VTM LIMITED

Ref: VTM /AR. 10.06.2025

Corporate Relationship Dept - CRD
Bombay Stock Exchange Limited
Regd. Office: Floor 25, PJ Towers
Dalal Street.,
MUMBAI – 400 001.

Dear Sirs,

Sub: Listing agreement – **Sending Copy of Annual report for Year ended 31.3.2025**

Ref: Our Scrip code: **532893**.

- - - -

With reference to the above, we enclose herewith the Scan copy of our Annual report for the year ended 31.03.2025. This is for your records. The Form A has already been filed electronically in listing.bseindia.com.

This is for your records. Thanking you,

Yours faithfully,

Ps: Scan copy Annual report-2024-25

For VTM LIMITED

K. PREYATHARSHINE
COMPANY SECRETARY

VTM LIMITED Chairman Office MADURAI

Chairman's Office : Thiagarajar Mills Premises, **KAPPALUR** - 625 008. Madurai, India.
Regd. Office : **SULAKARAI**, Virudhunagar - 626 003.

CIN No. : L17111TN1946PLC003270
GSTIN : 33AAACV3775E1ZG
PAN No. : AAACV3775E

Phone : 91-452-2482595 (4 lines)
: 91-4549-280591 / 280620
Fax : 91-452-2482590 / 2486085
E-mail : office@tmills.com
: vtac@vtmill.com

BOARD OF DIRECTORS

Thiru K. Thiagarajan
Dr (Smt) Uma Kannan
Thiru RM.Somasundaram
Thiru T.N.Ramanathan
Thiru M.Anbukani
Thiru Ganesh Ananthakrishnan
Thiru L. Sevugan
Thiru CR.Venkatesh
Thiru V.Kasinathan

CHAIRMAN AND MANAGING DIRECTOR

Thiru K. Thiagarajan

CHIEF FINANCIAL OFFICER

Thiru K. Deenadayalan

COMPANY SECRETARY

Smt K. Preyatharshine

AUDITORS

M/S. CNGSN & ASSOCIATES LLP.
Chartered Accountants, Chennai.

BANKERS

State Bank of India.
IDBI Bank Limited.
HDFC Bank.

REGISTERED OFFICE

Sulakarai
Virudhunagar.

CIN: L17111TN1946PLC003270

INDEX

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventy Eighth Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at Sulakarai, Virudhunagar on Wednesday, 2nd July, 2025 at 11.00 a.m to transact the following business.

AGENDA

AS ORDINARY BUSINESS:

Item No.1 - Adoption of Financial Statements

To receive, consider, and adopt the audited Balance Sheet of the Company as of 31^{st} March 2025, the Statement of Profit and Loss for the year ended on that date, and the reports of the Directors and the Auditors thereon.

Item No.2 - To declare a dividend on equity shares.

Item No.3 - Re-appointment of Smt Uma Kannan, Director.

To re-appoint Smt Uma Kannan, who retires by rotation and being eligible, offers herself for re-appointment.

AS SPECIAL BUSINESS:

Item No. 4 – Ratification of Cost Auditor Remuneration:

To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution:

Resolved that subject to provisions of section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions thereon, the fees of Rs.70,000/- payable to the Cost Auditor Mr. A. N. Raman for auditing the cost records and furnishing of Report thereon for the Financial Year 2025-26 as recommended by the Audit Committee and approved by the Board of Directors of the Company be and is hereby ratified.

I. IMPORTANT NOTES:

1. The Register of Members and the **Share Transfer books of the Company will remain closed from 21st June 2025 to 02nd July 2025 (both days inclusive) for annual closing and dividend purposes.**

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

3. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself. Such a Proxy need not be a member of the Company.

   The instrument of Proxy to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.

4. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividends. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividends are requested to write to the Company.

5. Members are requested to note that the dividends not encashed or remaining unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred u/s. 124 of the Companies Act, 2013 to the Investor Education and Protection Fund (IEPF) established under Section 125 of the Companies Act, 2013. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the MCA.

6. The Members/Claimants whose shares, and unclaimed dividend have been transferred to IEPF may claim the shares or apply for a refund by making an application to IEPF Authority in Form IEPF-5 (available on www.mca.gov.in) along with the requisite fee as decided by it from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

7. Members who have not encashed their dividend warrants for the earlier financial years are requested to make their claim on or before the due date/s for such transfer. The members can claim with the Company in respect of the dividends of years that are lying in the Unpaid Dividend Account of the Company.

8. Members are requested to note that pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations, and the IEPF Rules, all such shares in respect of which dividends have

not been paid or claimed for seven consecutive years or more are also required to be transferred to IEPF. The Company is taking steps to send individual notices to the concerned shareholders and to publish a public notice to shareholders under the IEPF Rules in this regard.

9. **The Securities and Exchange Board of India (SEBI) has mandated the submission of a Permanent Account Number (PAN), e-mail id, and bank details, besides the Mobile phone number by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and other above-mentioned details to the Company.**

10. Details required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms an integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

11. An electronic copy of the Annual Report for the year 2024-25 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested a hard copy of the same.

12. An electronic copy of the Notice of the 78th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 78th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form are being sent in the permitted mode.

13. Members may also note that the Notice of the 78th Annual General Meeting and the Annual Report for the year 2024-25 will also be available on the Company's website www.vtmill.com for their download.

14. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Sulakarai, Virudhunagar for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon requesting the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: complianceofficer@vtmill.com.

15. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 78th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by KFin Technologies Ltd.

Instructions and other information relating to e-voting are as under:

A) In case a Member receives an email from KFin Technologies Ltd [for Members whose email Ids are registered with the Company/Depository Participant(s)]:

i) Launch internet browser by typing the URL: https://evoting.kfintech.com in the address bar and click on "Enter". The Home screen will be displayed then click on the shareholders icon on the homepage.

ii) Enter the login credentials (i.e. User ID and password mentioned overleaf). Your Folio No./DPID – Client ID will be your User ID. However, if you are already registered with KFin Technologies Ltd for E-voting, you can use your existing User ID and password for casting your vote.

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

iv) You will now reach the password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9), and a special character (@#$.etc). The system will prompt you to change your password and update your contact details like mobile number, and email ID. etc., on first login. You may also enter a secret question and answer of your choice to retrieve the password and you take utmost care to keep your password confidential.

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

vi) On successful login, the system will prompt you to select the E-Voting Event Number for VTM Limited.

vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under each of the headings of the resolution and cast your vote by choosing the "FOR/ AGAINST" option or you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head. Option "FOR" implies assent to the resolution and "AGAINST" implies dissent to the resolution.

viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

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

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

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

xii) Corporate/Institutional Members (i.e other than Individuals, HUF, NRI, etc.) are also required to send a scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with an attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: rsachida@yahoo.co.in They may also upload the same in the E-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B) In case a Member receives physical copy of the Annual General Meeting Notice by post [for members whose Email IDs are not registered with the Company/Depository Participant(s)] can also vote using the e-voting method.

i. User ID and initial password are provided overleaf.

ii. Please follow all steps from Sr. No.(i) to (xii) as mentioned in (A) above, to cast your vote.

2. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.

3. In case of any query about E-voting, please visit the Help & FAQs section available at KFin Technologies Ltd.'s website https://evoting.kfintech.com.

4. The facility for voting through electronic means (Ballot) shall be made available at the Annual General Meeting (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".

5. The members who have cast their vote by remote E-voting may also attend AGM but shall not be entitled to cast their vote again.

6. The Board of Directors has appointed Mr. S. Ramalingam, Practising Company Secretary (Membership No.61773) as a Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.

7. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being 21st June, 2025.

8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories at the close of business hours on 21st June 2025 shall be entitled to avail the facility of remote E-voting/ballot.

The e-voting period starts on 24th June, 2025 (9:00 am) and ends on 01 July, 2025 (5:00 pm).

9. Any person who becomes member of the Company after despatch of the Notice of the meeting and holding shares as on the cut-off date may obtain the User Id and password in the manner as mentioned below :

a. If the mobile number of the Member is registered against Folio No./ DPID - Client ID, the member may send SMS:

MYEPWD<space> E-Voting Event Number + Folio No. or DPID - Client ID to +91-9212993399
Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

Example for Physical: MYEPWD<SPACE> XXXX1234567890

b. If e-mail address or mobile number of the Member is registered against Folio No./DPID-Client ID, then on the home page of https://evoting.kfintech.com/login.aspx, the member may click "Forgot Password" and enter Folio No. or DPID - Client ID and PAN to generate a password.

c. Member may Call Kfin technologies's Toll free number 1800-309-4001

d. Member may send an e-mail request to evoting@kfintech.com

10. However, if you are already registered with Kfintech for E-voting, you can use your existing User ID and password to cast your vote.

11. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the AGM shall unblock the votes cast by remote E-voting and Ballot, in the presence of at least two (2) witnesses not in the employment of the Company and will make a Consolidated Scrutinizer's Report of the votes cast in favor or against, forthwith to the Chairman of the meeting.

12. The Results of resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favor of the Resolutions.

13. The Results declared along with the Scrutinizer's Report(s) will be available on website of the Company (www.vtmill.com) and on Kfin technologies's website (https://evoting.kfintech.com). The results shall simultaneously be communicated to Stock Exchanges.

14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Sundays, up to and including the date of the Annual General Meeting of the Company.

Note On TDS:

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividends declared and paid by the Company are taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from the dividend paid to the members at the applicable rates.

For Resident Members:

1. **No TDS shall be deducted** in the case of resident individual members if the amount of such dividend in aggregate **paid or likely to be paid during the financial year does not exceed Rs. 5,000.**
2. Where the **Permanent Account Number** (PAN) resident individual member **is available and valid,**

i. **TDS shall be deducted at the rate of 10% on the amount of dividend payable.**

ii. In cases where the resident individual member provides the duly signed Form 15G or Form 15H (as applicable) and provided that the eligibility conditions are being met, no TDS shall be deducted. The format of Form 15G and Form 15H are enclosed as Enclosure 1 and 2 respectively.

3. Where the PAN is either not available or is invalid, TDS shall be deducted at a rate which is higher of the **prescribed TDS rates or 20%.**

For Non-Resident Members:

1. TDS shall be deducted/withheld at the rate of 20% (plus applicable surcharge and, health and education cess) on the amount of dividend payable.

2. Non-resident members may have the option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the member if such DTAA provisions are more beneficial to them. To avail of the DTAA benefits, the non-resident member should furnish the following documents".

   i. Self-attested copy of Permanent Account Number (PAN) if allotted to you, by the Indian Income Tax Authorities. If PAN is not allotted to you, please provide your email address, contact number, and address in the country of residence;

   ii. Self-attested Tax Residency Certificate (TRC) issued by the competent authority or tax authority of the country of your residency, evidencing and certifying your tax residency status in the country of residency during the Financial Year 2024-25;

iii. Completed and duly signed Form 10F in the format prescribed;

iv. Self-declaration in the format: certifying that:

a. You are and continue to remain a tax resident of the country of your residency during the Financial Year 2024-25;

b. You are eligible to claim the beneficial DTAA rate for tax withholding on dividends declared by the Company;

c. You have no reason to believe that your claim for the benefits of the DTAA is impaired in any manner;

d. You are the ultimate beneficial owner of your shareholding in the Company and dividend receivable from the Company; and

e. You do not have a taxable presence or a permanent establishment in India during the Financial Year 2024-25.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident member.

I. **Access to Depositories e-voting system in case of individual Members holding shares in demat mode.**

Type of Member Login Method

Individual Members holding securities in demat mode with NSDL

A) Existing Internet-based Demat Account Statement ("IDeAS") facility Users:

i) Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile.

ii) On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under the 'IDeAS' section. Thereafter enter the existing user ID and password.

iii) After successful authentication, Members will be able to see e-voting services under 'Value Added Services'.

Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed.

iv) Click on the Company name i.e. 'VTM Limited' or e-voting service provider ('ESP') i.e. KFinTech.

v) Members will be re-directed to Kfin Technologies's website for casting their vote during the remote e-voting period and voting during the AGM.

B) Users not registered under IDeAS e-Services:

i) Visit https://eservices.nsdl.com for registering.

ii) Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

C) By visiting the e-voting website of NSDL:

i) Visit the e-voting website of NSDL https://www.evoting.nsdl.com

ii) 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.

iii) Members will have to enter their User ID (i.e. the sixteen-digit demat account number held with NSDL), password/OTP, and a Verification Code as shown on the screen.

iv) After successful authentication, Members will be redirected to the NSDL Depository site wherein they can see the e-voting page.

v) Click on the company name i.e. ' VTM Limited' or ESP name i.e. KFinTech after which the Member will be redirected to ESP website to cast their vote during the remote e-voting period and vote during the AGM.

II. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The Board, at its meeting held on 29th May, 2025 appointed Mr. A. N. Raman, Practicing Cost Accountant, having Membership No.9167, as Cost Auditor of the Company, in terms of Section 148 of the Companies Act, 2013 (the Act) and fixed a sum of Rs.70,000/- as remuneration payable to him, for the financial year 2025-26.

The remuneration, as recommended by the Audit Committee and approved by the Board, is required to be ratified by the shareholders of the Company, as per the requirements of Section 148(3) of the Companies Act , 2013 read with the Companies (Audit and Auditors) Rules 2014.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.4.

Accordingly, the Board recommends the ordinary resolution, as set out in Item No.4, for ratification by the shareholders of the Company.

By order of the Board

K Thiagarajan
DIN: 03638370
Chairman & Managing Director

Kappalur, Madurai
May 29, 2025

DIRECTORS' REPORT
FOR THE YEAR ENDED ON 31ST MARCH, 2025

To the Members of VTM Limited

Your Directors take the pleasure in presenting their 78th Annual Report along with the Audited statement of accounts for the year ended 31st March, 2025.

Adoption of Financial Statements under Ind AS:

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standards) Rules, 2015 the Company has adopted "Ind AS" with effect from 1st April, 2017. Accordingly, the Financial Statements for the year 2024-2025 have been prepared in compliance with the Companies (Indian Accounting Standards) Rules, 2015.

Operating & Financial Performance

Profits, Dividends & Retention

Rs. in Lakhs.

	2024-2025		2023-2024	
Turnover		34453		20797
Profit before Depreciation (after interest)		6994		3236
Less: Depreciation		942		890
		------		------
Profit after depreciation		6052		2346
Less: Provision for Taxation:				
Current Year	1552		560	
Current tax adjusted to earlier years	(-)18		-	
Deferred Tax	(-)20		(-) 43	
	------	1514	------	517
		-----		-----
Profit after Tax		4538		1829
Add: Amount brought forward		4095		2641
Available for appropriation		8633		4470

<u>Appropriation</u>:-		
Transfer to General Reserve		
Dividend @ Re. 0.25 per share	101	101
Dividend @ Re.0. 75 per share	302	
Dividend @ Re.0. 70 per share	-	281
	-----	-----
	403	382
Transfer from Other Comprehensive Income	11	7
	------	------
Retained profit carried forward to the following year	8219	4095
	------	------

During the year under review, the Company achieved an impressive turnover of ₹34,452.68 lakhs for the financial year ended 31st March 2025, as compared to ₹20,796.55 lakhs in the previous financial year, reflecting a substantial year-on-year growth. Export turnover stood at ₹22,088.34 lakhs, accounting for 64.11% of the total turnover, as against ₹9,848 lakhs (47.35%) in FY 2023–2024. This significant 16.76% increase in export turnover was primarily driven by the robust performance of our **Home Textiles** segment.

The Company registered a remarkable sales turnover of ₹17,989.69 lakhs from the Home Textiles segment alone, backed by consistent innovation in product development and design. The positive reception from international customers underscores our competitive edge and reinforces our position as a preferred supplier in niche overseas markets.

