with the constitution of nomination and remuneration committee	Rs. 25,960/- including GST@ 18 %	The Company has paid such fine	Complied within time

Except mentioned above, there are no other penalties imposed by Stock Exchange(s) or SEBI or any other statutory authority on any matter related to capital markets during the last three financial years;

- iii. Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has duly established a vigil mechanism / whistle blower policy for directors and employees of the company. Mr. Dinesh Shreevastav, Whole-Time Director of the company, does hereby affirm that no personnel are being denied access to the audit committee to report genuine concerns in this regard;
- iv. The company has complied with all mandatory requirements of the listing regulations to the extent applicable;
- v. The company does not have any subsidiary hence, it has not adopted a policy for determining material subsidiaries;
- vi. Web link of the policy on dealing with related party transactions is as follows:
<https://www.padamcotton.com/policies/policy-for-dealing-with-related-party-transactions.pdf>
- vii. The nature of business of the company doesn't involve any commodity price risk / foreign exchange risk and doesn't require any hedging activities.
- viii. A compliance certificate from **CS Ashish Goyal, Proprietor of M/s. A. Goyal & Co., Practicing Company Secretaries (C.P. No. 19535)**, confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such authority is attached as an annexure to this corporate governance report.
- ix. There was no such instance during the financial year 2025-26 when the Board of Directors had not accepted recommendation(s), if any, made by any of the committee(s) of the Board of Directors of the company.
- x. Aggregate statutory audit fees of ₹2,70,000/- has been paid by the company to M/s. SVJK & Associates, Chartered Accountants, Ahmedabad (FRN- 135182W) for agreed services between the company and the said firm of auditors for the financial year 2025-26.
- xi. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the number of complaints received during the financial year 2025-26 along with their status of redressal are as under:

Particulars	2025-26
Number of complaints received during the financial year	4
Number of complaints disposed of during the financial year	4
Number of cases pending for more than 90 days	0

The Company remains fully committed to ensuring a work environment that is free from any form of harassment and discrimination.

- xii. **Particulars of senior management and the changes therein since the close of the previous financial year:** There was no change in the senior management of the company during the financial year under report except changes in directors / KMPs already stated in directors' report.
- xiii. **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount:** The company didn't grant any loans and advances in the nature of loans to firms / companies in which directors are interested and there was no such debit figure loans either at the opening or at the end of the financial year under report.
- xiv. There are no any agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, during the Financial Year 2025-2026 and as on the date of this annual report, as specified under Regulation 30 A read with clause 5A to Para A of part A of schedule III of SEBI (LODR) Regulations, 2015

XI. Non-compliance and reason(s) thereof

The company has complied with all the provisions of corporate governance related to the matters enumerated in the point II to XI above for the financial year ended on March 31, 2026 to the extent applicable.

XII. Adoption of discretionary requirements

During the year under report and previous financial years, there were no audit qualifications on company's financial statements. The company has moved towards a regime of financial statements with unmodified audit opinions. The internal auditor also reports directly to the audit committee of the company.

XIII. Disclosures of compliance with corporate governance specified in regulation 17 to 27 and regulation 46(2)(b) to (i) of the listing regulations

Following the applicability of corporate governance provisions, the Company reaffirms its commitment to adopting and maintaining the highest standards of corporate governance. Accordingly, the Company is in compliance with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations for the financial year ended March 31, 2026, to the extent applicable.

XIV. Code of conduct

The board of directors has adopted a code of conduct & policy for the directors and senior management personnel. This code is a comprehensive code applicable to all executives as well as non executive directors and members of the senior management. A copy of the code has been hosted on the company's website at following web link:

<https://www.padamcotton.com/policies/code-of-conduct-for-directors-and-senior-management.pdf>

The code has been circulated to all the members of the board and senior management personnel and compliance of the same has been affirmed by them. A declaration signed by the managing director in this regard is given below:

"I, Dinesh Shreevastav, Whole-Time Director of the Company, from all the members of the board and senior management personnel of the company, affirm that they have complied with the code of conduct & policy framed for the directors and senior management personnel in respect to the financial year 2025-26."

Yours' sincerely,

For Padam Cotton Yarns Limited
Dinesh Shreevastav (Whole-Time director)
(DIN: 02136530)

XV. Compliance certificate on corporate governance

A certificate from statutory auditors of the company regarding compliance of conditions of the corporate governance is attached at the end of this corporate governance report.

XVI. MD & CFO certification

Dinesh Shreevastav, Whole-Time Director and chief financial officer, inter-alia the accuracy of the financial statements and adequacy of internal controls for the financial reporting purpose as required under the provisions of regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended on March 31, 2026.

XVII. Prevention of insider trading

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, a comprehensive code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering to the principles of fair disclosure, a code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders and policy and procedures for inquiry in case of leak of unpublished price sensitive information for prevention and regulation of trading in the company's shares by insiders are in vogue.

The code prohibits purchase or sale of company's shares by directors, KMP and other designated person, designated employees while in possession of unpublished price sensitive information in relation to the company. The same can be found on website of the company at the investors section.

XVIII. Reconciliation of share capital audit

As stipulated by the SEBI, a qualified practicing company secretary carries out the reconciliation of share capital audit to reconcile the total admitted share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and paid-up share capital of the company. This audit is carried out every quarter. The audit, inter-alia, confirms that the listed and paid-up share capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

**By Order of the Board of Directors
For, PADAM COTTON YARNS LIMITED**

Date: 07/09/2026
Place: Ahmedabad

**SD/-
Dinesh Shreevastav
Whole Time Director
(DIN: 11030609)**

**SD/-
Mr. Ashutosh Alaru
Director
(DIN: 07618648)**



“ANNEXURE F”**WHOLE TIME DIRECTOR (WTD) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on March 31, 2026)

To,
The Board of Directors,
Padam Cotton Yarns Limited

I the undersigned, in our respective capacities as Whole Tome Director and Chief Financial Officer of the Company hereby certify that:

- A. I have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended on March 31, 2026 and that to the best of our knowledge and belief:
 - (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. I hereby certify that, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on March 31, 2026 are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies;
- D. The Auditors and Audit Committee have been indicated:
 - (1) That there have been no significant changes in the above-mentioned internal controls over financial reporting during the Financial Year 2025-2026;
 - (2) That there have been no significant changes in the accounting policies during the Financial Year 2025-2026 and the same have been disclosed in the notes to the financial statements; and
 - (3) That we have not noticed any instance of significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Sd/-

Dinesh Shreevastav

Whole-Time Director & Chief Financial Officer

Date: 07/09/2026

Place: Ahmedabad

“ANNEXURE G”**SECRETARIAL AUDITORS’ CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS
OF PADAM COTTON YARNS LIMITED**

To,
**THE BOARD OF DIRECTORS,
PADAM COTTON YARNS LIMITED
REGISTERED OFFICE: 196, 1st Floor, G.T. Road,
Opp. Red Cross Market
Karnal- 132001, Haryana, India**

We have examined the compliance of conditions of Corporate Governance by **PADAM COTTON YARNS LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) read with Part E of Schedule V, for the Financial Year ended March 31, 2026. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of certification.