While new US tariffs present short-term pricing and demand-related challenges, they have also opened avenues for us to consolidate our position against higher-tariffed competitors. We are actively pursuing long-term trade benefits by strategically aligning our supply chain and pricing policies to remain competitive and resilient.

The Company posted a **Profit After Tax (PAT)** of ₹4,537.41 lakhs for the year ended 31st March 2025, a commendable increase from ₹1,829.19 lakhs in the previous year. This notable growth in profitability can be attributed to increased export volumes, improved product mix, better realization, and disciplined cost management.

Despite facing volatile global economic conditions influenced by geopolitical tensions, inflationary pressures, and fluctuating demand trends, your Company has delivered one of its **best financial performances since inception**. The domestic market has also shown signs of recovery, although exports—especially in Home Textiles—have continued to be the key driver of growth.

Our extraordinary growth this year is due to expansion in our home textiles division.

Our Product Strategy-

1. Discovering white space. Through diligent market research, we place our products in segments of the market where we identify white space. While the home textiles market is no doubt crowded, we have been able to gain traction due to strategically manufacturing products that have high demand and relatively low competition.
2. Non-commodity/niche focus. We focus on high value added products, which can give us higher margins. We leverage our expertise in weaving and design to manufacture higher value items.
3. Radical simplification of supply chain. We have set up a third party logistic facility, which allows us to ship goods directly to the customer, thereby simplifying our supply chain and eliminating middlemen and supply chain costs.

Your Directors remain optimistic about the future and are confident of sustaining this growth trajectory, in home textiles.

We are proactively implementing measures to mitigate global uncertainties, including:

- **Strengthening our presence in emerging export markets**
- **Continuing investment in innovation and design**
- **Pursuing cost optimization across all operational verticals**

With these focused strategies in place and an unwavering commitment to quality and customer satisfaction, your Directors believe the Company is well-positioned to achieve even better results in the years ahead.

Modernisation & Upgradation

As a continuation of its periodic Modernisation policy during the year under review, your Company has spent a little over Rs.473 Lakhs on modernising its plant & equipments.

NEW LOOMS PURCHASE:

4nos of 190cm ITEMA rapier looms with Leno attachment were imported from Italy at a cost of Rs.3.55 Cr and installed to meet our global market requirements of leno selvedge fabric. Through the state-of-the-art weaving machines, we can weave larger and complicated dobby Leno designs with special yarn.

FABRIC INSPECTION MACHINES:

To improve the packing quality and satisfy the customer requirement and ergonomics of the operators, 01No of narrow width roll packing machine is purchased at a cost of Rs. 2.5 Lakhs and installed in our grey warehouse. Additionally, we purchased 2 wider width inspection machines with double side inspection facility for the finished fabric inspection at a cost of Rs.10 Lakhs and installed in our garment unit.

New Boiler with Briquettes (Green fuel) / waste firewood as fuel:

With Continuous evaluation and operation using green fuel the dependence on Fossil fuel is fully eliminated. Further reduction of fuel consumption by means of increasing the feed water temperature we have fitted A heat recovery system was installed in the compressor with an investment of Rs. 6.0 Lakhs. It operated at full capacity during the financial year, resulting in approximately 4% fuel cost savings and reduced greenhouse gas emissions.

Alternate Source of energy:

Environmental Social and Governance (ESG):

As with the current requirement/trend of leaning more on **ESG**, the Company is increasing the Roof top Solar Plant Capacity from 500 KW to 908 KW (In DC) by installing additional roof top Solar plants at a cost of Rs.210 Lakhs,. The generated units are utilized by the company continuously. Further the company has installed a 1.76 MW Solar Power Plant at Ottapidaram Village at a cost of 693 lakhs. With the installation of this the company’s green energy capacity has increased.

Dividend

Further to the interim dividend declared by the Company at the Board meeting held on 18th December 2024 of Rs. 0.25 per share, considering the profits for the year and as recommended by the Audit Committee, the Board of Directors is pleased to recommend a dividend of Re.0.75 per share i.e. 75% on Equity Shares of Re.1/- each. If this is approved at the forthcoming Annual General Meeting, the dividend will be deposited with the bank within the time prescribed and the dividend will be paid to those who are Members of the Company as on Book closure specified in this regard. The Book Closure period being 21st June, 2025 to 02nd July, 2025 (Both days inclusive) in respect of shares held electronically, dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories.

Extract of Annual Return

As per the requirements of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management & Administration) Rules, 2014 the annual return is available on the Company's website www.vtmill.com.

Associate Company/Holding or Subsidiary Company

The Company does not have any Associate Company as defined under the Companies Act, 2013 and has not entered into any joint venture agreement during the year under review.

Change in Nature of Business

There is no change in the nature of the business of the Company.

Orders by Regulators or Courts

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Material Changes Affecting the Financials

There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2025 and the date of this Report of the Directors.

Internal Control System

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The Code on Internal Control requires the Directors to review the effectiveness of internal controls and compliance controls, financial and operational risks, risk assessment and management systems, and related party transactions, have been complied with. Self-certification exercises are also conducted by which Senior management certifies the effectiveness of the internal control system, their adherence to the Code of Conduct and the Company's policies for which they are responsible, financial or commercial transactions, if any, where they have a personal interest or potential conflict of interest. The Internal Audit of the Company is carried out by M/s GSN & Associates, Chartered Accountants, Coimbatore, conduct periodic internal audits.

Company's Policies

Company's Policies on Corporate Social Responsibility, Remuneration, Employee Concern (Whistle Blowing), the Code of Conduct applicable to Directors and Employees of the Company and policies such as Insider Trading Code, Insider Trading Fair Disclosure Code and Policy on Materiality of and dealing with Related Party Transactions required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015 have been complied with.

These Policies, the Code of Conduct, and other policies/codes as referred to above are available on the Company's website www.vtmill.com

ISO and 5S Certification

The Company's factory at Sulakarai, Virudhunagar, Tamil Nadu, is certified for ISO Quality Management System standards, holds 5S certification from the AOTS Alumni 5S Forum of India, and GOTS certification for manufacturing organic cotton fabrics.

Segment wise performance

The Company is primarily a manufacturer of textile products and is managed organizationally as a single unit. Accordingly, the Company is a single business segment company. The geographical (secondary) segment has been identified as domestic and export sales as detailed below:

Particulars	Amount (Rs. lakhs)	% of Turnover
Export Sales	22,088	64.11
Domestic Sales	12,Dr365	35.89

Industry Structure & Developments, Opportunities & Threats, Outlook, Risks & Concerns

The Indian economy has remained resilient, supported by strong domestic demand and policy reforms. The textile sector continues to play a vital role in employment and exports. Government support through PLI schemes and incentives for MMF and technical textiles is aiding competitiveness.

While export markets like the US and EU are slowly recovering, global uncertainties and high logistics costs due to geo-political tensions continue to pose challenges. Domestically, rising urbanisation and demand for branded apparel offer growth opportunities, though inflation and unorganised sector competition impact margins.

Input costs remain volatile, especially cotton and crude derivatives, exerting pressure on profitability. The Company is enhancing operational efficiency, streamlining raw material sourcing, and increasing reliance on renewable power to manage costs and ESG compliance.

Risk management efforts have been strengthened, with tighter credit controls and implementation of structured monitoring for financial, operational, and external risks.

Despite global uncertainties, the outlook remains cautiously optimistic. Your Directors believe that continued policy support and demand revival will provide a positive environment for sustainable growth in the coming year.

Board of Directors

The Board is headed by Sri. K. Thiagarajan, Chairman & Managing Director of the Company. During the year under review, there were changes at the Board level as under:

The Board consists of 9 Directors with one Chairman and Managing Director, five Non-Executive Independent Directors, two Non-Executive Directors and One Woman Non-Executive Director.

As on 31st March, 2025, the Board is comprised of 9 Directors out of which 1 Director is Executive, Chairman & Managing Director, 3 Directors are Non–Executive including one Woman Director, 5 Directors are Non-Executive Independent. The composition of the Board conforms with the requirements of Regulation 17 of the Listing Regulations, and SEBI (LODR) Regulations 2015. All Directors are competent and experienced personalities in their respective fields.

Number of Board Meetings

During the year under review, Five Board Meetings were held on 23.05.2024, 07.08.2024, 11.11.2024, 18.12.2024 & 10.02.2025. The maximum interval between any two consecutive Board Meetings did not exceed 120 days.

The details of the number and dates of meetings held by the Board and its Committees, attendance of Directors, and remuneration paid to them are given separately in the attached Corporate Governance Report.

The sitting fees paid to the Non-Executive Directors are within the limits prescribed under the Companies Act, 2013 and Rules thereon.

Retirement of Directors by Rotation

Dr. (Smt.) Uma Kannan Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for reappointment as a Director of the Company. She is proposed to be re-appointed as a Director of the Company. The details of the proposed re-appointment of Dr. (Smt.) Uma Kannan are forming part of the Corporate Governance report.

Non-Executive Independent Directors

The Non-Executive Independent Directors have confirmed and declared that they are not disqualified to act as a Non-Executive Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Non-Executive Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Non-Executive Independent Directors. All the Non-Executive Independent Directors have convened a meeting on 10.02.2025.

To comply with the amended regulations as provided in Regulation 17(10) of the SEBI (LODR) Regulations, the Board reviewed the evaluation process by applying the provisions of Section 149 and Schedule IV to the Companies Act and the regulations as provided under the SEBI Regulations in respect of the Independent Directors of the Company with the following criteria:

- The performance of the Independent Directors.
- fulfillment of the independence criteria as specified under the Companies Act, 2013 and regulations under SEBI Regulations.
- The process of evaluation stating the objectives, criteria for evaluation.
- periodic review of the evaluation process.

The Independent Directors who attended the meeting of the Board did not participate in the discussion in respect of the evaluation of the Independent Director. There was sufficient quorum excluding the Independent Directors during the time of evaluation.

Declaration by Independent Directors

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to qualify themselves to act as Independent Directors under the provisions of the Companies Act, 2013 read with the relevant rules made thereunder. Further, they have also declared that they are not aware of any circumstance or situation, that exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

Code of Conduct

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed compliance with the Code of Conduct applicable to the Directors and employees of the Company. The Code of Conduct is available on the Company's website www.vtmill.com. All Directors have confirmed compliance with provisions of Section 164 of the Companies Act, 2013.

Director's Responsibility Statement

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, and the provisions as referred in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the preparation of the annual accounts for the year ended on 31st March 2025 and state that :

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. 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 period;

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

iv. the Directors have prepared the annual accounts on a going concern basis;

v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and the Company has adopted proper policies and procedures for ensuring orderly and efficient conducting of the business:

   a) The management designed and implemented policies with respect to adherence to accounting standards as a general requirement applied by a Company in preparing and presenting financial statements.

   b) The management evolved a sound system for regular evaluation of the nature and extent of the risks to which the Company is exposed and to control risk appropriately.

   c) The Board ensured the effective financial controls, including the maintenance of proper accounting records and the Company is not unnecessarily exposed to avoidable financial risks. They also contribute to the safeguarding of assets, including the prevention and detection of fraud. The financial information used within the business and for publication is reliable.

vi. The Directors had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Key Managerial Personnel

The following persons have been appointed as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

a) Sri K. Thiagarajan, Chairman and Managing Director.
b) Sri K. Deenadayalan, Chief Financial Officer.
c) Smt K. Preyatharshine, Company Secretary.

Corporate Governance

The Company has in place SEBI guidelines pertaining to Corporate Governance. During the year under consideration, the Company had Nine-member Board of Directors consisting of one Chairman and Managing Director, five Non-Executive Independent Directors, and three Non-Executive Directors of which one is a Woman Director.

The Corporate Governance Report, which provides the required details under Regulation 34(3) read with Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given separately as Annexure I and forms part of this Report of the Directors. The Corporate Governance Certificate for the year ended on March 31, 2025 issued by M/s. CNGSN & Associates LLP, Auditors of the Company, is also attached as part of Annexure I and forms a part of this Report of the Directors.

The Company has formulated the Insider Trading Code and Insider Trading Fair Disclosure Code in terms of Regulation 9 read with Schedule B and Regulation 8 read with Schedule A of SEBI (Prohibition of Insider Trading) Regulations, 2015 respectively, and provided in the company's website at www.vtmill.com. Smt K. Preyatharshine, Company Secretary, is the Compliance Officer responsible for compliance with the Insider Trading procedures. As no instances of insider trading were observed, the company has not reported any Insider Trading details to the Stock Exchange.

Sri K. Thiagarajan, Chairman and Managing Director of the Company has given his certificate under Regulation 17(8) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the annual financial statements for the year ended on 31st March 2024 to the Board of Directors which and the same is attached as Annexure IX. The Chairman has given his certificate under Regulation 34(3) read with Part D of Schedule V of the above-mentioned Regulations in compliance with the Code of Conduct of the Company for the year ended March 31, 2025, which is attached as Annexure VIII and forms a part of this Report of the Directors.

Audit Committee

The Audit Committee consists of three Independent Directors and satisfies the provisions of Section 177(2) of the Companies Act, 2013. The Audit Committee comprised of Mr. M. Anbukani as Chairman, Mr. Ganesh Ananthakrishnan, and Mr. L. Sevugan as Members, and all are Independent Directors.

The Company Secretary is the Secretary of the Committee. The details of all related party transactions are placed periodically before the Audit Committee. During the year there were no instances where the Board had not accepted the recommendations of the Audit Committee. The Company has in place a vigil mechanism, details of which are available on the Company's website www.vtmill.com

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management assessment and minimization procedures, implementing and monitoring the risk management plan, and identifying, reviewing, and mitigating all elements of risks to which the Company may be exposed.

The Audit Committee is empowered with monitoring the appointment of Key Managerial Personnel.

The details of terms of reference of the Audit Committee, number and dates of meetings held, attendance of the Directors and remuneration paid to them are given separately in the attached Corporate Governance Report.

Whistle Blower Policy / Vigil Mechanism

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has formulated a Vigil Mechanism / Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company’s operations, business performance and/or reputation, securely and confidentially. The said policy provides adequate safeguards against the victimization of Directors/employees and direct access to the Chairman of the Audit Committee, in exceptional cases. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company under the web link investor/Vigil-Mechanism-Whistle-Blower-Policy.pdf Your Company affirms that no personnel of the Company has been denied access to the Chairman of the Audit Committee and no complaint has been received during the year under review.

Evaluation of the Board's performance, Committees of the Board, and Individual Directors

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual evaluation of its performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees.

The Board reviewed and evaluated its performance from the following angles:

- Company Performance
- Strategy and Implementation
- Risk Management
- Corporate ethics
- Performance of the Individual Directors
- Performance of the Committees viz., Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee.

The Board also evaluated the performance of the above-referred Committees and concluded that the Committees continued to operate effectively, with full participation from all members and executive management of the Company.

Board upon evaluation considered that the Board is well balanced in terms of diversity of experience. The Board noted that all Directors have understood the opportunities and risks to the Company’s strategy and are supportive of the direction articulated by the management team towards improvement. Corporate responsibility, ethics, and compliance are taken seriously, and there is a good balance between the company's core values and shareholders' interests.

The Directors also expressed their satisfaction in all the above areas considering the Company’s performance in all fronts viz., New Product Development, Sales and Marketing, International business, Employee relations, and compliance with statutory requirements.
The evaluation results have been communicated to the Chairman of the Board of Directors.