Managements’ Responsibility

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

Certifications

On the basis of my examination of the records produced, explanations and information furnished given to us, I certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations, during the year ended on March 31, 2026.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of the documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For A. Goyal & Associates Company Secretaries

Sd/-

CS Ashish Goyal Proprietor

Membership No.: 13544

C.P. No.: 19535

UDIN: F013544H001402580

Date: 07-09-2026

Place: Karnal

“ANNEXURE H”**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

TO,
THE BOARD OF DIRECTORS,
PADAM COTTON YARNS LIMITED
REGISTERED OFFICE: 196, 1st Floor, G.T. Road,
Opp. Red Cross Market
Karnal- 132001, Haryana, India

I/We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of **M/s Padam Cotton Yarns Limited**, having CIN **L17112HR1994PLC033641** and having its registered office at **196, 1st Floor, G.T. Road, Opp. Red Cross Market Karnal- 132001, Haryana, India** (hereinafter referred to as 'the Company'), produced before me/us for the purpose of issuing this Certificate.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as on date have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

The details of the Directors are as follows:

Sr. No	DIN/PAN	Name	Category
1.	11030609	Mr. Dinesh Shreevastav	Executive, Whole Time Director
2.	07684132	¹ Mr. Mahendra Singh	Non-Executive Dorector
3.	07618648	² Mr. Ashutosh Alaru	Non-Executive Director
4.	10900584	Mr. Anand Manoharlal Kothari	Non-Executive- Independent Director
5.	11031676	Mrs. Kinjal Shah	Non-Executive- Independent Director

1. resigned w.e.f. 09-02-2026

2. designation was changed from Independent Director to Non Executive w.e.f. 09-02-2026

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

For A. Goyal & Associates Company Secretaries

Sd/-

CS Ashish Goyal Proprietor

Membership No.: 13544

C.P. No.: 19535

UDIN: F013544H001402624

Date: 07.09.2026

Place: Karnal

Independent Auditors' Report

To
The Members of
PADAM COTTON YARNS LIMITED

Report on the Financial Statements

We have audited the accompanying IND AS Financial Statements of **PADAM COTTON YARNS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 ("Ind AS") prescribed under Section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Revenue Recognition

Refer Note:- 1.3(a) to the Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
The Company's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers. Inappropriate assessment could lead to risk of revenue being recognized before transfer of control. Given that revenue is a key performance indicator of the Company, and considering the risk of revenue being recognized prior to the transfer of control, we identified revenue recognition from sale of goods, specifically the timing of transfer of control, and the existence of revenue for domestic sales throughout the year and export sales recorded at period end, as key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: Assessing the appropriateness of the accounting policy for revenue recognition with relevant accounting standards; Evaluating the design and implementation of the Company's key internal financial controls in relation to timing of revenue recognition and tested the operating effectiveness of such controls for selected samples; Performing detailed testing by selecting samples of revenue transactions recorded during the year and around the year end date using statistical sampling. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, goods dispatch notes, shipping documents and customer acceptances, as applicable, Testing, on a sample basis using specified risk based criteria, journal entries affecting revenue recognised during the year to identify unusual items

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The above-mentioned reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the above-mentioned reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions as per the applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (**"the Act"**) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive Income, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is 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 skepticism throughout the audit. We also:

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 (**"the Order"**) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **As required by section 143(3) of the Act, we further report that:**
 - (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) 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.
 - (iii) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - (iv) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - (v) On the basis of written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.
 - (vi) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**,
 - (vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (viii) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has no pending litigations as on March 31, 2026.
 - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.
 - iv) A] The Management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B] the management has represented, that, to the best of their knowledge and belief, no funds 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; and C] Based on such audit procedures, nothing has come to our notice that has caused them to believe that the representations under sub-clause (A) and (B) contain any material mis-statement.
 - v) The final dividend declared and paid by the Company during the year ended 31 March 2026, in respect of the dividend declared for the previous year, is in accordance with Section 123 of the Companies Act, 2013, to the extent applicable to the payment of such dividend.
 - vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 01st April, 2023. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 however software used does have a feature of recording audit trail (Edit Log) facility.

For S V J K and Associates
Chartered Accountants
(Registration No.135182W)

SD/-
Recturaj Verma
Partner
Membership No. 193591
UDIN: 26193591JXFUBO6909

Place: Ahmedabad
Date: May 30,2026

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal And Regulatory Requirements" of Our Independent Audit Report of even date on the Financial Statements of PADAM COTTON YARNS LIMITED for the year ended 31st March, 2026.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. In respect of the Company's Property, Plant & Equipment:

a) (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and right-of-use assets on the basis of available information.

(B) The Company has intangible assets during the financial year under audit. The Company has maintained proper records showing full particulars of such intangible assets, including quantitative details and situation of intangible assets.

b) The Property, Plant & Equipment of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us, the company does not own any land & building or any other immovable properties, accordingly paragraph 3(i)(c) of the order is not applicable to the company.

d) The Company has neither revalued its Property, Plant & Equipment nor Intangible Assets.

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. In respect of Inventory and Working Capital

a) The inventories have been physically verified by the management during the year. In our opinion, the coverage, frequency, and procedure of such verification by the management are appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical stock and the books of account.

b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

3. In respect of investments made, Guarantees provided, securities given, loans and advances in the nature of loans.

a) According to the information and explanation given to us and the records produced to us for our verification, the Company has provided loans & advances, to companies, firms, Limited Liability Partnerships, or any other parties and the same is disclosed in the table below.

(Rs.In Lakhs)	
Particulars	Loans
Agregate Amount Granted During the year	
- Subsidiary	-
- Others	648.38
Balance outstanding as on 31 st March 2026	
- Subsidiary	-
- Others	1835.50

- b) According to the information and explanation given to us and based on the audit procedures conducted by us, in our opinion, investments made, guarantees provided and securities given are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans and advances in the nature of loans, schedule of repayment of principal and payment of interest has not been stipulated.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans and advance in the nature of loan (including receivable in the nature of loan) provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the Company has not demanded such loans and advance in nature of loan.
- e) None of the loans granted and advances in the nature of loans (including receivable in the nature of loan) by the Company have fallen due during the year as the Company has not demanded such loans and advance in nature of loan.
- f) The Company has granted loans or advances in the nature of loan either repayable on demand or without specifying any terms or period of repayment to related parties as defined in clause (76) of section 2 of the Companies Act, 2013 as per detail mentioned below

(Rs. In Lakhs)

Sr. No.	Particulars	Amt of Loan Granted during the year	O/s Bal. as on 31 st March 2026
1	Business Advances Granted to promoters	Nil	Nil
2	Business Advances Granted to related parties other than promoters	Nil	Nil
3	% of overall Business Advances granted of same nature	0.00%	0.00%

4. According to information and explanation given to us and on basis of verification by us, Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

6. To the best of our knowledge and belief and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Act and the Companies (cost records and audit) Rules 2014, as amended, for the company.

7. In respect of statutory dues:

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable have been generally regularly deposited during the year by the Company with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

8. As per the information and explanation given to us by the company the company has not made any transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. Default in repayment of Borrowing:

- a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b) The Company is not declared wilful defaulter by any bank or financial institutions or any other lender.
- c) The Company has not availed any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(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 has not taken any funds from any entity or person on account of or to meet the obligations of its associate company.
- f) No, the Company has not raised loans during the year on the pledge of securities held in its company.

10. a) The Company had raised fund vide issuing 9,03,70,000 equity shares having face value of Rs. 1/- each at a premium of Rs.1.07/- equity shares aggregating to Rs. ₹18,70,65,900. The said funds were utilised for the purposes for which they were raised, with the requisite permission of the Monitoring Agency.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment through right issue.

11. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c) During the period there were no whistle-blower complaints received by us.

12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable 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.

14. a) Company has an adequate internal control system commensurate with the size and the nature of its business.

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

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable

16. a) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

b) According to the information and explanations given to us the company has not conducted any Non-banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank

of India.

d) As represented by the management, the Group does not have Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

17. The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

18. There has been resignation of the statutory auditors during the year and no objections or issues has been raised by the outgoing auditor.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. In our opinion and according to the information and explanation given to us, there is no unspent amount under sub section (5) of the section 135 of the Companies Act, 2013 pursuant to any ongoing project. Accordingly, Clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

21. Qualifications or Adverse auditor remarks in other Group Companies:

The reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements and hence no comment in respect of the said clause has been included in this report.