Related Party Transactions

During the year 2023-24, the company has entered into contracts or arrangements for five years from 01.04.2024 to 31.03.2029 with such number of related parties with the approval by the Board of Directors and the members of the company at the Annual General Meeting wherever necessary in respect of the following:

1. Sale, purchase or supply of any goods or materials
2. Selling or otherwise disposing of, or buying, property of any kind
3. Leasing of property of any kind
4. Availing or rendering of any services
5. Obligations

In the current period, due to the exigencies that, when the limits exceed, the company can carry out the transactions only with the prior approval of the members at the General Meeting, and hence The Company is required to carry out related party transactions regularly, which may exceed the prescribed limits specified in the Rules, it would be appropriate to obtain consent from the members of the company to carry out the transactions with related parties. Therefore for the approval of the related party transactions, the members approval is sought, in the Annual General Meeting of the company held on 03.07.2023 for five years from 01.04.2024.

The details in respect of the material contracts or arrangements or transactions on arm's length basis carried on with the related parties have been furnished in Annexure V.

Corporate Social Responsibility Committee

The Company established CSR Committee on 24th April 2014. The CSR Committee was charged with the responsibility to discharge functions related to CSR activities to be carried out as per Schedule VII of the Companies Act 2013 and the amendments made thereon. As per the notification issued by MCA, there is no necessity to form CSR Committee if the prescribed CSR expenditure does not exceed Rs.50 Lakhs in the year, the Board of Directors can discharge the CSR committee functions and activities. Therefore CSR Committee was disbanded and future review of CSR obligations, including progress monitoring, coordination with implementing agency, etc., came under the purview of the Board of Directors on and from 01.04.2021.

The CSR Policy, which was approved by the Board, is available on the Company's website.

The Company has decided to spend CSR funds for ongoing projects, if any that can be completed within two years and other than on-going projects also. As per the latest CSR Amendment Rules, the ongoing project has to be undertaken only by the Registered Trust or Society or a Section 8 company having Certificate Under Section 12A and 80G of Income Tax Act 1961. The KKTCMCT, a registered Trust had been registered with MCA having Regn No : CSR00003093.

The Company has fully spent Rs.12.38 Lakhs, being the average profits for past three years, for the other than ongoing projects through the implementing agency, Kalaithanthai Karumuttu Thiagaraja Chettiar Memorial Charitable Trust (KKTCMCT) and directly.

The CSR policy is available on the Company's website www.vtmill.com

Prevention of Sexual Harassment

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee with ten employees and a NGO representative. The Board also has approved the prevention of Sexual Harassment Policy and all employees especially women employees were made aware of the Policy and the manner in which complaints could be lodged. The Committee has submitted its Annual Report and the same has been approved by the Board.

The following is reported pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

1.	No. of Complaints of sexual harassment received	NIL
2.	No. of Complaints disposed off during the year	NIL
3.	No. of cases pending for more than ninety days	NIL
4.	No. of awareness programme conducted	1
5.	Nature of action taken by the employer	Not Applicable

Nomination and Remuneration Committee

A Nomination and Remuneration Committee was constituted on April 24, 2014 and, as on 31st March, 2025, after the reconstitution of the Committee in this year, now Sri Ganesh Ananthakrishnan is the Chairman, an Independent Director, Sri K. Thiagarajan, Sri L. Sevugan and Sri M. Anbukani, are Members of the Committee. The constitution satisfies the provisions of Section 178 of the Companies Act, 2013 as well as the SEBI Regulations. The Company Secretary is the Secretary of this Committee.

During the financial year ended March 31, 2025, the meeting was convened on 10.02.2025.

The Company's Remuneration Policy is available on the Company's website www.vtmill.com and annexed as forming part of this report as Annexure X.

The details of terms of reference of the Nomination and Remuneration Committee are given separately in the attached Corporate Governance Report.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee now consists of Sri T. N. Ramanathan as Chairman, Sri K. Thiagarajan, and Sri V. Kasinathan as Members. The Company Secretary is the Secretary of the Committee as per Regulation 20 of the SEBI (LODR) Regulations, 2015, to have three Directors as Members of the

Committee with one Independent Director Member. The Committee met once during the year on 10.02.2025.

The Committee has delegated the responsibility for share transfers and other routine share maintenance work to the Company Secretary and to M/s. KFin Technologies Limited the Registrars and Share Transfer Agents of the Company. All requests for dematerialization and rematerialization of shares, transfer or transmission of shares, and other share maintenance matters are completed within 30 days of receipt of valid and complete documents. The Committee also reports to the Board on issues relating to the shareholding pattern, shareholding of major shareholders, insider trading compliances, movement of share prices, redressal of complaints, Reports on SCORES of SEBI and all compliances under the Companies Act, 2013, and the listing agreement with Stock Exchanges.

The shares of the Company are listed on the Bombay Stock Exchange. The Company's shares are compulsorily traded in the dematerialized form. The ISIN number allotted is INE222F01029. The details of shareholding patterns, distribution of shareholding, and share prices are mentioned separately in the attached Corporate Governance Report.

Transfer to Investor Education & Protection Fund

Transfer of shares:

The company's Stakeholder relationship committee has already transmitted 864000 equity shares of the company into DEMAT account of the IEPF Authority held with NSDL (DP ID Clent ID IN300708-10656671) in terms of Provisions of Section 124(6) of the companies Act 2013, and the related Rules. During the year the Company has transmitted 57769 shares to the IEPF. The complete list of such shareholders, whose shares were due for transfer to IEPF in current year is also placed in the website of company.

Statutory Auditors

Auditors

In terms of Section 139 of the Companies Act and the rules made thereon, M/s CNGSN & Associates LLP, Chartered Accountants, Chennai (Firm Regn. No. 004915S/S200036) have been appointed as Auditors of the Company by the members at their meeting held on 23rd June 2017 and the Auditors have been appointed for five years from the conclusion of 70th Annual General Meeting till the conclusion of the 75th Annual General Meeting.

Accordingly, the tenure of their appointment was extended at the 75th AGM. Being eligible, the said firm was re-appointed for a further term of five years, till the conclusion of the 80th AGM.

The Auditors have already submitted certification u/s. 141 of the Companies Act and Peer Review Certificate in respect of their appointment as Auditors of the Company.

AUDITORS

Auditors’ Report

The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations or adverse remarks or disclaimers given by Statutory Auditors’ of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors’ Report, forming part of the Annual Report, is enclosed with the financial statements.

Secretarial Audit Reports and Certificates

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Mr. S. Ramalingam, Practicing Company Secretary, in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditor's Report along with the Annual Secretarial Compliance Report (as required under the amended SEBI Regulations) has been obtained and is attached as Annexure II and forms a part of this Report of the Directors. There are no qualifications or observations or remarks made by the Secretarial Auditor in his Report.

Cost Auditor and Cost Records

Pursuant to the provisions of Section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records. Accordingly, the Company has duly made and maintained the Cost Records as mandated by the Central Government.

The Board of Directors had approved the appointment of Sri A. N. Raman, Cost Accountant as the Cost Auditor of the Company to audit the Company's Cost Records for the year 2025-26, at a remuneration of Rs.70,000/- plus applicable taxes and out-of-pocket expenses.

The remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter is being placed before the Members for ratification at the ensuing Annual General Meeting.

Fixed Deposits

The Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

The company does not have any deposit which is not in compliance with the Companies Act, 2013.

Loans, guarantees and investments

The Company has not granted any inter-corporate loan, given guarantee or provided security for availing loan by any other company. However the company has invested its funds in such number of companies and in such number of shares and securities in other bodies corporate as referred to in Notes No. 06 and 11 of the Balance Sheet.

In compliance with Section 186 of the Companies Act, 2013, loans to employees bear interest at applicable rates.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 attached as Annexure IV and forms a part of this Report of the Directors.

Particulars of Employees

The prescribed particulars of Employees required under Section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure VI and forms a part of this Report of the Directors. There are no employees drawing remuneration more than Rs.102 Lakhs per annum or Rs.8,50,000/- per month.

Statement On Compliance with Secretarial Standards

The Directors have devised systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate, and operating effectively. The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

Annexures forming a part of this Report of the Directors

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors :

I. Corporate Governance Report along with Certificate on Corporate Governance by the Auditor of the Company.
II. Secretarial Audit Report
III. Extract of the Annual Return in Form MGT-9 – Web link.

IV. Particulars on Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo.
V. Form AOC-2 for material contracts with Related Parties.
VI. Ratio of remuneration and Particulars of Employees.
VII. Annual Report on CSR spending.
VIII. Chairman & Managing Director's Certificate under Regulation 34(3) read with Part D of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on compliance of the Code of Conduct.
IX. Certificate by Chairman and Managing Director and Chief Financial Officer under Regulation 17(8), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Financial Statements.
X. Remuneration Policy.

Appreciation

Your Directors record their sincere appreciation of the dedication and commitment of all employees in achieving and sustaining excellence in all areas of the business. Your Directors thank the Shareholders, customers, suppliers, and Bankers, and all other stakeholders for their continuous support to the Company.

For and on behalf of the Board of Directors,

Kappalur, Madurai.
May 29, 2025.

K. THIAGARAJAN
CHAIRMAN AND MANAGING DIRECTOR
(DIN:03638370)

Management Discussion & Analysis:

Financial Performance:

The Company's Sales Turnover increased by Rs. 13,655.68 Lakhs, from Rs. 20,797 Lakhs to Rs. 34,452.68 Lakhs, registering a growth of 65.66%. Depreciation increased to Rs.942.36 Lakhs. Profit after depreciation increased by Rs. 3,706 Lakhs, from Rs. 2,346 Lakhs to Rs. 6,052 Lakhs. Profit after tax increased from Rs. 1,829 Lakhs to Rs. 4,538 Lakhs, as set out in the Directors' Report.

Key Financial Ratios				
Particulars	**Unit of Measurement**	**March 31, 2025**	**March 31, 2024**	**Variation in %**
Current Ratio	In multiple	10.07	7.70	31%
Debt-Equity Ratio	In multiple	0.13	0.01	1200%
Debt Service Coverage Ratio	In multiple	59.59	12.1	392%
Return on Equity Ratio	In %	17.00%	9.00%	8%
Inventory Turnover Ratio	In Days	82.00	79.00	4%
Trade receivables Turnover Ratio	In Days	52.00	34.00	53%
Trade payables Turnover Ratio	In Days	16.00	19.00	(16%)
Net Capital Turnover Ratio	In Days	118.00	94.00	26%

Industry Structure and Developments:

The industry structure and developments have been comprehensively detailed in the Directors' Report.

Internal Control Systems and their Adequacy:

The Company's internal control systems and their adequacy have been discussed in detail in the Directors' Report.

Human Resources:

The Company has implemented a recruitment and training policy to meet its human resource requirements. Its performance on the industrial relations front continues to be satisfactory.

Cautionary Statement:

Certain statements in this "Management Discussion and Analysis Report" may be forward-looking, as required by applicable laws and regulations. Actual results may differ materially from those projected, due to various risk factors and uncertainties beyond the Company's control.

* * * * *

Annexure I: Corporate Governance Report 2024-25

THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The corporate governance framework of the company is led by the following practices:

Corporate Governance is about meeting our goals responsibly and transparently while being accountable to our stakeholders. Our company's governance considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability, and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, the value chain, the community, investors, and the Government.

The Company, in addition to compliance with regulatory requirements, also endeavours to ensure high standards of ethical conduct in the Organization.

1. A Report on Corporate Governance is given below and Auditor's certificate in compliance with the provisions of Corporate Governance is enclosed separately.

2. ***BOARD OF DIRECTORS***

2.1. ***Composition and Category of Directors:***

The Board of Directors as of 29th May 2025 consists of Nine Directors: One Executive Director, Three Non-Executive Directors, and Five Independent Directors, and hence complies with SEBI Regulations. The details of the composition of the Board of Directors are as follows:

Name of the Director	Category	Particulars
Sri K.Thiagarajan	Chairman and Managing Director	Executive Director
Dr (Smt) Uma Kannan	Director	Non-Executive Woman Director
Sri V.Kasinathan	Director	Non-Executive Director
Sri RM.Somasundaram	Director	Non-Executive Director
Sri T.N.Ramanathan	Director	Independent Director
Sri Ganesh Ananthakrishnan	Director	Independent Director
Sri M.Anbukani	Director	Independent Director
Sri L.Sevugan	Director	Independent Director
Sri C.R.Venkatesh	Director	Independent Director

During the financial year, the composition of the Board was not changed.

2.2. ***Details of the Directors***

The current composition of the Board of Directors complies with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and the provisions of the Companies Act, 2013.

Sri K. Thiagarajan, Chairman & Managing Director, and Dr (Smt) Uma Kannan, Director, are related to each other.

None of the Directors on the Board is a member of more than 10 Committees as per the requirements of Regulation 26 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. Necessary disclosures have been made by the Directors in this regard.

The Board meets at least once a quarter to review the performance of the Company and also meets as and when to transact any special business that may arise.

Dr.(Smt.) Uma Kannan Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for reappointment as a Director of the Company. She is eligible and offers herself for reappointment. Her brief profile is as follows.

Dr.(Smt.) Uma Kannan was appointed as Woman Director of the Company on 25th March, 2015. She is Doctorate in Sociology from Madurai Kamaraj University. She is the Director of M/s.Thiagarajar Mills Pvt Limited, M/s.Thiagarajar Telekom Solutions Private Limited, Colour Yarns Private Limited, and Partner in Madurai Malli Fragrances LLP. As such, she possesses knowledge and experience in Corporate affairs.

Dr.(Smt.) Uma Kannan does not hold any equity shares in the Company.

All Directors have certified that the disqualifications mentioned under sections 164, 167, and 169 of the Companies Act, 2013 do not apply to them. Independent Directors have confirmed that they have complied with the Code for Independent Directors mentioned in Schedule IV of the Companies Act, 2013 and that they are not disqualified to act as an Independent Directors in compliance with the provisions of section 149 of the Companies Act, 2013.

Independent Directors' Criteria

The Board of Directors confirms that the Independent Directors fulfill the criteria in respect of their independency as referred under the provisions of Section 149 and Schedule IV to the Companies Act, 2013 and under the regulations referred to in the SEBI (LODR) Regulations as amended from time to time.

Familiarization Programme: At the time of induction, the Company familiarizes the Independent Directors concerning their role & responsibilities, industry outlook, business strategy, Company's operations, etc. Thereafter, the Independent Directors are provided with necessary documents, reports, internal policies, and updates to familiarise them with the Company's business, policies, procedures, and practices at various Meetings held during the year.

2.3. ***Code of Conduct***

The Code of Conduct laid down by the company, which has been adopted by the Board of Directors, applies to the Directors and all employees of the Company. This Code of Conduct emphasizes the Company's commitment to compliance with the highest standards of legal and ethical behaviour. The Code of Conduct is available on the website of the Company www.vtmill.com under the heading 'Investor Information'. All Directors and senior management have adhered to the Code of Conduct of the Company during the year and have signed declarations of compliance to the Code of Conduct. The declaration signed by Chairman and Managing Director, is given separately in the Annual Report.

2.4. ***List of skills/expertise or competence of the Board of Directors***

The Board comprises Members who have varied skills, experience, and knowledge to effectively govern and direct the organization. The skills and attributes of the Board can be broadly categorized as follows:

- Governance skills (skills directly relevant to performing the Board's varied functions, including key functions).
- Industry skills (Skills relevant to the Textile industry);
- Financial skills (Skills relevant to Finance, Treasury, and Banking Management).
- Accounting skills (Skills relevant to Accounting Functions).
- Administrative skills (Skills relevant to administrative functions).

Details of listed entities where the Directors of the Company are Directors and category of Directorship:

Directors	**Listed Entities**	**Category of Directorship**
-	-	-

2.5. ***Shareholding of Directors and Key Managerial Personnel***

As of March 31, 2025 the following shares of the Company were held by Directors:

Name	**Designation**	**No. of shares**
Sri. K. Thiagarajan	CMD	739200
Sri RM. Somasundaram	Director	60000
Sri V. Kasinathan	Director	3000

No other Director or Key Managerial Personnel holds any shares in the Company.