For S V J K And Associates
Chartered Accountants
(Registration No.135182W)

Sd/-
Reeturaj Verma
Partner
Membership No. 193591
UDIN: 26193591JXFUBO6909

Place: Ahmedabad
Date: May 30,2026

Annexure - B to the Independent Auditors' Report

Referred to in paragraph 2(VI) under the heading "Report on Other Legal And Regulatory Requirements" of Our Independent Audit Report of even date on the Financial Statements of PADAM COTTON YARNS LIMITED for the year ended 31st March, 2026.

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

We have audited the internal financial controls over financial reporting of **PADAM COTTON YARNS LIMITED** ("the Company") as of 31 March, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2026.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

For S V J K And Associates
Chartered Accountants
(Registration No.135182W)

Sd/-
Reeturaj Verma
Partner
Membership No. 193591
UDIN: 26193591JXFUBO6909
Place: Ahmedabad
Date: May 30, 2026

PADAM COTTON YARNS LIMITED (CIN : L17112HR1994PLC033641) Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059 Balance Sheet as at 31st March, 2026					
(₹. In Lakhs)					
Particulars	Note		As At 31.03.2026		As At 31.03.2025
I ASSETS					
1 Non-current Assets					
a) Property, Plant & Equipment	2	0.35		0.58	
b) Capital work-in-progress		-		-	
c) Other Intangible Assets		0.25		0.60	
d) Right to use Assets		27.37		45.73	
e) Financial Assets:					
(i) Investments		-		-	
(ii) Trade Receivable		-		-	
(iii) Loans		-		-	
(iv) Other Financial Asset	3	1.79		0.99	
f) Deferred Tax Asset (Net)	4	0.42		-	
g) Other non-current assets		-			
Total Non-Current Assets			30.18		47.91
2 Current Assets					
a) Inventories	5	903.81		-	
b) Financial Assets:					
(i) Investments				-	
(ii) Trade Receivables	6	6,795.41		1,328.46	
(iii) Cash and cash equivalents	7	45.95		19.45	
(iv) Loans	8	2,029.22		1,640.71	
c) Current Tax Assets (Net)	9	-		-	
d) Other Current Assets	10	0.80		10.08	
Total Current Assets			9,775.19		2,998.70
Total Assets			9,805.37		3,046.61
II EQUITY & LIABILITIES					
A Equity					
a) Equity Share Capital	11	2,194.70		1,291.00	
b) Other Equity	12	2,274.93		397.25	
Total Equity			4,469.63		1,688.25
B Liabilities					
1 Non-current Liabilities					
a) Financial Liabilities:	13				
(i) Borrowings		4.92		-	
(ii) Lease Liability		23.35		38.36	
(iii) Trade Payable					
- Total outstanding dues of Micro Enterprises and small enterprises		-		-	
- Total outstanding dues of creditors other than Micro Enterprises and small enterprises		-		-	
b) Provisions		-		-	
c) Deferred Tax Liabilities (net)	14	-		0.01	
d) Other Non Current Liabilities	15	14.76		-	
Total Non-Current Liabilities			43.03		38.37
2 Current Liabilities					
a) Financial Liabilities:					
(i) Borrowings		-		-	
(ii) Lease Liability	16	6.09		7.25	
(ii) Trade Payable	17				
(a) Due to MSE		-		-	
(b) Due to Others		4,657.37		1,036.43	
(iii) Other Financial Liabilities		-		-	
b) Other Current Liabilities	18	43.10		48.31	
c) Provisions	19	-		-	
d) Current Tax Liabilities (Net)	20	586.15		228.00	
Total Current Liabilities			5,292.71		1,319.99
Total Liabilities			5,335.74		1,358.36
Total Equity & Liabilities			9,805.37		3,046.61
The accompanying Notes (1 to 46) are an Integral Part of Ind AS Financial Statements					
Previous Year figures are recasted/ Restated wherever necessary					
As per our report of even date For S V J K and Associates Chartered Accountants Registration No. 135182W SD/- Reeturaj Verma Partner M.No. 193591 UDIN: 26193591JXFUBO6909 Place: Ahmedabad Date: May 30, 2026 For and on behalf of Board of Directors PADAM COTTON YARNS LIMITED SD/- Dinesh Shreevastav Whole Time Director/CFO DIN: 11030609 Place: Ahmedabad Date: May 30, 2026 SD/- Ashutosh Alaru Director DIN: 07618648					

PADAM COTTON YARNS LIMITED (CIN : L17112HR1994PLC033641) Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059 Statement of Profit and Loss for the Year ended 31st March, 2026 (₹. In Lakhs)			
Particulars	Note No.	2025-26	2024-25
INCOME			
(I) Revenue from Operations	21	7,338.61	1,421.87
(II) Other Income	22	141.38	1,099.30
(III) Total Income (I) + (II)		7,480.00	2,521.18
EXPENSES			
(IV) Cost of material consumed		-	-
Purchase of traded goods	23	6,840.84	1,169.37
Changes in inventories of finished goods, work in progress & Stock in Trade	24	(903.81)	-
Employee benefits expenses	25	14.01	19.75
Finance Costs	26	3.45	0.81
Depreciation and amortization expenses	2	7.84	1.86
Other expenses	27	52.29	21.70
Total Expenses (IV)		6,014.61	1,213.49
(V) Profit before Exceptional Items & Taxes		1,465.38	1,307.68
(VI) Exceptional Items - (Net)		-	-
(VII) Profit before tax (V)-(VI)		1,465.38	1,307.68
(VIII) Tax Expenses :			
(1) Current tax		372.36	236.39
(2) MAT Credit		-	-
(3) Deferred tax		(0.44)	11.70
(4) Short/Excess provision for previous year			(0.36)
Total Tax Expense		371.93	247.73
(IX) Profit for the Period (VII)-(VIII)		1,093.46	1,059.95
(X) Other Comprehensive Income			
A(i) items that will not be reclassified to profit or loss		-	-
(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		-	(33.89)
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
(XI) Total Comprehensive Income for the Period [(IX)+(X)] (Comprising Profit and Other Comprehensive Income for the period)		1,093.46	1,026.06
(XII) Earning Per Equity Share(Nominal Value per Share:(Rs. 10)	28		
1. Basic (in ₹.)		0.08	21.51
2. Diluted (in ₹.)		0.08	21.51
Significant Accounting Policies 1 to 46 Notes forming part of the Financial Statements The accompanying Notes (1 to 46) are an Integral Part of Ind AS Financial Statements Previous Year figures are recasted/ Restated wherever necessary As per our report of even date			
For S V J K and Associates Chartered Accountants Registration No. 135182W SD/- Reeturaj Verma Partner M.No. 193591 UDIN: 26193591JXFUBO6909 Place: Ahmedabad Date: May 30, 2026		For and on behalf of the Board PADAM COTTON YARNS LIMITED SD/- Dinesh Shreevastav Whole Time Director/CFO DIN: 11030609 SD/- Ashutosh Alaru Director DIN: 07618648 Place: Ahmedabad Date: May 30, 2026	

PADAM COTTON YARNS LIMITED (CIN : L17112HR1994PLC033641) Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059 Cash Flow statement for the year ended 31st March 2026 (₹. In Lakhs)		
Particulars	March 31,2026	March 31,2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	1,465.38	1,307.68
Adjusted for:		
Depreciation	7.84	1.86
Dividend Income	-	(0.68)
Gain on sale of shares	-	(1,013.83)
Interest Income	(141.38)	(84.79)
Finance Cost	3.45	0.81
Operating Profit before working capital changes	1,335.28	211.06
Adjusted for:		
(Increase)/Decrease in Inventories	(903.81)	-
(Increase)/Decrease in Trade Receivables	(5,466.95)	(1,328.46)
(Increase)/Decrease in Other Non-Current Assets	(0.80)	(0.99)
(Increase)/Decrease in Other Current Assets	9.28	(4.00)
(Increase)/Decrease in Current Tax Assets	-	5.94
(Increase)/Decrease in Loans	(388.51)	(1,445.99)
Increase/(Decrease) in Trade Payables	3,620.94	1,036.43
Increase/(Decrease) in Other Current Liabilities	(5.21)	46.28
Increase/(Decrease) in Other Non-Current Liabilities	14.76	-
Increase/(Decrease) in Current Tax Liabilities	358.28	228.00
Cash Generated from Operations	(1,426.73)	(1,251.74)
Direct Tax Paid	(372.36)	(236.03)
Net Cash from Operating activities	(1,799.10)	(1,487.77)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(0.40)	(0.59)
Income from fair value change in Investments	-	(33.89)
Purchase of Intangible asset	-	(0.54)
Interest Income	141.38	84.79
Dividend Income	-	0.68
Sales of Shares	-	379.32
Gain on sale of shares	-	1,013.83
Net Cash Flow from Investing Activities	140.98	1,443.60
Cash Flow from Financing activities:		
Finance Cost	(3.45)	(0.06)
Payment of Lease Liability	(4.78)	(2.58)
Interim Dividend paid	-	(38.73)
Final Dividend Paid	(129.10)	-
Proceeds from Right Issue of Shares	903.70	-
Proceeds from Issue of Security Premium	966.96	-
Proceeds from Share Premium utilised for Pre-Issue Expense	(53.64)	-
Proceeds / (Repayment) of Borrowings	4.92	-
Net cash from Financing Activities	1,684.62	(41.37)
Net Increase/(Decrease) in cash	26.50	(85.54)
Opening Balance of Cash & Cash equivalents	19.45	105.00
Closing Balance of Cash & Cash equivalents	45.95	19.46
Notes:-		
1 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"		
2 Cash and Cash equivalents at the end of the year consist of cash in hand and balance with banks as follows:-		
Balances with Bank		
- In Current Accounts	15.75	4.32
- In Unpaid Dividend Account	14.76	14.76
Cash on hand	15.44	0.37
In Fixed Deposits	-	-
Total Cash & Cash Equivalents	45.95	19.45
As per our report of even date For S V J K and Associates Chartered Accountants Registration No. 135182W SD/- Reeturaj Verma Partner M No 193591 UDIN: 26193591JXFUBO6909 Place: Ahmedabad Date: May 30, 2026 For and on behalf of the Board PADAM COTTON YARNS LIMITED SD/- Dinesh Shreevastav Whole Time Director/CFO DIN: 11030609 Place: Ahmedabad Date: May 30, 2026 SD/- Ashutosh Alaru Director DIN: 07618648 -		

PADAM COTTON YARNS LIMITED
(CIN : L17112HR1994PLC033641)

Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059

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

A. Equity Share Capital		(₹. In Lakhs)
As at 31.03.2024		387.30
Movement during the year on account of Bonus shares issued		903.70
As at 31.03.2025		1,291.00
Movement during the year on account of Right shares issued		903.70
As at 31.03.2026		2,194.70

B. Other Equity					
Particulars	Securities Premium	Other Comprehensive Income	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 1st April,2024	-	33.89	85.59	194.66	314.14
Profit for the year	-	-	-	1,060	1,060.00
Transfer to/from Other Comprehensive Income	-	(33.89)	-	-	(33.89)
Less : Interim dividend paid	-	-	-	(39)	(39.00)
Bonus Shares Issued by capitalizing	-	-	-	(904)	(904.00)
Balance as at 31st March,2025	-	0.00	85.59	311.66	397.25
Balance as at 1st April,2025	-	0.00	85.59	311.66	397.25
Profit for the year	-	-	-	1,093.46	1,093.46
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	1,093.46	1,093.46
Less : Final dividend paid	-	-	-	(129.10)	(129.10)
Right Shares Issued	966.96	-	-	-	966.96
Less:Issue Expense	(53.64)	-	-	-	(53.64)
Balance as at 31st March,2026	913.32	0.00	85.59	1,276.02	2,274.93

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

For S V J K and Associates
Chartered Accountants
Registration No. 135182W

Sd/-

Reeturaj Verma
Partner
M No 193591
UDIN: 26193591JXFUBO6909
Place: Ahmedabad
Date: May 30, 2026

For and on behalf of the Board
PADAM COTTON YARNS LIMITED

Sd/-

Dinesh Shreevastav
Whole Time Director/CFO
DIN: 11030609

Place: Ahmedabad
Date: 30th May,2026

Sd/-

Ashutosh Alaru
Director
DIN: 07618648

PADAM COTTON YARNS LIMITED
NOTES FORMING PART OF ACCOUNTS
Corporate Information

Padam Cotton Yarns Limited ("the Company") (CIN: L17112HR1994PLC033641) is a public company domicilled and Incorporated in India . The registered office is situated at 196, Ist Floor, G.T.Road, Karnal-132001, Haryana, India. The Company's shares are listed on BSE limited, (Bombay Stock Exchange). The company corporate office is located at Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059

The Company's main business was to carry on the business as manufacturers, dealers, distributors, agents, buyers and sellers, exporteres and importers, commission agents in wool tops, worsted yarn, woolen yar, cotton yarn, synthetic yarn and other allied woollen, textile and handloom products. The company during the Financial year 2025-26 has carried out the business of trading in yarns and textile products and also carried out the financing. The management and the Board of directors have assessed the impact of such events and transactions including its new business of lending and investments and firmly beleives the Company's ability to continue as a going concern.

The financial statements for the year ended 31st March, 2026 were approved for issue by the Board of Directors of the Company in their meeting held on May 30, 2026 and is subject to the adoption and approval by the shareholders in the ensuing Annual General Meeting.

1 Basis of Preparation, Measurement and Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements.

1.1 Basis of Preparations and Measurement

Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

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

Historical Cost Convention

The financial statements have been prepared under the historical cost convention on the accrual basis of accounting except for the following –

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

1.2 Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- a) the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- b) the asset is intended for sale or consumption;
- c) the asset/liability is held primarily for the purpose of trading;
- d) the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- e) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- f) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

- 1.2** For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets and inventories for processing and their realization in cash and cash equivalents.

1.3 Summary of significant accounting policies

(a) Revenue Recognition

Revenue is measured at the Fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, trade allowances, rebates, goods and service tax (GST) and amounts collected on behalf of third parties.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

Recognising revenue from major business activities

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Income from export incentives/ government grants are recognised at fair value when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Interest Income For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

b) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupee and are rounded to two decimal places of Lakhs, which is also the functional and presentation currency of the Company.

Transaction and balances

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

Foreign currency monetary items are converted to functional currency using the closing rate on the reporting date. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

c) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

d) Property, plant and equipment:

Recognition and initial measurement

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets

Subsequent measurement (Depreciation and useful lives)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably as below:-

Asset Category	Estimated Useful Life
Factory Building	10-30 Years
Office Building	60 Years
Plant and Machinery	9-15 Years
Furniture & Fixture	10 Years
Office Equipment	5-10 Years
Motor Vehicles	8 Years
Computers	3-5 Years
Electric Equipment & Fittings	10 Years

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for certain items within these classes of assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

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

e) Intangible assets:

Recognition and initial measurement

Purchased Intangible assets are stated at cost less accumulated amortisation and impairment, if any.

Computer Software are Technical Know How

All finite-lived intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Asset Category	Estimated Useful Life
Computer Software	5 Years
Technical Know How	5 Years

f) Leases:

Company as a lessee

The Company enters into an arrangement for lease of land, Building etc. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception.

A contract is, or contains, a lease if the contract conveys the right to –

- (a) control the use of an identified asset,
- (b) obtain substantially all the economic benefits from use of the identified asset, and
- (c) direct the use of the identified asset.

The Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term.