2.6. ***Board Meetings, Annual General Meeting and Attendance***

During the year under review 5 Board Meetings were held and sitting fees have been paid to the Directors as detailed herein:-

Director Name	23.05.24 (Rs.)	07.08.24 (Rs.)	11.11.24 (Rs.)	18.12.24 (Rs)	10.02.25 (Rs)	Total (Rs.)
K. Thiagarajan	-	-	-	-	-	-
Uma Kannan	5000	5000	5000	5000	5000	25000
RM.Somasundaram	5000	5000	5000	5000	5000	25000
Kasinathan V	5000	-	5000	-	5000	15000
M. Anbukani	5000	5000	5000	-		15000
T.N.Ramanathan	-	-	-	-	-	-
Ganesh AnanthaKrishnan	5000	-	5000	5000	5000	20000
L.Sevugan	5000	5000		5000	5000	20000
CR.Venkatesh	-	5000	-	5000	5000	15000
TOTAL	30000	25000	25000	25000	30000	165000

No sitting fees were paid to Sri K. Thiagarajan, Chairman and Managing Director and Mr. T.N. Ramanathan, Independent Director.

Smt K. Preyatharshine, Company Secretary of the Company has attended all meetings except the meeting held on 18.12.2024 of the Board of Directors.

2.7. ***Board Committees***

In line with the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations (LODR) 2015, the Company has constituted an Audit Committee, a Nomination and Remuneration Committee, and a Stakeholders Relationship Committee.

These Committees' composition, terms of reference, attendance, and other details are mentioned later in this Report.

2.8. ***Directorships and Committee membership in other companies***

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees [as specified in Regulation 26 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015] across all listed companies in India of which he/she is a Director.

Independent Directors do not serve in more than 7 listed companies. None of the Independent Directors are whole-time directors in any listed Company.

Directorships and Membership of Committees in other companies held by Directors as on March 31, 2025 and the Attendance of the Directors at the Board meetings and the Annual General Meeting is given below:

Names of the Directors	Category	No. of Board Meetings attended in VTM	Attendance at the last AGM held on 24.07.2024	No. of Other Directorships in other companies	No. of memberships in Board Commit-tees in VTM	Whether Chairman/ Member
Thiru K. Thiagarajan	NED	5		4	2	Member
Dr.(Smt.) Uma Kannan	NED	5	√	4	-	
Thiru RM. Somasundaram	NED	5		2	-	
					-	
Thiru T.N.Ramanathan	NEID	3	√		1	Chairman
Thiru Ganesh Ananthakrishnan	NEID	4		3	2	Member
Thiru L.Sevugan	NEID	4		1	2	Member
Thiru CR.Venkatesh	NEID	3		2	-	
Thiru M.Anbukani	NEID	3		4	2	Chairman
Thiru V.Kasinathan**	NED	3		2	1	Member

ID: Independent Director   VTM – VTM LIMITED

NED-Non Executive Director. NEID-Non Executive Independent Director.

Note:

1. Smt Uma Kannan, Director and Thiru.TN.Ramanathan, Director have attended the Annual General Meeting held on 24.07.2024.

3. ***AUDIT COMMITTEE***

3.1. Constitution and Composition: The Audit Committee was constituted during the financial year 2001-2002, and reconstituted in view of the changes in Independent Directors in 2022-23. Accordingly, the Audit Committee composition has been as under:

From 1-4-2022 till 18-09-2022 Consist following Directors

Director	Category
Thiru A. Mariappan	Chairman
Thiru Ganesh Ananthakrishnan	Member
Thiru L.Sevugan	Member

From 19-09-2022 till 28-10-2022, Consist following Directors

Director	Category
Thiru Ganesh Ananthakrishnan	Member
Thiru L.Sevugan	Member
Thiru CR.Venkatesh	Member

From 28-10-2022* Consists of the following Directors

Director	Category
Thiru M.Anbukani	Chairman
Thiru Ganesh Ananthakrishnan	Member
Thiru L.Sevugan	Member

*Effective from the conclusion of the meeting held on 28.10.2022

There is no change in the composition of the Audit committee. The Chairman and Managing Director is the permanent invitee to all meetings. The Company Secretary is the Secretary to the Audit Committee. All Directors are financially literate, and Mr. M. Anbukani, Independent Director, has expertise in industry-related financial management. Besides, Mr.Ganesh Ananthakrishnan also has sound finance experience and industrial knowledge (including software). Mr. L. Sevugan has industry experience. The Statutory Auditors are invited to the meetings to discuss with the Directors the scope of the audit, their comments, and recommendations on the accounts, records, risks, internal procedures, and internal controls of the Company.

3.2. **Terms of Reference:** The terms of reference of the Audit Committee cover all the areas mentioned under Part C of the Schedule II to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013. The Board has also included in the terms of reference of the Audit Committee, the monitoring, implementing and review of risk management plan as required under Regulation 18 and as per Part C (Role of Audit committee) of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The broad terms of reference of the Audit Committee therefore include the whole review of financial reporting process and all financial results, statements and disclosures and recommending the same to the Board, reviewing the internal audit reports and discussing the same with the Internal auditors, reviewing internal control systems and procedures, to meet the statutory auditors and discuss their findings, their scope of audit, Post audit discussion, adequacy of internal audit functions, audit qualifications, if any, appointment / removal and remuneration of auditors, changes in accounting policies and practices including Ind AS, reviewing approval and disclosure of all related party transactions, reviewing with the management, the performance of the statutory and internal auditors and their remuneration, compliance with listing agreements/ SEBI(LODR) Regulations, and other legal requirements and the Company's financial and risk management plan and policies and its implementation, disaster recovery policies and compliance with statutory requirements.

3.3. Internal Audit: The Internal Audit of the Company is carried out by M/s. GSN & Associates, Chartered Accountants, Coimbatore, periodically and they interact with Statutory auditors for the Company's audit matters.

3.4. Attendance: During the financial year ended March 31, 2025, Five meetings of the Audit Committee were held :

Director Name	23.05.24 (Rs.)	07.08.24 (Rs.)	11.11.2024 (Rs.)	18.12.24 (Rs)	10.02.25 (Rs.)	Total (Rs.)
Ganesh Ananthakrishnan	5000	-	5000	-	5000	15000
L.Sevugan	5000	5000	-	5000	5000	20000
M.Anbukani	5000	5000	5000	5000	-	20000
TOTAL	15000	10000	10000	10000	10000	55000

4. ***Remuneration to Directors***

Total Remuneration paid to Non-Executive Directors for attending meetings of the Board and Committees during the year ended March 31, 2025 is given below:

Name of the Director	Sitting Fees (For Board & Committee Meetings)
Thiru K.Thiagarajan, CMD	---
Dr.(Smt.) Uma Kannan	Rs.25000/-
Thiru RM. Somasundaram	Rs.25000/-
Thiru V.Kasinathan	Rs.20000/-
Thiru T.N.Ramanathan	---
Thiru Ganesh Ananthakrishnan	Rs.45000/-
Thiru L.Sevugan	Rs.50000/-
Thiru M.Anbukani	Rs.35000/-
Thiru CR.Venkatesh	Rs.20000/-

5a. *NOMINATION AND REMUNERATION COMMITTEE*

Constitution and Composition: The Nomination and Remuneration Committee was constituted on April 25, 2014 in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Sri. Ganesh Ananthakrishnan, an Independent Director, is the Chairman of the Committee. The other members were Sri.T.Kannan and Sri.M.Anbukani.

The committee was reconstituted after the demise of Mr T Kannan.

From 14-06-2023 Consists of the following Directors

Director	Category
Thiru M.Anbukani	Chairman
Thiru Ganesh Ananthakrishnan	Member
Thiru L.Sevugan	Member
Thiru K. Thiagarajan	Member

Terms of Reference: The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under Schedule II Part D of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating to remuneration and employment, terms of Whole Time Directors and senior management personnel, adherence to the remuneration/employment policy as finally approved by the Board of Directors, preparing the criteria and identify persons who may be appointed as Directors or Senior Management of the Company, preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors and employees of the Company, reporting non-compliances to the Board of Directors, recommending draft of the report required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which will form part of the Directors Report to Shareholders, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

One meeting was held during the financial year ended March 31, 2025:

Director Name	10.02.2025 (Rs.)	Total (Rs.)
Ganesh Ananthakrishnan	5000	5000
M.Anbukani	-	-
L.Sevugan	5000	5000
K.Thiagarajan	-	-
TOTAL	10000	10000

Remuneration Policy: During the year, the Committee reviewed the Nomination and Remuneration Policy and as recommended by the Nomination and Remuneration Committee, the policy has been approved by the Board of Directors.

The terms of reference of the Committee inter alia, include the following:

Succession planning of the Board of Directors, and Senior Management Employees.

Identifying and selecting of candidates for appointment as Directors/ Independent Directors based on certain laid down criteria; identifying potential individuals for Senior Management positions.

Formulate and review from time to time, the policy for the selection and appointment of Directors, Key Managerial Personnel, and senior management employees and their remuneration.

Review the performance of the Board of Directors and Senior Management Personnel based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable to attract, retain good managerial talent.

Remuneration to Directors:

Sri K.Thiagarajan, the Chairman and Managing Director of the company is entitled to a remuneration not exceeding 5% of the Net Profits as computed u/s. 198 of the Companies Act, 2013, and accordingly a sum of Rs.250 lakhs has been provided as remuneration for the year 2024-25.

The Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. They are also entitled to a commission not exceeding 1% of the net profits of the Company.

5b. Corporate Social Responsibility Committee:

The Company established the CSR Committee on 24th April 2014. The CSR Committee was charged with the responsibility to discharge functions related to CSR activities to be carried out as per Schedule VII of the Companies Act 2013 and the amendments made thereon. As per the notification issued by MCA, there is no necessity to form a CSR Committee if the prescribed CSR expenditure does not exceed Rs.50 Lakhs in the year, the Board of Directors can discharge the CSR Committee functions and activities. Therefore CSR Committee was disbanded and future review of CSR obligations, including progress monitoring, coordination with implementing agency, etc, came under the purview of the Board of Directors on and from 01.04.2021.

The CSR Policy, which was approved by the Board, is available on the Company's website.

Separate Meeting of Independent Directors:

The Independent Directors of the company M/s. T. N. Ramanathan, Ganesh Ananthkrishnan, C R Venkatesh, and L. Sevugan met on 10th February 2025 without the attendance of Non-Independent Directors and members of management. They deliberated and reviewed the performance of the Non-Independent Directors and the Board as a whole. Besides they assessed the quality, quantity, and timeliness of the flow of information between the Company management and the Board members that is essential for the Board to effectively and reasonably perform their duties.

SHARES:

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee considered and reviewed the Terms of Reference of the Committee taking into account the additional role of SRC as amended under Schedule II Part D(B) of the SEBI (LODR) Regulations, 2015.

Constitution and Composition: The Stakeholders Relationship Committee has been reconstituted in terms of Regulation 20 of the SEBI (LODR) Regulations duly amended consisting of Sri T.N. Ramanathan an Independent Director as Chairman and Sri T. Kannan and Sri K. Vethachalam as Members of the Committee. The committee was reconstituted after the demise of Mr T Kannan.

The committee consists of the following Directors

Director	Category
Thiru T N Ramanathan	Chairman
Thiru K Thiagarajan	Member
Thiru V Kasinathan	Member

The committee met once during the year on 10.02.2025. The Stakeholders' Relationship Committee has approved during the year, the transfers, transmissions, and demat requests. Smt K Preyatharshine, Secretary of the Company, is also the Secretary and Compliance Officer for the Committee.

During the year, twenty shareholder grievances were received related to transfer, transmission, dividend, Balance Sheet, KYC update, name change requests, and IEPF claims. Except for five cases, all others were resolved. No share transfers were pending as on March 31, 2025.

Reconciliation of Share capital audit:

Mr. S. Ramalingam, PCS (CP Number:23495) carries out the Reconciliation of the Share capital audit as mandated by SEBI, and reports on the reconciliation of total issued and listed capital with that held in dematerialised form with CDSL and NSDL, and shares held in physical form.This audit is carried out every quarter, and the report thereon is submitted to stock exchanges, and also placed before the Board.

Information on Unclaimed Dividend:

The company till the ended financial year 2024, has transmitted 864000 equity shares of the company into the DEMAT account of the IEPF Authority held with NSDL (DP ID Client ID IN300708-10656671) in terms of Provisions of Section 124(6) of the companies Act 2013, and the related IEPF Rules. These equity shares were the shares of holders whose unclaimed dividends pertaining to the earlier years, had been transferred to IEPF and who had not encashed their dividends for seven subsequent financial years. The company during the year ended 2025, has transmitted 57769 equity shares of the company into DEMAT account of the IEPF Authority held with NSDL (DP ID Client id IN300708-10656671) in terms of Provisions of Section 124(6) of the companies Act 2013, and the IEPF rules, relating to year 2014-15, totalling 921769 shares in the above said NSDL demat account(DP ID Client id IN300708-10656671).

The Company intimated through individual reminders to concerned shareholders advising them to encash their dividend, for the unclaimed period, before the transfer of the shares to the Fund.

The Company will be intimating through individual reminders to concerned shareholders advising them to encash their dividend and the complete list of such shareholders, whose shares will be due for transfer to IEPF during 2025-26 and it has been placed on the website of the company.

Under provisions of the Companies Act 2013, Company is committed to making timely payments of dividends.

The Unclaimed dividends relating to the past 7 years are as below:

Particulars	**Year**	**Amount**
	Relating to	**Rs.**
Unclaimed dividend	2017-18	1243863.00
Unclaimed dividend	2018-19	1475693.10
Unclaimed dividend-Int	2019-20	1072333.80
Unclaimed dividend	2020-21	812809.00
Unclaimed dividend	2021-22	918855.30
Unclaimed dividend	2022-23	765787.60
Unclaimed dividend Int	2023-24	246890.00
Unclaimed dividend Fin	2023-24	750323.75
Unclaimed dividend Int	2024-25	302178.00

Distribution of Shareholding as on 31.03.2025:

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Up to 5000	5,438	95.82	21,68,644	5.39
5001 – 10000	87	1.53	6,18,371	1.53
10001 - 20000	70	1.23	10,20,375	2.53
20001 - 30000	21	0.37	5,33,344	1.32
30001 - 40000	13	0.22	4,56,324	1.13
40001 - 50000	1	0.01	42,000	0.10
50001 – 100000	27	0.47	19,72,550	4.90
100001 – above	18	0.31	3,34,15,992	83.06
Total	5675	100.00	40227600	100.00

Shareholding pattern as on 31st March 2025:

Category	No.of Holders	Total Shares	% To Equity
PROMOTERS	6	2,64,55,200	65.763804
RESIDENT INDIVIDUALS	5,454	78,17,413	19.432959
PROMOTERS BODIES CORPORATE	2	28,40,300	7.060575
NRI PROMOTER GROUP	1	8,74,200	2.173135
I E P F	1	8,64,000	2.147779
BODIES CORPORATES	36	8,45,438	2.101637
H U F	95	2,58,528	0.642663
ALTERNATIVE INVESTMENT FUND	1	1,80,044	0.447563
NON RESIDENT INDIANS	43	57,198	0.142186
NON RESIDENT INDIAN NON REPATRIABLE	36	35,279	0.087698
Total	5,675	4,02,27,600	100.00

The Company has not issued any ESOP or ESOS to its Employees / Directors.

Dematerialization of shares:

The shares of the Company have been dematerialized and the unique ISIN number allotted for the Company as under:

ISIN: INE222F01029

Currently, 99.96% of the total shares have been dematerialized.

The Shares held by Promoters have all been dematerialized.

Listing at Stock Exchanges:

Sl.No	Name of the Exchange	Code	Address
1.	**Bombay Stock Exchange Ltd**	**532893**	Regd. Office: Floor 25, PJ Towers, Dalal Street, MUMBAI - 400 001

TRADING SYMBOL AT BSE : VTM

Demat ISIN No. : INE222F01029
Exchange : BSE
Share Price movements:
Market price data :

Month	HIGH Rs.	LOW Rs.
APRIL 2024	73.71	65.57
MAY 2024	71.25	65.61
JUNE 2024	71.95	63.11
JULY 2024	72.8	67
AUGUST 2024	75.98	68.11
SEPTEMBER 2024	78	71.6
OCTOBER 2024	77.18	66.35
NOVEMBER 2024	133.5	66.77
DECEMBER 2024	178	120.15
JANUARY 2025	180.9	157.8
FEBRUARY 2025	232.35	180
MARCH 2025	216	165.5

The share quotations are stated for the Re 1/- Face value of the company's equity share.

Stock Options: **NIL**.
Plant Location: Sulakarai, Virudhunagar, Pin: 626 003

6.1 Compliance Officer : Smt K Preyatharshine, Company Secretary, is the Secretary and the Compliance Officer and her contact details are given below :

Smt K Preyatharshine,
Company Secretary and Compliance Officer
VTM Limited
Sulakarai,
Virudhunagar-626003
Phone : 0452 -2482595-Ext 549
Email : compliianceofficer@vtmill.com

6.2 Details of Request/ Grievances from Shareholders:

No. of complaints remaining unresolved as on 31.03.2024	:	2
No. of Requests received during the year	:	20
No. of Requests resolved during the year	:	17
No. of unresolved as of 31.03.2025	:	5

7. ***GENERAL BODY MEETINGS***

Particulars of last three Annual General Meetings are given below

Details of the last three Annual General Meetings (AGM).

AGM for the Financial Year ended	Date & Time of AGM
31st March, 2024	24th July 2024 at 10.00 AM
31st March, 2023	03rd July 2023 at 12.05 PM
31st March, 2022	30th June 2022 at 11.00 AM

All the resolutions set out in the AGM Notice were passed by the Shareholders (e-voting).

The Annual General Meeting was held at the Registered Office of the Company.

7.1 Pledge of shares held by Promoters: No pledge has been created by the Promoters on the equity shares held as on March 31, 2025.

7.2 Special resolutions:

The ensuing 78th Annual General Meeting to be held on 02nd July, 2025 no resolution is proposed to be passed by postal ballot.

7.2.1 Pursuant to section 108 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and other applicable requirements, voting at the 78th Annual General Meeting will be made through electronic voting. The electronic voting period commences on 24th June, 2025 (9:00 am) and ends on 01st July, 2025 (5:00 pm) both days inclusive.

7.2.2 Scrutinizer for electronic voting : Mr. S.Ramalingam, Practising Company Secretaries (C.P No 23495) of Madurai, has been appointed as the Scrutiniser to scrutinize the electronic voting process fairly and transparently and to give his report to the Chairman.

8. **DISCLOSURES:**

8.1 Details of transactions with related parties have been reported in the Notes to Accounts. All the transactions with related parties are at arm’s length basis. All transactions entered into with Related Parties as defined under the

Companies Act, 2013 and as per Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis.

There were no materially significant transactions with the related parties during the year, that were in conflict with the interests of the company and that require approval of the company in terms of SEBI (LODR) Regulations.

The Transactions with the related parties of a routine nature have been reported as per Ind AS 24 notified under Companies (Indian Accounting Standards) Rules, 2015.

8.2 Disclosure of Accounting Treatment: Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February 2015 relating to the Companies (Indian Accounting Standards) Rules, 2015 the Company has adopted "Ind AS" with effect from 1st April 2017. Accordingly, the Financial Statements for the year 2024-25 have been prepared in compliance with the Companies (Indian Accounting Standards) Rules, 2015.

8.3 Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Ind AS Financial Statements.

8.4 There were no instances of non-compliance by the Company or any penalties or strictures imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

8.5 The Company has in place an Employee Concern (Whistle Blower) which is also available on the Company's website. No personnel has been denied access to the Audit Committee to lodge their grievances.

8.6 All mandatory requirements have been appropriately complied with.

8.7 The Management Discussion and Analysis Report forms a part of the Directors' Report.

8.8 No presentations were made to institutional investors and analysts during the year.

8.9 The Company does not have any Subsidiary or Associate.

8.10 There have been no public issues, rights issues, or other public offerings during the past five years. The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

8.11 Disclosures

a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013, and the Listing Regulations during the financial year 2024-25 were in the ordinary course of business, and arms-length basis and approval of the Audit Committee was also obtained. Necessary disclosures regarding Related Party Transactions are given in the notes to the Financial Statements.

The Board has approved a policy for Related Party Transactions and the same has been uploaded on the website of the Company. The web link thereto is as under https://www.vtmill.com/images/investor/Policy_on_Related_Party_Transactions.pdf

b) Compliance with Indian Accounting Standards (Ind-AS)

In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Indian Accounting Standards (Ind AS). The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements. There is no deviation in following the treatments prescribed in Ind AS in the preparation of financial statements for the year 2024-25.

c) Statutory Compliance, Strictures and Penalties

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

The Company has obtained an Annual Compliance Certificate for the year ended 31st March 2025 as per SEBI Circular from Mr. S. Ramalingam, B.L.,ACS., Practicing Company Secretary confirming compliance with SEBI regulations.

d) CMD & CFO Certification

The CMD Sri. K. Thiagarajan and CFO Sri. K. Deenadayalan, has certified to the board about the financial statements and other matters as required by the SEBI Listing Regulations. The certificate is appended as an Annexure to this report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

e) Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has formulated Vigil Mechanism / Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance, securely and confidentially. The said policy provides adequate safeguards against victimization of Directors/employees. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company under the web-link https://www.vtmill.com/images/investor/Whistle-Blower-Policy-Vigil-Mechanism.pdf. The Company affirms that no personnel of the Company has been denied access to the Audit Committee to lodge their grievances.

f) Certificate on Non-disqualification of Directors

The Company has obtained a certificate from Mr. S. Ramalingam, Practising Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this Report.

g) Subsidiaries

The Company does not have a Subsidiary or Associate.

9. ***MEANS OF COMMUNICATION***

9.1 Quarterly results are published in the Business Standard (All India Edition) and the Tamil version thereof in Malai Malar, within the stipulated time (within 48 hours) after the Board meeting where the results are approved as mentioned in the SEBI Regulations. These financial results and quarterly shareholding pattern are electronically transmitted/Uploaded to the stock exchange and are also uploaded on the Company's website www.vtmill.com.

9.2 Shareholder communication including Notices and Annual Reports are being sent to the email addresses of Members available with the Company and the Depositories. Annual Accounts are sent to Members at least 25 days before the date of the Annual General Meeting.

The Management Discussion and Analysis Report forming part of the Annual Report is enclosed. [Regulation 34 and Schedule V of the Listing SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.]

9.3 The Company's website:

www.vtmill.com makes online announcements of Board Meetings results of the quarterly financial results, announcement of the date of the Annual General Meeting and proposed dividend, and other announcements. Copies of Notices sent to Shareholders are also available on the website, along with the newspaper publication.

9.4 Date of payment of Dividend:

Dividends if declared in the Annual General Meeting will be paid to the shareholders within the stipulated time as per the Act.

9.5 **Status of Physical shares-Suspense Escrow demat account:**

As per SEBI Notification dated 24th Jan 2022 and SEBI Circular dated 25th Jan,2022 in case the securities holder/claimant fails to submit the demat clearance, as given by the RTA(K Fin technologies Ltd)to the DP within the specified period of 120 days (as per circular dated 1^{st} April 2022) RTA / Issuer Companies shall credit the securities to the Suspense Escrow Demat Account of the Company, exclusively opened by the Company (as directed by SEBI) for this purpose.

Therefore, due to the above reason and due to the SEBI circular on early conversion of physical shares into Demat shares, the physical shareholders shall have to adhere to the timeline and also dematerialize their shares as early as possible.

9.6 Address for communication:

All communication regarding share transactions, change of address, bank mandates, nominations, etc. should be addressed to the Company and the Registrars and Share Transfer Agents of the Company at the following address:

Registrar & Transfer Agent:
KFin Technologies Ltd.
(Unit: VTM LIMITED)
Karvy Selenium Tower B, Plot No 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad – 500 032.
Ph : +91 040 67161518
Contact Person: Mr.D.SURESH BABU- Manager –Corporate Registry.

The shareholders should also address their correspondence to:-
Smt K Preyatharshine,
Company Secretary
VTM LIMITED
Chairman's Office: Thiagarajar Mills Premises
Kappalur, Madurai-625 008.
Phone: 0452-2482595

Grievances, if any, may also be addressed to the Company Secretary at email at complianceofficer@vtmill.com

Shareholders are requested to mention their Folio Nos., DP-ID, and Client ID in case of Demat shares, phone and mobile nos., and their Email ID so that the Company/Compliance Officer can contact them and redress their complaints immediately. However, for instructions like the change of bank mandate, change of address, transfers & transmission of shares, etc. letters duly signed by the Shareholders concerned should be sent, otherwise, such requests cannot be processed by the Registrars. Email ID of Shareholders will have to be registered with the Company to enable the Company or the Registrars to communicate electronically.

Communication to shareholders on Email - Green Initiative of Exchanges:

As mandated by the Ministry of Corporate Affairs (MCA), and as per ESG Guidelines (**Environment Social and Governance** Guidelines) specified documents like Notices, Annual Reports, ECS advice for Dividends, etc. are sent to the shareholders at their email address, as registered with their Depository Participants / Company / Registrar and Transfer Agents (RTA), which help in prompt delivery of a document, reduce paper consumption, save trees and avoid loss of documents in transit. Due to this reason Shareholders holding shares in Physical form are requested to send their email id to company.

GENERAL SHAREHOLDER INFORMATION

1. Date, Time and Venue of the Annual General Meeting.		02nd July, 2025 at 11.00 am at the Registered Office at Sulakarai, Virudhunagar.
2. Dates of Book Closure/Record date for Financial Year 2023-24		Register of Members will be closed from 21st June 2025 to 02nd July, 2025.
3. Results for Quarter ending June 30, 2025 (Provisional)		4th Week of July, 2025.
Results for Quarter ending September 30, 2025 (Provisional)		3rd Week of October, 2025.
Results for Quarter ending December 31, 2025 (Provisional)		3rd Week of January, 2026.
Financial Calendar – 1st April 2025 To 31st March 2026 (Audited)		2nd Week of May, 2026.

CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

Anand Seethakathi Business Centre, 2nd Floor, No. 684-690
Anna Salai, Thousand Lights, Chennai - 600 006. India.
Tel : +91 - 44 - 4554 1480 / 81 / 82
Web : www.cngsn.com ; Email : info@cngsn.com

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of VTM Limited

We have examined the compliance of conditions of Corporate Governance by VTM Limited ('the Company') for the year ended March 31, 2025 as per Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's responsibility for compliance with the conditions of the listing regulations

The Company's Management is responsible for compliance of conditions of Corporate Governance including the preparation and maintenance of all relevant supporting records and documents as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above-mentioned Listing Regulations.

Auditors' responsibility

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither anauditnoran expression of opinion on the financial statements ofthe Company.Pursuant to the requirements ofthe Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31,2025.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under the Section 143 (10) of the Companies Act, in so far as applicable for the purpose of this certificate.

The Guidance Note on Reports or certificates for Special Purposes requires that we comply with the ethical requirements ofthe Code of Ethics issued by the ICAI.We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Sen/ices Engagements.

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Restrictions on use

This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No.004915S/ S200036

E.K. Srivatsan

(E K SRIVATSAN)
Partner
Membership No. 225064
UDIN: 25225064BMJMQO6620

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

Place: Chennai
Date: May 29, 2025

S. Ramalingam, M.Com.,BL, ACS.
Company Secretary in Practice
ACS 61773 CP.No:23495
PR Code : 6185/2024

7/14 Shri lakshmi Illam, Kurinji St,
Ganapathy Nagar, New Vilangudi
Madurai-625018
Phone :9894311704.

Annexure II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2025.

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

To,

The Members,
VTM LIMITED,
(CIN : L17111TN1946PLC003270)
SULAKARAI,
Virudhunagar – 626 003

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VTM 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 31.03.2025 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:

S. RAMALINGAM CP.No.23495 MADURAI-625 018

S. Ramalingam, M.Com.,BL, ACS.
Company Secretary in Practice
ACS 61773 CP.No:23495
PR Code : 6185/2024

7/14 Shri lakshmi Illam ,Kurinji St,
Ganapathy Nagar, New Vilangudi
Madurai-625018
Phone :9894311704..

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, 2025 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) SEBI (LODR) Regulations, 2015 & 2018.

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

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

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

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

(f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Taxation Laws, Labour Laws and Environmental Laws.

R

S. RAMALINGAM
CP.No 23495
MADURAI-625 018

S. Ramalingam, M.Com.,BL, ACS.
Company Secretary in Practice
ACS 61773 CP.No:23495
PR Code : 6185/2024

7/14 Shri lakshmi Illam ,Kurinji St,
Ganapathy Nagar, New Vilangudi
Madurai-625018
Phone :9894311704..

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

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

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Listing Agreements entered into by the Company with Bombay Stock Exchange.

(iii) SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other regulations of SEBI as applicable to the Company.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Managing Director, Non-Executive Directors, Independent Directors and a Woman Director. There is no changes in the composition of the Board of Directors.

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

The decisions of the Board have been unanimously passed.

S. RAMALINGAM
CP No.23495
MADURAI-625 018

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, rules, regulations and guidelines.

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

S. RAMALINGAM CS CP No. 23495 Madurai-18 Practicing Company Secretary

S.Ramalingam,

Company Secretary in Practice

ACS 61773 /C P No.:23495

PR Code : 6185/2024

Date : 28.05.2025

Place : Madurai - 625 018.

UDIN : A061773G000468839

S. Ramalingam, M.Com.,BL, ACS.
Company Secretary in Practice
ACS 61773 CP.No:23495
PR Code : 6185/2024

7/14 Shri lakshmi Illam, Kurinji St,
Ganapathy Nagar, New Vilangudi
Madurai-625018
Phone :9894311704.

'Annexure A'

(To the Secretarial Audit Report of VTM Limited for the financial year ended 31/03/2025)

To,
The Members,
VTM LIMITED,
(CIN : L17111TN1946PLC003270)
SULAKARAI,
Virudhunagar - 626 003

My Secretarial Audit Report for the financial year ended 31/03/2025 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and the 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, I followed provide a reasonable basis for my opinion.

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

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:

Name of Company Secretary in practice : S. Ramalingam
ACS 61773 CP.No:23495
PR Code : 6185/2024

Date : 28.05.2025
Place : Madurai - 625 018.

UDIN : A061773G000468839

S. RAMALINGAM
CP.No.23495
MADURAI-625 018

S. RAMALINGAM M.Com.,BL, ACS.
Company Secretary in Practice
ACS 61773 CP.No:23495
PR No :6185/2024

7/14 Shri lakshmi Illam ,Kurinji St,
Ganapathy Nagar
New Vilangudi ,Madurai-625018
Phone :9894311704.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members,
VTM LIMITED,
(CIN : L17111TN1946PLC003270)
SULAKARAI,
Virudhunagar – 626 003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VTM LIMITED having CIN : L17111TN1946PLC003270 and having registered office at Sulakarai, Virudhunagar-626003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers.