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(ii) Lease Liabilities

At the commencement date of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, Including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the Right-of-use assets. Where the carrying amount of measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. “Lease liability” and “Right of Use” asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the ROU asset arising from the head-lease. Rental income arising is accounted for on a straight line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

g) Financial Instruments

Financial assets and financial liabilities are recognised 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. 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 trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, 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: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (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.

Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Derecognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment, in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

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. Any discount or obligations. They are subsequently measured at amortised cost. Any discount or recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Derecognition: Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

g) Impairment of Financial Assets

All financial assets except for those at FVTPL are subject to review for impairment at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade Receivable

Trade receivables are recognized initially at fair value and subsequent measured at amortized cost using the effective interest method, less provision for impairment.

Other Financial Assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12 month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

h) Impairment of non Financial Assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the company's latest approved budget, adjusted as necessary to exclude the effects of future individually for each cash-generating unit and re-organisations and asset enhancements. Discount factors are determined to reflect current market assessment of the time value of money and asset-specific risk factors.

i) Fair Value Measurement

The Company measures certain financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

j) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed using the weighted average cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

k) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax Laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority

l) Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses, if any where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

m) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants for non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

n) Cash and cash equivalent

Cash and cash equivalents comprise cash in hand, demand deposits with banks and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

o) Post-employment, long term and short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Gratuity Obligation

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans 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 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 expenses in the statement of profit and loss. Remeasurement 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. 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.

p) Provisions and Contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised and continuously assessed for recoverability. However, when inflow of economic benefits is probable, related asset is disclosed.

q) Earning per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r) Segment Reporting

The Company is engaged in manufacturers, dealers, distributors, agents, buyers and sellers, exporteres and importers, commission agents in wool tops, worsted yarn, woolen yar, cotton yarn, synthetic yarn and other allied woollen, textile and handloom products and thus the Company has only one reportable segment (i.e.) Textile business.

s) Amounts rounding off

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II) of the Companies Act, 2013, unless otherwise stated.

1.4 Key accounting estimates and judgements

The preparation of the Company's Financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

a) Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for Income taxes, Including amount expected to be paid/ recovered for uncertain tax positions.

b) Property, Plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand or the product or service output of the asset.

c) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. rate, discount rates, expected rate of return on assets and mortality rates. The rate, discount rates, expected rate of return on assets and mortality rates.

Note : 2

Property Plant & Equipment and Intangible Assets

(₹ in Lakhs)

Property Plant & Equipment and Intangible Assets											
	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2025	Additions	Disposals	Balance as at 31st March, 2026	Balance as at 1 April 2025	Depreciation charge for the year	On disposals	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31 March, 2025
I.	Property Plant & Equipment										
	Plant and Equipment	-	0.25		0.25	-	0.09		0.09	0.16	-
	Computer & Printer	0.85	0.15	-	1.00	0.26	0.54		0.81	0.19	0.58
	Total Tangible Assets	0.85	0.40	-	1.25	0.26	0.64	-	0.90	0.35	0.58
II.	Intangible Assets										
	Software	0.79	-	-	0.79	0.19	0.36	-	0.54	0.25	0.60
	Total Intangible Assets	0.79	-		0.79	0.19	0.36		0.54	0.25	0.60
III.	Right Of Use Assets										
	Lease hold Land	45.73	34.21	45.73	34.21	-	6.84		6.84	27.37	45.73
	Total ROU	45.73	34.21		34.21	-	6.84		6.84	27.37	45.73
	Total Assets	47.37	34.62	-	36.25	0.45	7.84	-	8.28	27.97	46.92
	Previous Year Figures	0.50	48.57	-	49.07	0.29	1.86		2.15	46.92	

Note:- Lease deeds of right-of-use assets are held in the name of the Company.

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(₹ in Lakhs)					
Sr. No	Particulars		As At 31.03.2026		As At 31.03.2025
"3"	Other Financial Asset				
	Security Deposit	1.79		0.99	
			1.79		0.99
"4"	Deferred Tax Assets				
	Opening Balance	(0.01)		-	
	Add:				
	Timing Difference between tax WDV and carrying values of Property, Plant and	0.44		-	
	Closing Balance		0.42		-
"5"	Inventories				
	Stock-in-Trade	903.81		-	
			903.81		-
"6"	Trade Receivables				
	Undisputed Trade Receivables				
	(i) Considered Good	6,795.41		1,328.46	
	Agieng of Trade Receivables				
	Less than 6 months	4,226.72		1,328.46	
	6 months to 1 year	1,394.48		-	
	1-2 year	1,174.21		-	
	2-3 years	-		-	
	More than 3 years	-		-	
	(ii) Considered Doubtful	-		-	
	Disputed Trade Receivables				
	(i) Considered Good	-		-	
	(i) Considered Doubtful	-		-	
			6,795.41		1,328.46
"7"	Cash and cash equivalents				
	Balances with Bank				
	- In Current Accounts	15.75		4.32	
	- In Unpaid Dividend Account	14.76		14.76	
	Cash on hand	15.44		0.37	
	In Fixed Deposits	-		-	
			45.95		19.45
"8"	Current Loans				
	(a) Secured, Considered Goods	-		-	
	(b) Unsecured, Considered Goods				
	Advance to staff	-		-	
	Loans & Advances to Related Parties				
	(including business Advances)	-		-	
	Loans & Advances to Others				
	(including business Advances)	1,835.50		-	
	Advances to Suppliers	193.72			
	Others	-			
			2,029.22	1,640.71	1,640.71
"9"	Current Tax Assets (Net)				
	TDS Receivable (net of provision of income tax)	-		-	
	Balance with Revenue Authorities	-		-	
			-		-
"10"	Other Current Assets				
	Balance with GST Authorities	-		7.13	
	Prepaid Expense	0.80		0.50	
	Income Tax Refund Receivable FY 23-24	-		2.45	
			0.80		10.08
"11"	Equity Share Capital				(₹ in Lakhs)
	Particulars	Number of Shares	Amount	Number of Shares	Amount
	Authorised Share Capital				
	Equity Shares of ₹.1 each	220,000,000	2,200.00	13,000,000	1,300.00
	Issued,Subscribed & Fully paid up				
	Equity Shares of ₹.1 each, fully paid	219,470,000	2,194.70	12,910,000	1,291.00
	(a) Reconciliation of Number of Shares	Number of Shares	Amount	Number of Shares	Amount
	Balance as at the beginning of the Year	12,910,000	1,291.00	3,873,000	387.30
	Adjustment for Sub Division of Equity Shares*	116,190,000	-	-	-
	Issued During the Year				
	Right Issue	90,370,000	903.70	9,037,000	903.70
	Bonus Issue	-	-	-	-
	Balance as at the end of the Year	219,470,000	2,194.70	12,910,000	1,291.00