I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. RAMALINGAM
CP.No.23495
MADURAI-625 018

S. RAMALINGAM M.Com.,BL, ACS.
Company Secretary in Practice
ACS 61773 CP.No:23495
PR No :6185/2024

7/14 Shri lakshmi Illam ,Kurinji St,
Ganapathy Nagar
New Vilangudi ,Madurai-625018
Phone :9894311704.

Sr. No	Name of Director	DIN	Date of appointment in Company
1.	Sri.Thiagarajan K (CMD)	03638370	23.08.2013
2.	Smt.Uma Kannan	00467462	25.03.2015
3.	Sri.RM.Somasundaram	00071510	01.12.1984
4.	Sri.TN.Ramanathan	02561794	01.04.2019
5.	Sri.Ganesh Ananthakrishnan	00003586	25.03.2021
6.	Sri.L.Sevugan	03580186	25.03.2021
7.	Sri.Chinnakonda Rajendran Venkatesh	00122065	25.04.2022
8.	Sri. Mariappan Anbukani	00888339	28.10.2022
9.	Sri.Vethachalam Kasinathan	10308450	11.09.2023

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

Signature:

Name of Company Secretary in practice: S.Ramalingam.
ACS No.61733 C P No. :23495
PR No :6185/2024

Date : 28.05.2025
Place : Madurai - 625 018.

UDIN : A061773G000476704

S. RAMALINGAM
CS
CP No. 23495
Madurai-18
Practicing Company Secretary

ANNEXURE-IV TO THE DIRECTORS' REPORT

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.

1. STEPS TAKEN FOR CONSERVATION OF ENERGY:

   Energy Conservation:

   Power generated from Wind electric generators and 1.76MW capacity of newly installed ground mounted solar system continues to be utilized by the company, resulting in savings to the company.

   Also, previous years' efforts in reducing compressors' power consumption have resulted in the company's savings, further we have planned to optimize the compressor power by installed newer version compressor in next financial year .

2. STEPS TAKEN FOR ALTERNATE SOURCES OF ENERGY & CONSERVATION OF EQUIPMENTS.

   NEW LOOMS PURCHASE:

   4Nos of 190cm ITEMA Rapier looms with Leno attachment are imported from Italy at a cost of Rs.3.63Cr and installed to meet out global market requirements. Through the state-of-the-art weaving machines, we can weave larger and complicated dobby Leno designs with special yarn.

   Enhancement of Power infrastructure in Garments :

   For ensure the power quality and availability we have changed the Low tension power system to High tension power for our garments unit morally it will give comfort to increase our production capacity in future easily. To reduce the non conventional energy we are installing 90 KW solar roof top system. Now the work is under in progress it will be completed during the month of June 2025.

   Fabric inspection machines:

   To improve the packing quality and satisfy the customer requirement and ergonomics of the operators, 01No of narrow width roll packing machine is purchased at a cost of Rs. 2.5 Lakhs and installed in our grey warehouse and also we have purchased 02 wider width inspection machine with double side inspection facility for the finished fabric inspection at a cost of Rs.10Lakhs and installed in our Home Textiles Division.

Improvements in boiler to reduce the fuel consumption:

With Continuous evaluation and operation using green fuel the dependence on Fossil fuel is fully eliminated. Further reduction of fuel consumption by means of increasing the feed water temperature we have fitted Heat recovery system in compressor with the investment of 6.0 Lacks it will work with full pledge during the financial year will help us to save the fuel cost around 4% as well as the reduction of Green gas emission .

Alternate Source of energy:
Environment Social and Governance (ESG):

As with the current requirement/trend of leaning more on **ESG**, the Company is increased the Roof top Solar Plant Capacity to 908 KW (In DC) at a cost of Rs.210 Lakhs. The generated units are utilized by the company continuously. Further the company has installed 1760KW of ground mounted solar system in Tuticorin district - It will enormously help to optimize the power cost even though the TNEB increase its tariff rates.

VTM LIMITED-SULAKARAI

A. POWER AND FUEL CONSUMPTION		
Electricity	**31.03.2024**	**31.03.2025**
Purchased		
Units	4724869	3799956
Total Amount (Rs)	44538498.74	41952680.50
Rate Per Unit (Rs)	9.43	11.04
EB Demand Charges		
Units	4724869	3799956
Total Amount (Rs)	14853242.00	14498541.00
Rate Per Unit (Rs)	3.14	3.82

Own Generation: Diesel Generator		
Units	12644	9645
Units per litre of Oil (Rs)	1.99	2.16
Diesel Cost Per Unit (Rs)	46.14	42.09
Own Generation: Wind Mill		
Produced Units : (Produced units represent units generated after adjustment of line losses)	5928775.00	5840398.00
Availed Units	5928775.00	5840398.00
Own Generation: Solar Power		
Produced Units	950377.00	878518.00
Availed Units	950377.00	878518.00
Through Independent Power Producers and Power Exchange		
Units	2624486	3702685
Rate per unit (Rs)	7.78	7.17
VTM : HOME TEXTILES UNIT: ALAMPATTI		
Electricity : Purchased		
Units	492480.40	895858
Total Amount (Rs)	5837623.00	17245648.90
Rate Per Unit (Rs) (* Including EB Demand Charges)	11.85	19.25
B. CONSUMPTION PER UNIT OF PRODUCTION OF CLOTH		
VTM Limited: Sulakarai Electricity per Metre of production of cloth (Rs)	4.50	4.75
VTM Limited: Alampatti Electricity per Metre of production of cloth (Rs)	8.25	7.53

Note:

1. No standard rate of consumption is available.

2. As the company is producing Numerous varieties or Sorts of Cloth, separate details for each variety or Sort are not given.

II. TECHNOLOGY ABSORPTION AND RESEARCH AND DEVELOPMENT:

The Humidification plant was replaced with newer one with Energy efficient Motors.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company has earned during the year under report, foreign exchange equivalent to Rs.21,183.88 Lakhs (FOB value of exports) through direct exports.

The foreign exchange outgo during the period is as given below vs Rs.755.66 Lakhs spent(in total) in Previous Financial year.

Capital Goods	Rs.253.94 Lakhs
Components & Spares	Rs. 86.51 Lakhs

Total –Imported purchase-C.I.F Value Rs.340.45 Lakhs

Amidst challenges, the company is striving to expand the export market segment by broadening its geographical sweep.

For and on behalf of the Board of Directors,

Kappalur, Madurai
29th May, 2025.

K. Thiagarajan
Chairman & Managing Director
(DIN:03638370)

VTM LTD.

ANNEXURE V

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

Name of the party with which contract is entered into	Name of the Director interested	Relation with Director/ Company/ Nature of concern or interest	Duration	Salient Terms including value if any	Date of Board approval	Advance paid if any
1		2	3	4	5	6
Thiagarajar Mills P. Ltd	K.Thiagarajan Uma Kannan M.Anbukani	Director Director Director	Five Years from 01.04.2024	At arm's length price and in tune with market rates	03.05.2023	NIL

The Company has obtained consent from members at the AGM held on 03.07.2023 for entering into contracts exceeding the limits specified in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014

ANNEXURE VI

Particulars, Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

<table>
<tr><th>S.No</th><th>Particulars</th><th>Details</th></tr>
<tr><td>1.</td><td>The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;</td><td>Rs. in lakhs
<table>
<tr><td>Name of the Director</td><td>Designation</td><td>Remuneration</td><td>Ratio to Median Remuneration</td></tr>
<tr><td>Sri K. Thiagarajan</td><td>Chairman & Managing Director</td><td>250.00</td><td>225.23</td></tr>
</table></td></tr>
<tr><td>2.</td><td>The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year;</td><td><table>
<tr><td rowspan="2">Name of the Director</td><td rowspan="2">Designation</td><td colspan="2">Remuneration</td><td>Percentage increase/Dec in Remuneration</td></tr>
<tr><td>2023-24</td><td>2024-25</td><td></td></tr>
<tr><td>Sri K. Thiagarajan</td><td>Chairman & Managing Director</td><td>50.00</td><td>250</td><td>400%</td></tr>
<tr><td>Mr.K. Deenadayalan
Mr AN.Paramasivam</td><td>Chief Financial Officer
Chief Financial Officer</td><td>5.50
3.68</td><td>12.81
-</td><td>40%</td></tr>
<tr><td>Smt K Preyatharshine
Mr. S.Paramasivam</td><td>Company Secretary
Company Secretary</td><td>9.20
1.07</td><td>16.03
-</td><td>56%</td></tr>
</table></td></tr>
</table>

<table>
<tr><td>3.</td><td>The percentage increase in the median remuneration of employees in the financial year;</td><td>Rs. in lakhs<table><tr><td>Year</td><td>2023-2024</td><td>2024-2025</td><td>Increase /Dec</td></tr><tr><td>Median Remuneration</td><td>0.98</td><td>1.11</td><td>13%</td></tr></table></td></tr>
<tr><td>4.</td><td>The number of permanent employees on the rolls of Company;</td><td>533</td></tr>
<tr><td>5.</td><td>Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;</td><td><table><tr><td>Details</td><td>2023-2024</td><td>2024-2025</td><td>Increase</td></tr><tr><td>Employee cost (Excluding remuneration to Directors)</td><td>1526.62</td><td>2087.27</td><td>37%</td></tr><tr><td>Remuneration to Directors</td><td>50.00</td><td>250</td><td>400%</td></tr></table></td></tr>
<tr><td>6.</td><td>Affirmation that the remuneration is as per the remuneration policy of the company.</td><td>Yes .</td></tr>
</table>

Particulars of employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

NIL

ANNEXURE -VII

ANNUAL REPORT ON CSR ACTIVITIES

CSR Policy of the Company

1. Brief outline of the CSR Policy of the company:

   The policy encompasses the company's philosophy on giving back to society as a Corporate Citizen and lays down the guidelines /mechanism for undertaking socially useful programme for sustainable development of rural communities/education purposes.

2. Composition of CSR Committee:

   The CSR Committee was charged with the responsibilities to discharge functions related to CSR activities to be carried out as per Schedule VII of Companies Act 2013 and the amendments made thereon. As per notification issued by MCA, there is no necessity to form CSR Committee if the prescribed CSR expenditure does not exceed Rs. 50 Lakhs in the year, the Board of Directors can discharge the CSR committee functions and activities. Therefore CSR Committee got disbanded and future review of CSR obligations , including progress monitoring, co-ordination with implementing agency, etc.,came under the purview of Board of Directors on and from 01.04.2021.

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

   www.vtmill.com

4. Provide the details 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 (attach the report).

   Not Applicable

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:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in Lakhs)	Amount required to be set- off for the financial year, if any (Rs. in Lakhs)
1	22-23	-	-
2	23-24	0.13	0.13
	TOTAL		

6. Average net profit of the company as per section 135(5) **Rs. 1400.73 Lakhs**

7.(a) Two percent of average net profit of the company as per section 135(5) **Rs.28.01 Lakhs**

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

(c) Amount required to be set off for the financial year, if any **Rs 0.13 Lakhs**

(d) Total CSR obligation for the financial year (7a+7b- 7c). **Rs 27.88 Lakhs**

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 12.25 Lakhs	*Rs. 11.40Lakhs	28.04.2025	NA	NA	

* The total Corporate Social Responsibility (CSR) obligation for the financial year 2024–25, as per Section 135 of the Companies Act, 2013, was ₹28.01 lakhs. Out of this, the Company has spent ₹12.24 lakhs during the financial year ended 31st March 2025.

Further, an amount of ₹4.37 lakhs was incurred and spent on 3rd April 2025 towards an ongoing CSR project approved by the Board, prior to the statutory deadline for transferring unspent CSR amounts. This amount is considered as valid expenditure toward the FY 2024–25 CSR obligation under the applicable provisions of the Companies Act, 2013.

The remaining unspent amount of ₹11.40 lakhs, pertaining to the ongoing project, was transferred to the 'Unspent CSR Account' on 28th April 2025, within the prescribed timeline in accordance with Section 135(6) of the Companies Act, 2013.

(b)

(c) 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 Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementa tion - Direct (Yes/No}.	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Technology enhanceme Project	Promoting Education	Yes	Tamil Nadu	Madurai	1 Year	25.76 lakhs	Rs 7.77 Lakhs	-	No	KKTCMCT	CSR00003093
2.												
	TOTAL							Rs 7.77				

(d) 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.	Purchase of Spectacles for the Eye Camp	Promoting Healthcare	Yes	Tamil Nadu	Virudhunagar	40475	Yes	-	-
2	Purchase of RO Plant in Allampatti Village	Social Welfare	No	Tamil Nadu	Alampatti	395300	Yes	-	-
3	Erection and Commissioning RO Plant in Allampatti Village	Social Welfare	No	Tamil Nadu	Alampatti	11800	Yes	-	-
	TOTAL					447575			

(e) Amount spent in Administrative Overheads**: NIL**

(f) Amount spent on Impact Assessment, if applicable: **NIL**

(g) Total amount spent for the Financial Year (8b+8c+8d+8e) **Rs. 12.24 lakhs**

(h) Excess amount for set off, if any

Sl. No.	**Particulars**	**Amount (in Rs.)**
(i)	Two percent of average net profit of the company as per section 135(5)	**Rs.28.01 Lakhs**
(ii)	Total amount spent for the Financial Year	**Rs.12.25 Lakhs**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**-**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**Rs.0.13 Lakhs**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9.(a) Details of Unspent CSR amount for the preceding three financial years:Nil

Sl. No.	**Preceding Financial Year.**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.).**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.**			**Amount remaining to be spent in succeeding financial years. (in Rs.)**
				Name of the Fund	**Amount (in Rs).**	**Date of transfer.**	
1.	-	-	-	--	--	--	

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID.**	**Name of the Project.**	**Financial Year in which the project was commenced.**	**Project duration.**	**Total amount allocated for the project (in Rs.).**	**Amount spent on the project in the reporting Financial Year (in Rs).**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project - Completed /Ongoing.**
1.	**2021-22**	Infrastructure Enhancement Projects	**March, 2022**	**2 Years**	**80,00,000**	**70,82,778**	**70,82,778**	**Completed**
	TOTAL				**80,00,000**	**70,82,778**	**70,82,778**	**Completed**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Not applicable

(asset-wise details) -Nil

i. Date of creation or acquisition of the capital asset(s).: **NA**

ii. Amount of CSR spent for creation or acquisition of capital asset: **NA**

iii. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **NA**

iv. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **NA**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not applicable

K. Thiagarajan	**Uma Kannan**
Chairman and Managing Director	**Director**
DIN: 03638370	**DIN: 00467462**

VTM LTD.

Annexure VIII

Chairman & Managing Director's Certificate

Annual Certificate under Regulation 34(3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

DECLARATION

As required under Regulation 34(3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and Senior Management Personnel of the Company have complied with the Code of Conduct of the Company for the year ended March 31, 2025.

K.Thiagarajan

Chairman & Managing Director

(DIN: 03638370)

VTM LTD.

Annexure IX

Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

We, K.Thiagarajan, Chairman and Managing Director and K. Deenadayalan, Chief Financial Officer of the Company certify that -

A. We have reviewed the Financial Statements and Cash Flow Statement for the year ended 31.3.2025, and to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

   (ii) These statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws, and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal, or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify those deficiencies.

D. We have indicated to the Auditors and the Audit Committee that:

   i. There are no significant changes in internal control over financial reporting during the year.

   ii. The company has adopted Indian Accounting Standards (Ind AS) in terms of Companies (Indian Accounting Standards) Rules, 2015 for the current financial year and the same has been disclosed in the notes to the financial statements; and

   iii. There are no instances of fraud of which we became aware and the involvement therein if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

K.Thiagarajan
DIN: 03638370
Chairman & Managing Director

Date : 29.05.2025
Place : Madurai,

K.Deenadayalan
Chief Financial Officer

VTM LTD.

Annexure X: Remuneration Policy

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of four Directors of which two are Independent Directors and one Non-Executive Director and Chairperson (Executive) as the Members of the Committee and as such complies with the obligations of the Companies Act, 2013 and the corporate governance requirements of the Listing Agreement with stock exchanges. The Chairperson of this Committee is an Independent Director. The Chairperson of the Board of Directors is a member of this Committee but will not Chair this Committee.

The Committee operates under formal terms of reference which were approved by the Board on April 29, 2014. These terms of reference have been prepared in a manner to generally maintain overall continuity with the nomination and remuneration policies of the company while complying with the Companies Act, 2013, and the Listing Agreements with stock exchanges.

Role and Responsibilities

The Committee's foremost priorities are to ensure that the Company has the best possible leadership and maintains a clear plan for both Executive and Non-Executive Director succession. The Committee also reviews Senior Management succession. Its prime focus is therefore on the strength of the Board and the Senior Management team and ensuring that appointments are made on merit, against objective criteria, selecting the best candidate for the post. The Committee advises the Board on the appointments, retirements, and resignations from the Board and its Committees. It also advises the Board on similar changes to the Senior Management of the Company.

The Committee and its members are empowered to obtain outside legal or other independent professional advice, at the cost of the Company, in relation to its deliberations and to secure the attendance at its meetings of any employee or other parties it considers necessary.

Criteria for appointments and independence of Directors

When considering appointments to the Board and its Committees, the Nomination and Remuneration Committee will draw up a specification for the role taking into consideration the balance of skills, knowledge, and experience of its existing members, the diversity of the Board, and the Company's ongoing requirements. The Company believes that diversity underpins the successful operation of an effective Board and embraces diversity as a means of enhancing the business.

The recruitment process then focuses on appointing candidates who meet the criteria, and who have the relevant professional knowledge, professional qualifications, and experience. Successful candidates are likely to have demonstrable leadership qualities and interpersonal communication skills, act with integrity, and have international business exposure.

Care is taken to ensure that all proposed appointees have sufficient time available to devote to the role, are compliant with the rules, policies, and values of our Company, and do not have any conflicts of interest.

On appointments or promotions, the Committee will typically use the Remuneration Policy of the Company to determine ongoing remuneration. However, the Committee retains the discretion to make appropriate remuneration decisions outside the Standard Policy to meet specific circumstances.

Remuneration Policy

The overarching philosophy for remuneration within the company is to attract, retain, and motivate individuals of the caliber necessary to successfully implement the Company's business strategy. In particular, this means ensuring that incentive plans are appropriate to encourage enhanced performance and avoid rewarding underperformance. In viewing and setting the Company's remuneration policy, the Committee seeks to balance the interests of its employees and those of its stakeholders, to support Company strategy, where a meaningful portion of remuneration is performance-linked.

Remuneration Policy for Managing Director:

An appropriate level of remuneration may be set to ensure that the Company can appoint a Managing Director with the necessary skill and experience by offering him market-competitive remuneration reflecting his individual experience, role, and contribution. The appointment may be for a tenure of such years from the date of his appointment not exceeding the period in terms of Section 196 and as prescribed under Schedule V to the Companies Act, 2013. The individual's performance will be reviewed annually by the Nomination and Remuneration Committee and recommended to the Board enabling it to decide the remuneration payable to the Managing Director.

The total remuneration package may be designed to provide an annual remuneration payable by way of commission and other perquisites as decided by the Board of Directors however, not exceeding 5% of the net profits of the company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 and as determined by the Board of Directors of the Company for each financial year within the maximum permissible limit. Further, in the event of his being Managing Director in any other company, such remuneration shall not exceed the higher maximum limit admissible from any one of these companies, in terms of Schedule V to the Companies Act, 2013.

The Managing Director is not entitled to sitting fees for attending meetings of the Board or the Committees where he will be the Chairman/Member. He is entitled to have the Chairman's Office at his convenience at the Company's expense.

Remuneration Policy for Non-Executive Directors

Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or its Committees at rates that are within the limits prescribed under the Companies Act, 2013. They are also entitled to commission on net profits, as determined by the Board from time to time, not exceeding 1% of the net profits of the Company for that year. The level of remuneration is set to attract and retain Non-Executive Directors of the necessary skill and experience by offering them market-competitive remuneration.

Non-executive directors do not participate in Board discussions that relate to their remuneration. They receive reimbursement of reasonable expenses incurred in attending the Board, Committee, and other ad hoc meetings.

None of the Non-Executive Directors is entitled to receive compensation for loss of office at any time or participate in any retirement plans.

Non-Executive Independent Directors are appointed in compliance with the provisions of the Companies Act, 2013, and must adhere to the Code for Independent Directors laid down under Schedule IV to the Companies Act, 2013, and retain their independence during the entire tenure of appointment as an Independent Director. The terms of service of Non-Executive Independent Directors are contained in letters of appointment issued to them after their appointment at a general meeting of the Company. The current policy for Non-Executive Independent Directors of the Company is to serve for a maximum period of two terms of five years each, with review at the end of the first five-year term, subject always to mutual agreement and annual performance evaluation.

Remuneration is paid subject to deduction of Income Tax at source and payment of applicable GST.

Remuneration to Senior Management Personnel

Senior Management Personnel include one level below the Managing Director. Accordingly, the Personnel such as Chief Financial Officer, Company Secretary, Vice President / General Manager / Deputy General Manager but not including Administrative Staff. An appropriate level of remuneration is set to ensure that the Company can recruit and retain Senior Management with the necessary skills, professional qualifications, experience, and compliance with the rules and policies of the Company. Market competitive remuneration is offered to individuals reflecting their experience, and contribution within the Company. The individual's performance is reviewed from time to time with changes in remuneration normally. In considering any increase in base salary, the Committee will mainly consider the role, changes in job scope, responsibility, and complexity. The total remuneration package is designed to provide an appropriate balance between fixed and variable components with a focus on long-term variable pay so that strong performance is incentivized but without encouraging excessive risk-taking.

Remuneration arrangements of Senior Management Personnel consist of the same elements as those of other employees i.e. Basic Salary, HRA, and other allowances, retirement benefits (i.e. Provident Fund and Gratuity as per the Company's Schemes applicable to all employees), and perquisites as per Rules of the Company applicable to all employees according to their seniority including insurance, car and fuel perquisites.

As applicable to all employees, Senior Management Personnel are entitled to avail themselves of 30 days of leave in a year and unavailed leave can be accumulated as per the Company's rules up to a maximum of 30 days.

CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

Anand Seethakathi Business Centre, 2nd Floor, No. 684-690
Anna Salai, Thousand Lights, Chennai - 600 006. India.
Tel : +91 - 44 - 4554 1480 / 81 / 82
Web : www.cngsn.com ; Email : info@cngsn.com

INDEPENDENT AUDITORS' REPORT
To the Members of VTM Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of VTM Limited ("the Company"), which comprise the balance sheet as at March 31, 2025,the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profits, total comprehensive income, the changes in equity and its cash flows for the year ended as on that date.

Basis for opinion

We conducted our audit 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 opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.In our opinion and based on the information and explanations given to us and considering the non-complexity of the accounting policies adopted and the industrial sector in which the Company operates, there are no key audit matters to be communicated in our report.

CNGSN & ASSOCIATES LLP
E.K.S
CHENNAI
CHARTERED ACCOUNTANTS

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, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

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

The management is responsible to ensure that the accounting software used by the Company for maintaining its books of account has the features of (a) recording an audit trail of each and every transaction and (b) creating an edit log of each change made in the books of account along with the date when such changes are made. The management is also responsible to ensuring that the audit trail is not disabled.

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

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

Auditors'responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

CNGSN & ASSOCIATES LLP
CHENNAI
CHARTERED ACCOUNTANTS

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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give inAnnexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   (c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) 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; and

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

      a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 46 to the financial statements;

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

CNGSN & ASSOCIATES LLP
CHENNAI
CHARTERED ACCOUNTANTS

There has been a delay in transferring the unpaid dividends for the year ended March 31, 2017 and the related shares, required to be transferred, to the Investor Education and Protection Fund by the Company.

c. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

   i. 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 entity(ies), 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; and

   ii. 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.

   iii. Based onaudit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

d. In our opinion and according to the information and explanations given to us, the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

e. Based on the information and explanations given to us and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. We also report that during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No. 004915S/ S200036

E.K.Srivatsan

(**E K SRIVATSAN**)
Partner
Membership No. 225064
UDIN: 25225064BMJMQN4599

CNGSN & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * CHENNAI

Place: Chennai
Date:May 29, 2025

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of VTM Limited of even date)

1. (a) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

   The Company does not have any intangible assets.

   (b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

   Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   (c) In our opinion and according to the information and explanations given to usand based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

   In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company.

   (d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i)(d) of the Order is not applicable.

   (e) In our opinion and according to the information and explanations given to us, there are no proceedings 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. Accordingly, paragraph 3 (i)(e) of the Order is not applicable.

2. (a) The inventories have been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

   (b) The Company has a sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

3. In our opinion and according to information and explanation given to us, the Company has not made investments in/provided any guarantee or security/granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii)of the Order is not applicable.

4. In our opinion and according to information and explanation given to us, the Company has not granted any loans or provided any guarantees or given any security to which the provisions of section 185 of the Act are applicable.

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS
E.KS

In respect of investments made by the Company and loans given to parties other than those covered in Section 185 of the Act, the Company had complied with the provisions of section 186 of the Act.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be depositsduring the year. Accordingly, paragraph 3 (v) of the Order is not applicable.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.

7. In our opinion and accordingto the information and explanations given to us:

(a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and otherstatutory dues have been generally regularly deposited by the Company with the appropriate authorities.

No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute are given below:

Statute	Nature of dues	Amount (INR)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act,1961	Income Tax*	2,60,13,380	2017-18	CIT (Appeal), Madurai
Employees Provident Funds and Miscellaneous Provisions Act,1952	Provident Fund Dues*	28,72,163	2021-22	PF Commissioner, Madurai

* Net of taxes paid under protest

8. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.

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

(b) In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which they were availed.

CNGSN & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * CHENNAI

(d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.

(e) The Company does not have any subsidiaries/associates/joint-ventures and accordingly, paragraphs 3 (ix)(e) and 3 (ix)(f) of the Order are not applicable.

10. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debtinstruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.

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 any person has been noticed or reported during the year. Accordingly, paragraphs 3 (xi) (a) and (b) of the Order are not applicable.

(b) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.

12. The Company is not a Nidhi Company and accordingly, Paragraphs 3(xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of theAct. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, commensurate with the size and nature of its business.

(b) The reports of the internal auditors for the year under audit were considered by us, as part of our audit procedures.

15. In our opinion and according to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

(b) In our opinion and 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) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

(d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

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

18. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.

19. In our opinion and according to the information and explanations given to us and 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, our knowledge of the board of directors and management plans, there are 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. (a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts to be transferred to a fund specified in Schedule VII to the Act.

(b) In our opinion and according to the information and explanations given to us, there are no amount remaining unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

21. In our opinion and according to the information and explanations given to us, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3(xxi) of the Order is not applicable.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No.004915S/ S200036

E.K. Srivatsan

(E K SRIVATSAN)
Partner
Membership No. 225064
UDIN: 25225064BMJMQN4599

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

Place: Chennai
Date:May 29, 2025

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of VTM Limited of even date)

Report on the internal financial controls over financial reporting 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 VTM Limited ("the Company") as at March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 wasestablished 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) 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

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS
E.K.S

the company are being made only in accordance with authorisations of management and directors of the company; and (iii) 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 of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No.004915S/ S200036

E.K.Srivatsan

(E K SRIVATSAN)
Partner
Membership No. 225064
UDIN:25225064BMJMQN4599

CNGSN & ASSOCIATES LLP
CHENNAI
CHARTERED ACCOUNTANTS

Place: Chennai
Date: May 29, 2025

VTM Limited

Regd. Office: Sulakarai, Virudhunagar

CIN: L17111TN1946PLC003270, Website: www.vtmill.com

Statement of Audited Financial Results for the quarter and the year ended March 31, 2025

(in INR Lakhs)

S. No	Particulars	Quarter ended			Year ended	
		March 31, 2025 (Audited)	December 31, 2024 (Unaudited)	March 31, 2024 (Audited)	March 31, 2025 (Audited)	March 31, 2024 (Audited)
	Income from Operations					
1	(a) Net Sales/ Income from operations	10,869.40	10,352.04	6,376.88	34,452.68	20,796.55
2	(b) Other Income (Net)	89.65	51.34	151.12	482.51	731.08
3	**Total Income (1+2)**	**10,959.05**	**10,403.38**	**6,528.00**	**34,935.19**	**21,527.63**
4	**Expenses**					
	a) Cost of materials consumed	5,152.31	7,433.02	3,765.10	22,016.89	13,323.02
	b) Changes in inventories of finished goods, work in progress and stock in trade	947.12	(2,095.04)	368.99	(3,133.41)	(624.30)
	c) Employees benefits expense	574.23	559.56	436.28	2,087.27	1,526.62
	d) Finance Cost	99.44	35.02	28.75	179.90	94.13
	e) Depreciation and amortisation expense	250.08	233.28	160.81	942.36	890.32
	f) Other expenses	2,349.82	1,772.35	1,393.24	6,790.63	3,971.74
	Total Expenses	**9,373.00**	**7,938.19**	**6,153.17**	**28,883.64**	**19,181.53**
5	**Profit before exceptional items and tax (3-4)**	**1,586.05**	**2,465.19**	**374.83**	**6,051.55**	**2,346.10**
6	Exceptional items	-	-	-	-	-
7	**Profit before tax (5+6)**	**1,586.05**	**2,465.19**	**374.83**	**6,051.55**	**2,346.10**
8	**Tax expense**					
	Current tax	355.21	678.15	65.24	1,551.62	560.05
	Tax adjustments based on assessments received	(17.52)	-	-	(17.52)	-
	Deferred tax	31.17	(32.85)	(42.88)	(19.96)	(43.14)
	Total Tax Expenses	**368.86**	**645.30**	**22.36**	**1,514.14**	**516.91**
9	**Net profit for the period (7-8)**	**1,217.19**	**1,819.89**	**352.47**	**4,537.41**	**1,829.19**
10	**Other comprehensive income , net of income tax**					
	a) (i) items that will not be reclassified to profit or loss	98.61	103.18	38.34	411.93	385.20
	(ii) income tax (charge)/ reversal relating to items that will not be reclassified to profit or loss	(169.31)	(12.00)	(13.04)	(205.74)	(52.26)
	b) (i) items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) income tax (charge)/ reversal relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income, net of income tax	**(70.70)**	**91.18**	**25.30**	**206.19**	**332.94**
11	**Total comprehensive income for the period (9+10)**	**1,146.49**	**1,911.07**	**377.77**	**4,743.60**	**2,162.13**
12	Paid-up equity share capital	402.28	402.28	402.28	402.28	402.28
	Face value per share (Rs.)	1.00	1.00	1.00	1.00	1.00
13	Reserves (excluding Revaluation Reserve)	NA	NA	NA	30,240.15	25,898.83
14	Earning per share (Rs.) (not annualised)					
	- Basic	3.03	4.52	0.88	11.28	4.55
	- Diluted	3.03	4.52	0.88	11.28	4.55

Explanatory Notes to the Statement of Audited Financial Results for the quarter and the year ended March 31, 2025

1 The above results for the quarter and year ended March 31, 2025 as reviewed and recommended by the Audit committee of the Board has been approved by the Board of Directors at its meeting held on May 29, 2025. The statutory auditors of the Company have expressed an unmodified audit opinion on the above results.