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(b) Details of Share holding more than 5% Shares:-		Number of Shares	%	Number of Shares	%
Hardik Jawahar Bhai Mehta		8,168,467	3.72%	787,576	6.10%
Anju Gupta		14,492,754	6.60%	-	-
Kanav Gupta		12,408,213	5.65%	-	-
		35,069,434	15.98%	787,576	6.10%
(c) Shares held by the promoters at the end of the year		Number of Shares	%	Number of Shares	%
Nil		-	-	-	-
Sub Division of shares: During the year, pursuant to approval of shareholders obtained through Extraordinary General Meeting dated 07/06/2025 and such other approvals as may be required, the Company subdivided its 1 (One) equity share having face value of ₹10 each into 10 (Ten) equity shares having face value of ₹1 each with effect from 27/06/2025. Consequently, the paid-up equity share capital of the Company remained unchanged, while the number of equity shares increased proportionately. Increase In Authorised Share Capital: During the year, pursuant to approval of the shareholders obtained at the Extraordinary General Meeting held on 11/08/2025, the Authorised Share Capital of the Company was altered from ₹13,00,00,000 divided into 13,00,00,000 equity shares of ₹1 each to ₹22,00,00,000 divided into 22,00,00,000 equity shares of ₹1 each. Right Issue: Further, the Company has issued 9,03,70,000 equity shares of face value ₹1 each on Rights basis to the existing shareholders at an issue price of ₹2.07 per share (including premium of ₹1.07 per share), aggregating to ₹18,70,65,900. The Rights Issue were allotted on 16/03/2026. (d) Rights, Preference and restrictions attaching to each class of shares The Company has only one class of equity shares having a par value of Rs 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. (% Change during the year : During the year there is no change in promoter's shareholding .)					
"12" Other Equity					
(₹ in Lakhs)					
Particulars	Securities Premium	Other Comprehensive Income	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 1st April,2024	-	33.89	85.59	194.66	314.14
Profit for the year	-	-	-	1,060	1,060.00
Transfer to/from Other Comprehensive Income	-	(33.89)	-	-	(33.89)
Less : Interim dividend paid	-	-	-	(39)	(39.00)
Bonus Shares Issued by capitalizing	-	-	-	(904)	(904.00)
Balance as at 31st March,2025	-	0.00	85.59	311.66	397.25
Balance as at 1st April,2025	-	0.00	85.59	311.66	397.25
Profit for the year	-	-	-	1,093.46	1,093.46
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	1,093.46	1,093.46
Less : Final dividend paid	-	-	-	(129.10)	(129.10)
Right Shares Issued	966.96	-	-	-	966.96
Less: Issue Expense	(53.64)	-	-	-	(53.64)
Balance as at 31st March,2026	913.32	0.00	85.59	1,276.02	2,274.93
"13" Non - current Liabilities					
a) Financial Liabilities:					
(₹ in Lakhs)					
Particulars		As At 31.03.2026		As At 31.03.2025	
(i) Borrowings					
Unsecured Loan from Director	4.92		-		
		4.92			-
(ii) Lease Liability	23.35		38.36		
		23.35			38.36
(iii) Trade Payables					
Creditors for Supplies and Services					
Due to Micro and Small Enterprises	-		-		
Due to Others	-		-		
		-			-

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"14"	Deferred Tax Liabilities	(₹ in Lakhs)		
	Particulars	As At 31.03.2026	As At 31.03.2025	
	Opening Balance	-	(11.69)	
	Add: Timing Difference between tax WDV and carrying values of Property, Plant and Equipments	-	11.70	
	Closing Balance	-	0.01	
"15"	Other Non Current Liabilities	(₹ in Lakhs)		
	Particulars	As At 31.03.2026	As At 31.03.2025	
	Interim Dividend payable	14.76	-	
		14.76	-	
"16"	Current Financial Liabilities - Borrowings	(₹ in Lakhs)		
	Particulars	As At 31.03.2026	As At 31.03.2025	
	(i) Borrowings			
		-	-	
		-	-	
	(ii) Lease Liability	6.09	7.25	
		6.09	7.25	
"17"	Current Liabilities - Trade Payables			
	Undisputed Dues:			
	i] Due to Micro and Small Enterprises	-	-	
	ii] Other than due to Micro and Small Enterprises	4,657.37	1,036.43	
	Outstanding for less than 1 year	3,778.68	1,036.43	
	Outstanding for 01-02 years	878.69	-	
	Outstanding for 02-03 years	-	-	
	Outstanding for More than 3 years	-	-	
	Disputed Dues:			
	i] Due to Micro and Small Enterprises	-	-	
	ii] Other than due to Micro and Small Enterprises	-	-	
		4,657.37	1,036.43	
	The classification of creditors as micro and small enterprise has been given for the parties from whom the confirmation has been received regarding their classification as per MSMED Act, however the confirmation has not been received from all the parties. Further the bifurcation of Micro and Small is not available. In absence of such confirmation we have not been able to bifurcate the vendors into Micro & Small as per MSMED Act. Information in terms of section 22 of Micro and Small Enterprises Development Act, 2006 are given below;			
"18"	Other Current Liabilities			
	(i) TDS Payable	8.45	0.07	
	(ii) Expense Payable	0.15	2.05	
	(iii) Final Dividend payable	14.69	14.76	
	(iv) GST Payable	19.81	31.43	
		43.10	48.31	
"19"	Provisions			
	(i) Provision for Income tax	-	-	
		-	-	
"20"	Current Tax Liabilities (Net)			
	(i) Current tax Liability (Net)	586.15	228.00	
		586.15	228.00	

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(₹ in Lakhs)					
	Particulars		For the Year ended 31.03.2026		For the Year ended 31.03.2025
"21"	Revenue from Operations				
	a) Sale of Products (Net) (Traded Goods)	7,338.61		1,421.66	
	b) Sale of Services (Consultancy)	-		0.21	
			7,338.61		1,421.87
"22"	Other Income				
	a) Interest Income	141.38		84.79	
	b) Other Income	-		0.68	
	c) Short Capital Gain on Shares	-		1,013.83	
			141.38		1,099.30
"23"	Purchase of traded goods				
	(i) Purchase of Goods	6,840.84		1,169.37	
			6,840.84		1,169.37
"24"	Changes in inventories of finished goods, work in progress & Stock in Trade				
	Opening Stock	-		-	
	Less: Closing Stock	(903.81)		-	
			(903.81)		-
"25"	Employees Benefits Expenses				
	Salaries and Bonus	7.01		19.75	
	Director Remuneration and Sitting Fees	7.00		-	
			14.01		19.75
"26"	Finance Cost				
	Interest on lease liability	3.42		0.75	
	Bank & Other Charges	0.03		0.06	
			3.45		0.81
"27"	Other Expenses				
	Accountant Charges	1.80		-	
	AGM Exp	-		0.37	
	Annual Listing Fee	-		5.69	
	Audit Fees	3.50		1.25	
	Advertisement Exp	0.54		0.99	
	Brokerage Exp	-		0.84	
	Conveyance Exp	0.94		-	
	Discount A/c	0.14		0.02	
	CSR Expense	6.40		-	
	Registrar and Transfer Agent Charges	0.42		1.49	
	Electricity Exp	0.95		0.02	
	Fees & Taxes	-		8.75	
	Freight Exp	10.15		-	
	Legal & Professional Exp	13.52		0.61	
	Interest & Late filing fees on statutory dues	1.41		-	
	Postage/Postal Exp.	-		0.02	
	Rent Exp	4.40		-	
	ROC Exp	0.35		-	
	Office/General Exp	2.65		0.39	
	Packing Exp	2.41		-	
	Printing and Stationery	0.45		0.03	
	Software Exp	0.50		0.23	
	Telephone Exp	0.43		0.01	
	Travelling Exp.	-		0.97	
	Other Exp	1.31		-	
			52.29		21.70
"28"	Earning Per Equity Share *				
	1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹. In Lakhs)		1,093.46		1,026.06
	2. Number of equity shares used as denominator for calculating EPS		1,294,466,247		12,910,000
	3. Basic and Diluted Earning per Share		0.08		7.95
	4. Face Value per equity share (in ₹.)		1.00		10.00
	* Note: Previous year EPS is recalculated based on Change in Number of Equity share				

PADAM COTTON YARNS LIMITED

(CIN : L17112HR1994PLC033641)

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Gujarat, India, 380059

"29" Related Party Disclosures under IND AS 24

Related Parties/Nature of Relationship :

A. Enterprises over which Key Managerial Personnel exercises significant influence

(₹ in Lakhs)

Nature of Transaction	FY 2025-26	FY 2024-25
Enterprises over which Key Managerial Personnel exercises significant influence		
Business Advances Given during the year	-	-
Business advances received back during the year	-	-
Interest Income	-	-
Closing Balances at the year ended	-	-