2 These results have been prepared in accordance with the Indian Accounting Standard 2015 (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3 The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Part II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.

4 The Code of Social Security 2020 ("Code") relating to employees benefit during employment and post employment received presidential assent in September 2020. The code has also been published in the official Gazette of India. However, the date on which the code will come into effect has not been notified. The Company will assess the impact of the code when it comes into effect and will record any related impact in the period when the code becomes effective.

5 The Company is engaged in the business of "manufacturing of textile" and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments".

6 The figures for the quarter ended March 31, 2025 represents the balancing figure between the audited results for the year ended March 31, 2025 and the unaudited figures for the nine months ended December 31, 2024.

7 **Statement of Assets and Liabilities** **(in INR Lakhs)**

Particulars	As at March 31, 2025 (Audited)	As at March 31, 2024 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	10,723.90	9,666.36
Capital work in progress	209.92	60.02
Right of use asset	116.12	123.36
Financial assets		
Investments	4,503.66	4,080.78
Loans	306.27	306.27
Other financial assets	194.62	182.91
Other non current assets	329.25	117.09
Total non-current assets	**16,383.74**	**14,536.79**
Current assets		
Inventories	9,561.45	5,847.33
Financial assets		
Investments	2,185.09	4,719.20
Trade receivables	7,378.87	2,495.11
Cash and cash equivalents	259.97	82.47
Bank balances other than above	75.89	77.97
Loans and advances	2,219.62	1,483.24
Other current assets	197.39	259.60
Current tax assets (net)	-	336.33
Total current assets	**21,878.28**	**15,301.25**
Total - Assets	**38,262.02**	**29,838.04**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	402.28	402.28
Other equity	30,240.15	25,898.83
Total equity	**30,642.43**	**26,301.11**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	83.84
Lease Liability	9.32	16.50
Other financial liabilities	4.83	4.37
Deferred Tax Liabilities (net)	1,139.94	954.16
Long Term Provisions	138.29	133.97
Other non current liabilities	75.77	78.26
Total non-current liabilities	**1,368.15**	**1,271.10**
Current liabilities		
Financial liabilities		
Borrowings	4,079.61	279.58
Lease Liability	7.17	6.49
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	210.77	232.41
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,194.39	1,401.80
Other financial liabilities	2.28	4.32
Short Term Provisions	-	-
Other current liabilities	704.50	341.23
Advance income tax (net of provision for tax)	52.72	
Total current liabilities	**6,251.44**	**2,265.83**
Total - Equity and Liabilities	**38,262.02**	**29,838.04**

8 **Statement of Cash Flows** (in INR Lakhs)

Particulars	Year ended March 31, 2025 (Audited)	Year ended March 31, 2024 (Audited)
Cash flow from Operating Activities		
Profit before income tax	6,051.55	2,346.10
Adjustments for		
Depreciation and amortisation expense	942.36	890.32
(Profit)/ Loss on sale of property, plant and equipment	(21.97)	(5.41)
(Profit)/ Loss on sale of investment	(98.80)	(164.69)
Deferred Income recognised for government grant	-	(6.99)
Finance costs	179.90	94.13
Fair value changes of investments credited to profit and loss	(125.52)	(378.45)
Interest income	(13.00)	(15.98)
Dividend income	(146.28)	(109.55)
Allowance on expected credit loss	-	7.30
	6,768.24	2,656.78
Change in operating assets and liabilities		
(Increase)/ decrease in loans and advances	(736.38)	(491.96)
(Increase)/ decrease in other financial assets	(11.71)	(57.76)
(Increase)/ decrease in other assets	(149.95)	(95.04)
(Increase)/ decrease in inventories	(3,714.12)	(2,675.63)
(Increase)/ decrease in trade receivables	(4,883.76)	(1,115.67)
Increase/ (decrease) in provisions and other liabilities	346.07	56.80
Increase/ (decrease) in trade payables	(229.05)	1,085.12
Cash generated from operations	(2,610.66)	(637.36)
Less : Income taxes paid (net of refunds)	(1,145.05)	(606.82)
Net cash from operating activities (A)	**(3,755.71)**	**(1,244.18)**
Cash flows from Investing Activities		
Purchase of PPE (including changes in CWIP)	(2,177.83)	(1,254.42)
Sale proceeds of PPE (including changes in CWIP)	57.24	7.67
(Purchase)/ disposal proceeds of Investments (non-current)	-	(78.43)
(Purchase)/ disposal proceeds of Investments (current)	2,758.43	2,777.66
(Investments in)/ Maturity of fixed deposits with banks	2.08	2.18
Dividend income	146.28	109.55
Interest income	13.00	15.98
Net cash from/ (used in) investing activities (B)	**799.20**	**1,580.19**
Cash flows from Financing Activities		
Proceeds from/ (repayment of) long term borrowings	(138.63)	(199.29)
Proceeds from/ (repayment of) short term borrowings	3,854.82	179.20
Finance costs	(179.90)	(94.13)
Dividend paid	(402.28)	(382.16)
Net cash from/ (used in) financing activities (C)	**3,134.01**	**(496.38)**
Net decrease in cash and cash equivalents (A+B+C)	**177.50**	**(160.37)**
Cash and cash equivalents at the beginning of the financial year	82.47	242.84
Cash and cash equivalents at end of the year	**259.97**	**82.47**

9 Previous period figures have been regrouped/ reclassified, where necessary.

for VTM Limited

K. Thiagarajan
Chairman and Managing Director

Place : Kappalur, Madurai
Date : May 29, 2025

Initialled for identification purposes

VTM Limited

Regd. Office: Sulakarai, Virudhunagar

CIN: L17111TN1946PLC003270, Website: www.vtmill.com

Statement of Audited Financial Results for the quarter and year ended March 31, 2025

(in INR Lakhs)

S. No	Particulars	Quarter ended Mar 31, 2025 (Audited)	Quarter ended Dec 31, 2024 (Unaudited)	Corresponding quarter of previous year ended Mar 31, 2024 (Audited)	Year ended Mar 31, 2025 (Audited)	Previous year ended March 31, 2024 (Audited)
1	Total Income from Operations	10,959.05	10,403.38	6,528.00	34,935.19	21,527.63
2	Net Profit/ (Loss) for the period (before tax and exceptional items)	1,586.05	2,465.19	374.83	6,051.55	2,346.10
3	Net Profit/ (Loss) for the period before tax (after exceptional items)	1,586.05	2,465.19	374.83	6,051.55	2,346.10
4	Net Profit/ (Loss) for the period after tax (after exceptional items)	1,217.19	1,819.89	352.47	4,537.41	1,829.19
5	Other comprehensive income (net of tax)	(70.70)	91.18	25.30	206.19	332.94
6	Total Comprehensive Income for the period [Comprising Profit/ (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,146.49	1,911.07	377.77	4,743.60	2,162.13
7	Equity Share Capital	402.28	402.28	402.28	402.28	402.28
8	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	30,240.15	29,596.51	25,898.83	30,240.15	25,898.83
9	Earnings Per Share (of Rs.1/- each)					
	a. Basic	3.03	4.52	0.88	11.28	4.55
	b. Diluted	3.03	4.52	0.88	11.28	4.55

Note:

1. The above results for the quarter and year ended March 31, 2025, as reviewed and recommended by the Audit committee of the Board has been approved by the Board of Directors at its meeting held on May 29, 2025. The statutory auditors of the Company have expressed an unmodified audit opinion on the above results.

2. The above is an extract of the detailed format of the audited financial results for the quarter and year ended March 31, 2025 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Obligations Disclosure Requirements) Regulations, 2015. The full format of the Financial Results for the quarter and year ended March 31, 2025 are available on the website of the BSE Limited i.e. www.bseindia.com, on the Stock Exchange where the Company's shares are listed and on the website of the Company i.e. www.vtmill.com

for VTM Limited

Place : Kappalur, Madurai

Date : May 29, 2025

K. Thiagarajan

Chairman and Managing Director

VTM Limited
Balance Sheet as at March 31, 2025
(All amounts are in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	10,723.90	9,666.36
Capital work in progress	5	209.92	60.02
Right of use asset	4	116.12	123.36
Financial assets			
Investments	6	4,503.66	4,080.78
Loans	7	306.27	306.27
Other financial assets	8	194.62	182.91
Other non current assets	9	329.25	117.09
Total non-current assets		**16,383.74**	**14,536.79**
Current assets			
Inventories	10	9,561.45	5,847.33
Financial assets			
Investments	11	2,185.09	4,719.20
Trade receivables	12	7,378.87	2,495.11
Cash and cash equivalents	13	259.97	82.47
Bank balances other than above	14	75.89	77.97
Loans and advances	15	2,219.62	1,483.24
Other current assets	16	197.39	259.60
Current tax assets (net)	17	-	336.33
Total current assets		**21,878.28**	**15,301.25**
Total Assets		**38,262.02**	**29,838.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	402.28	402.28
Other equity	19	30,240.15	25,898.83
Total equity		**30,642.43**	**26,301.11**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	-	83.84
Lease Liability	21	9.32	16.50
Other financial liabilities	22	4.83	4.37
Deferred Tax Liabilities (net)	23	1,139.94	954.16
Long Term Provisions	24	138.29	133.97
Other non current liabilities	25	75.77	78.26
Total non-current liabilities		**1,368.15**	**1,271.10**
Current liabilities			
Financial liabilities			
Borrowings	26	4,079.61	279.58
Lease Liability	27	7.17	6.49
Trade payables	28		
(a) total outstanding dues of micro enterprises and small enterprises		210.77	232.41
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,194.39	1,401.80
Other current financial liabilities	29	2.28	4.32
Other current liabilities	30	704.50	341.23
Current tax liabilities (net)	31	52.72	-
Total current liabilities		**6,251.44**	**2,265.83**
Total liabilities		**7,619.59**	**3,536.93**
Total Equity and Liabilities		**38,262.02**	**29,838.04**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No.004915S/ S200036)

For and on behalf of the Board of Directors

K. Thiagarajan
Chairman & Managing Director
DIN: 03638370

RM. Somasundaram
Director
DIN : 00071510

E K Srivatsan
Partner
Membership No.225064

K.Deenadayalan
Chief Financial Officer

K. Preyatharshine
Company Secretary

Place : Kappalur, Madurai
Date : May 29, 2025

VTM Limited

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
From continuing operations			
A Income			
Revenue from operations	31	34,452.68	20,796.55
Other income	32	482.51	731.08
Total income		**34,935.19**	**21,527.63**
B Expenses			
Cost of materials consumed	33	22,016.89	13,323.02
Changes in inventories of work-in-progress, stock in trade and finished goods	34	(3,133.41)	(624.30)
Employee Benefits Expense	35	2,087.27	1,526.62
Finance costs	36	179.90	94.13
Depreciation	37	942.36	890.32
Other expenses	38	6,790.63	3,971.74
Total expenses		**28,883.64**	**19,181.53**
C Profit before exceptional items and tax		**6,051.55**	**2,346.10**
Exceptional items		-	-
D Profit before tax from continuing operations		**6,051.55**	**2,346.10**
Tax expenses			
Current tax		1,551.62	560.05
Tax adjustments based on assessments received		(17.52)	-
Deferred tax charge/ (credit)		(19.96)	(43.14)
Profit for the year		**4,537.41**	**1,829.19**
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(10.95)	6.84
Fair value gain on equity instruments		422.88	378.36
Income tax adjustment relating to these items		(205.74)	(52.26)
Other comprehensive income for the year, net of tax		**206.19**	**332.94**
Total comprehensive Income for the year		**4,743.60**	**2,162.13**
Earnings per share	**41**		
Basic earnings per share		11.28	4.55
Diluted earnings per share		11.28	4.55

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date attached
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No.004915S/ S200036)

K. Thiagarajan
Chairman & Managing Director
DIN: 03638370

RM. Somasundaram
Director
DIN : 00071510

E K Srivatsan
Partner
Membership No.225064

K.Deenadayalan
Chief Financial Officer

K. Preyatharshine
Company Secretary

Place : Kappalur, Madurai
Date : May 29, 2025

VTM Limited

Statement of cash flows for the year ended March 31, 2025

(All amounts are in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash Flow From Operating Activities		
Profit before income tax	6,051.55	2,346.10
Adjustments for		
Depreciation and amortisation expense	942.36	890.32
(Profit)/ Loss on sale of property, plant and equipment	(21.97)	(5.41)
(Profit)/ Loss on sale of investments	(98.80)	(164.69)
Deferred Income from government grants	-	(6.99)
Finance costs	179.90	94.13
Fair value changes of investments considered in the profit and loss	(125.52)	(378.45)
Interest income	(13.00)	(15.98)
Dividend income	(146.28)	(109.55)
Allowance on expected credit loss	-	7.30
	6,768.24	2,656.78
Change in operating assets and liabilities		
(Increase)/ decrease in loans and advances	(736.38)	(491.96)
(Increase)/ decrease in other financial assets	(11.71)	(57.76)
(Increase)/ decrease in other assets	(149.95)	(95.04)
(Increase)/ decrease in inventories	(3,714.12)	(2,675.63)
(Increase)/ decrease in trade receivables	(4,883.76)	(1,115.67)
Increase/ (decrease) in provisions and other liabilities	346.07	56.80
Increase/ (decrease) in trade payables	(229.05)	1,085.12
Cash generated from operations	(2,610.66)	(637.36)
Less : Income taxes paid (net of refunds)	(1,145.05)	(606.82)
Net cash from operating activities (A)	**(3,755.71)**	**(1,244.18)**
Cash Flows From Investing Activities		
Purchase of PPE and changes in CWIP (net of government grants)	(2,177.83)	(1,254.42)
Sale proceeds of PPE (including compensation from government)	57.24	7.67
(Purchase)/ disposal proceeds of Investments (non-current)	-	(78.43)
(Purchase)/ disposal proceeds of Investments (current)	2,758.43	2,777.66
(Investments in)/ Maturity of fixed deposits with banks	2.08	2.18
Dividend income	146.28	109.55
Interest income	13.00	15.98
Net cash used in investing activities (B)	**799.20**	**1,580.19**
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) long term borrowings (net)	(138.63)	(199.29)
Proceeds from/ (repayment of) short term borrowings (net)	3,854.82	179.20
Finance costs	(179.90)	(94.13)
Dividend paid	(402.28)	(382.16)
Net cash from/ (used in) financing activities (C)	**3,134.01**	**(496.38)**
Net increase in cash and cash equivalents (A+B+C)	**177.50**	**(160.37)**
Cash and cash equivalents at the beginning of the financial year	82.47	242.84
Cash and cash equivalents at end of the year	**259.97**	**82.47**

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks		
in current accounts	250.62	76.86
Cash on hand	9.35	5.61
	259.97	**82.47**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No.004915S/ S200036)

For and on behalf of the Board of Directors

K. Thiagarajan
Chairman & Managing Director
DIN: 03638370

RM. Somasundaram
Director
DIN : 00071510

E K Srivatsan
Partner
Membership No.225064

K.Deenadayalan
Chief Financial Officer

K. Preyatharshine
Company Secretary

Place : Kappalur, Madurai
Date : May 29, 2025

VTM Limited

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts are in INR lakhs, unless otherwise stated)

(A) Equity Share Capital

Balance as at April 1, 2023	402.28
Changes in equity share capital due to prior period errors	
Changes in equity share capital during the year	-
Balance at the end of March 31, 2024	**402.28**
Changes in equity share capital due to prior period errors	
Changes in equity share capital during the year	-
Balance at the end of March 31, 2025	**402.28**

(B) Other