B. Key Managerial Persons

Ashutosh Alaru	Director
Dinesh Shreevastav (Appointment w.e.f 11th April 2025)	Whole Time Director /CFO
Anand Kothari	Independent Director
Kinjal Jigar Shah (Appointment w.e.f 11th April 2025)	Independent Director
Vidisha Vimal Hingu (Resigned w.e.f 29th May 2026)	Company Secretary
Neeraj Chugh (Resignation w.e.f. 20th June 2025)	Company Secretary
Mahendrasingh Rajpurohit (Resigned w.e.f. 09th February 2026)	Director

(₹ in Lakhs)

Nature of Transaction	FY 2025-26	FY 2024-25
Key Managerial Personnel		
Remuneration		
Ashutosh Alaru	5.00	-
Dinesh Shreevastav	1.00	-
Salary		
Vidisha Vimal Hingu	1.00	-
Neeraj Chugh	0.37	-
Sitting Fees		
Anand Kothari	0.95	-
Loan Received		
Mahendrasingh Rajpurohit	4.92	-
Outstanding Payable		
Key Managerial Personnel		
Anand Kothari	0.45	-
Outstanding Loans		
Mahendrasingh Rajpurohit	4.92	-

"29" Financial Instruments

(₹ in Lakhs)

Particular	March 31,2026	March 31,2025
Financial Assets		
Amortised cost		
Trade receivables	6,795.41	1,328.46
Cash and cash equivalents	45.95	19.45
Loans and Advances (Current)	2,029.22	1,640.71
Loans and Advances (Non Current)	-	-
Other Financial Assets	1.79	0.99
Total Assests	8,872.37	2,989.61
Financial Liabilities		
Amortised cost		
Long Term Borrowings	4.92	-
Lease Liability	29.44	45.61
Trade payables	4,657.37	1,036.43
Other Financial Liabilities	-	-
Short Term Borrowings	-	-
Total Liabilities	4,691.73	1,082.04

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

PADAM COTTON YARNS LIMITED

(CIN : L17112HR1994PLC033641)

Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059

"30"

ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at March 31, 2026 was assessed to be insignificant.

iii) The fair values of the unquoted equity shares, if any have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

Financial Risk Management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counter parties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to Bad debt is not significant. Also the Company doesnot enter into sales transaction with customers having credit loss history. There are no significant Credit risk with related parties of the Company. The Company's is exposed to Credit risk in the event of non payment of customers. Credit risk concentration with respect to Trade Receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognised as per the assessment.

The history of Trade receivables shows an allowance for bad and doubtful debts of Rs Nil (Nil as at March 31,2026). The Company has made allowance of Rs Nil (Nil as at March 31,2026) against Trade receivable of Rs. lacs (Rs. 6795.41 lacs as at March 31,2026).

Bank Deposits

The company maintains its cash and cash equivalents and bank deposits with reputed and highly rated bank. Hence, there is no significant credit risk on such deposits.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non- performance by these counter-parties. and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash and Cash equivalents	45.95	19.45
Total	45.95	19.45

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2026 and March 31, 2025.

(₹ in Lakhs)

Particulars	As at	Less than 1 year	As at	Less than 1 year
Lease Liability	3/31/2025	6.09	3/31/2024	7.25
	3/31/2024	7.25	3/31/2023	-
Trade Payables	3/31/2025	4,657.37	3/31/2024	1036.43
	3/31/2024	1,036.43	3/31/2023	-
Other Financial Liabilities	3/31/2025	-	3/31/2024	-
	3/31/2024	-	3/31/2023	-

PADAM COTTON YARNS LIMITED (CIN : L17112HR1994PLC033641) Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059		
"31"	Capital management The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The capital structure is as follows :	
	(₹. In Lakhs)	
	Particulars	March 31, 2026 March 31, 2025
	Total equity attributable to the equity share holders of the company	4,469.63 1,688.25
	As percentage of total capital	99.89% 100.00%
	Current borrowings	- -
	Non-current borrowings	4.92 -
	Total borrowings	4.92 -
	As a percentage of total capital	0.11% 0.00%
	Total capital (borrowings and equity)	4,474.55 1,688.25
"32"	Trade Payable to MSME According to the information available with the Management, on the basis of intimation received from suppliers regarding status of Micro, Small And Medium Enterprise Development Act, 2006, the Company has amount due to Micro and Small enterprise under the said Act as on 31.03.2026 is as under:-	
	(₹. In Lakhs)	
	Particulars	2025-26 2024-25
	Principal Amount Due	- -
	Interest Due on above	- -
	Amount of interest paid in terms of Section 16 of MSME Act, 2006	- -
	Amount of interest due and payable for the period of delay	- -
	Amt of interest accrued and remaining unpaid as at year end	- -
	Amt. of further interest remaining due and payable in the succeeding year	- -
"33"	Events Occurring After Balance - Sheet The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 31st March, 2026 there were no subsequent events to be recognised or reported that are not already disclosed."	
"34"	Segment Information As mentioned in the Note no 1 " Company Information" the company does not have any trading or industrial Business at present. Further the company has adopted new business of lending and investment hence as such there are no separate reportable segments as per Inda Accounting Standard " Operating Segments" (Ind AS 108)	
"35"	Contingent Liabilities and Commitment : There are not contingent liabilities and Commitment as on March 31, 2026	
"36"	Compliance with number of layers of companies: . The Company does not have any Subsidiary Company.	
"37"	Registration of charges or satisfaction with Registrar of Companies – There is no charge created by the Company.	
"38"	Relationship with Struck off Companies: Not Applicable	
"39"	Wilful Defaulter : The Company has not been declared as Wilful Defaulter by any Bank or Financial Institutions or Government or any Government Authority	
"40"	Details of Benami Property held : 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	
"41"	Capital WIP : Not Applicable	
"42"	Intangible assets under development : Not Applicable	
"43"	In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.	
"44"	Previous Years Figures have been re-grouped/ re-arranged wherever consider necessary.	

PADAM COTTON YARNS LIMITED (CIN : L17112HR1994PLC033641) Corporate Office Address : Unit No C 801 on the 8th Floor Krish Cubical, Govardhan Partyplot Avalon Hotal Road Sindhu Bhavan Marg Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059				
"45"	Ratios	2025-2026	2024-2025	Variance
1	Current Ratio	1.85	2.27	-18.70%
2	Debt Equity Ratio	0.00	-	
3	Debt Service coverage ratio	NA	NA	
4	Return on Equity Ratio (in %)	35.51%	88.73%	-59.98%
5	Inventory Turnover Ratio	13.14	-	
6	Trade Receivables turnover ratio	1.81	2.14	-15.60%
7	Trade payables turnover ratio	2.40	2.26	6.49%
8	Net capital turnover ratio	1.64	0.85	93.29%
9	Net profit ratio (in %)	14.90%	74.55%	-80.01%
10	Return on Capital employed (in %)	32.72%	75.89%	-56.88%
11	Return on investment	NA	NA	
Return on Equity Ratio : The ratio has declined primarily due to a significant increase in the company's share capital. Net capital turnover ratio: This ratio has improved as the growth in turnover has outpaced the increase in working capital. Net profit ratio : The ratio has declined as a result of higher turnover accompanied by a reduction in profit margins. Return on Capital employed : This ratio fell because the company issued more share capital, which increased the total capital employed. As a result, the returns look lower compared to the larger capital base.				
	Ratios	Numerator		Denominator
	Current Ratio	Current Assets		Current Liabilities
	Debt Equity Ratio	Debt Capital		Shareholder's Equity
	Debt Service coverage ratio	EBITDA-CAPEX		Debt Service (Int+Principal)
	Return on Equity Ratio	Profit for the year		Average Shareholder's Equity
	Inventory Turnover Ratio	COGS		Average Inventory
	Trade Receivables turnover ratio	Net Sales		Average trade receivables
	Trade payables turnover ratio	Total Purchases		Average Trade Payables
	Net capital turnover ratio	Sales		Working capital (CA-CL)
	Net profit ratio	Net Profit		Sales
	Return on Capital employed	EBIDTA		Capital Employed
	Return on investment	Net Profit		Investment

PADAM COTTON YARNS LIMITED
NOTES FORMING PART OF ACCOUNTS

NOTE '46'
OTHER DISCLOSURES

Additional Regulatory Information

Amended Schedule III of the Companies Act 2013 requires additional regulatory information to be provided in financial statements. These are as follows;

1) Title deeds of Immovable Property

Title deeds of immovable properties are held in the name of the Company.

2) Fair valuation of Investment property

The company has not classified any property as Investment property, hence fair valuation of Investment property by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.

3) Revaluation of Property, Plant and Equipment and Right-of- Use Assets.

The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the current reporting period and also reporting period and also for previous year's reporting period.

4) Loans or advances to specified persons

The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013, either severally or jointly with any other person, that are (a) repayable on demand, or
(b) without specifying any terms or period of repayment.

5) Capital Work in Progress

There was no capital work in progress during the Financial Year 2025-26 and no amount was spent on this account upto 31st March 2026.

6) Intangible Assets under development

The Company does not have any intangible assets under development during the current and previous year reporting period.

7) Details of Benami Property held: Additional Disclosure

The Company does not hold any Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made thereunder, hence no disclosure is required to be given as such.

8) Borrowings secured against current assets

The Company does not have any borrowings from banks or financial on the basis of security of current assets hence no disclosure is required as such on this account.

9) Willful Defaulter

The Company has not been declared as willful defaulter as at the date of the balance sheet or on the date of approval of the financial statements, hence no disclosure is required as such.

10) Relationship with Struck off Companies

The Company does not have any transactions with Companies which are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956, hence no disclosure is required as such.

11) Registration of Charges or Satisfaction with Registrar of Companies (ROC)

There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such.

12) Compliance with number of layers of companies

The Company does not have investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.

13) Utilization of Borrowings

The Company does not have any outstanding balances towards the borrowings from banks and financial institutions at the balance sheet date, hence no further disclosure is required as such.

14) Utilization of Borrowed Funds and Share Premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or Share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall;

a. Directly or indirectly lent or invest in other person(s) or entity (ies) identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) Or

b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Hence no disclosure is required as such.

(B) The Company has not received any fund 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;

a. Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) Or

b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Hence no disclosure is required as such.

15) Undisclosed Income

The Company does not have any undisclosed Income which was not recorded in the books of accounts and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions. Also the Company does not have previously unrecorded income and related assets which were required to be properly recorded in the books of accounts during the year.

16) Details of Crypto Currency Or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable.

17) Corporate Social Responsibility Activities

The provisions of sec. 135 of the Companies Act, 2013 related to Corporate Social Responsibility are applicable to the company. The total provision for the F.Y. 2025-2026 is Rs.6.40 Lakhs.

Particulars	2025-26	2024-25
Amount Required to be spent by the company during the period	6.40	N.A
Amount of expenditure incurred	6.40	N.A
Shortfall at the end of the previous year	N.A	N.A
Total of previous years shortfall	N.A	N.A
Reason for shortfall	N.A	N.A
Nature of CSR activities :-the preservation and conservation of the environment and forests, promoting sustainable practices and biodiversity conservation.	N.A	N.A
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	N.A
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	N.A

ATTENDANCE SLIP

PADAM COTTON YARNS LIMITED

CIN: L17112HR1994PLC033641

Registered Office: 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001

Corporate Office: C – 801, Krish Cubical Govardhan Partyplot, Avalon Hotal Road, Sindhu Bhavan Marg, Thaltej, Ahmedabad, Gujarat, India, 380059.

Website: www.padamcotton.com, **Email ID:** cspcyl6@gmail.com, **Contact No.:** +91 9998865217

DPID/ CLIENT ID: _____

Registered Folio No.: _____

No of Shares: _____

Name(s) and address of the Shareholders/Proxy in Full:

I, Certify that I am a Shareholder/ Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the Annual General Meeting of the Company being held on Wednesday, September 30, 2026 at 12.00 PM at the registered office of the Company at 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001

Signature of Shareholder/ Proxy

NOTE: Please fill in the Attendance Slip and hand it over at the entrance of the Hall.

PADAM COTTON YARNS LIMITED

CIN: L17112HR1994PLC033641

Registered Office: 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001**Corporate Office:** C – 801, Krish Cubical Govardhan Partyplot, Avalon Hotal Road, Sindhu Bhavan Marg, Thaltej, Ahmedabad, Gujarat, India, 380059.**Website:** www.padamcotton.com, **Email ID:** cspcyl6@gmail.com, **Contact No.:** +91 9998865217**FORM MGT-11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L17112HR1994PLC033641
Name of the company:	PADAM COTTON YARNS LIMITED
Registered office:	196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of shares of the abovenamed company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Wednesday, September 30, 2026 at 12.00 PM at the registered office of the Company at 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars
1.	TO RECEIVE, CONSIDER AND ADOPT THE STANDALONE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON;
2.	APPOINTMENT OF M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY CAUSED
3.	TO APPOINT M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS A STATUTORY AUDITOR OF THE COMPANY
4.	TO APPOINT M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS A STATUTORY AUDITOR OF THE COMPANY

5.	CONSIDERED AND APPROVED AN APPOINTMENT OF MR. DHARMESH MITHABHAI PATEL (DIN: 11389357) AS A DIRECTOR UNDER NON-EXECUTIVE INDEPENDENT CATEGORY
----	---

Signed this..... day of..... 2026.

Signature of shareholder_____

Signature of Proxy holder(s)_____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

**** This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.**

3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

PADAM COTTON YARNS LIMITED

CIN: L17112HR1994PLC033641

Registered Office: 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001**Corporate Office:** C – 801, Krish Cubical Govardhan Partyplot, Avalon Hotal Road, Sindhu Bhavan Marg, Thaltej, Ahmedabad, Gujarat, India, 380059.**Website:** www.padamcotton.com, **Email ID:** cspcyl6@gmail.com, **Contact No.:** +91 9998865217**Form No. MGT-12****Polling Paper****[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]**

Name of the Company: PADAM COTTON YARNS LIMITED				
Registered Office: 196, 1st Floor, G T Road, Opp. Red Cross Market Karnal, Karnal , Haryana, 132001				
CIN: L17112HR1994PLC033641				
S.No	Particulars	Details		
1.	Name of the first named Shareholder (In Block Letters)			
2.	Postal address			
3.	Registered Folio No/ *ClientID (*applicable to investors holding shares in dematerialized form)			
4.	Class of Share	Equity Shares		
5.	Number of Shares			
I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:				
No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	TO RECEIVE, CONSIDER AND ADOPT THE STANDALONE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON;			
2	APPOINTMENT OF M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS THE STATUTORY AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY CAUSED			
3	TO APPOINT M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS A STATUTORY AUDITOR OF THE COMPANY			
4	TO APPOINT M/S. PIYUSH KOTHARI & ASSOCIATES, CHARTERED ACCOUNTANTS (FRN: 140711W) AS A STATUTORY AUDITOR OF THE COMPANY			
5	CONSIDERED AND APPROVED AN APPOINTMENT OF MR. DHARMESH MITHABHAI PATEL (DIN: 11389357) AS A DIRECTOR UNDER NON-EXECUTIVE INDEPENDENT CATEGORY			

Place: Ahmedabad

Date: 30th September, 2026 (Signature of the shareholder*)

(*as per Company records)



Route Map for Extraordinary General Meeting (EGM) of the Company to be held on **Wednesday, September 30, 2026 at 12:00 p.m.** at Registered Office of the Company at **196, 1st Floor, G.T Road, Opp. Red Cross Market, Karnal- 132001 (Haryana).**

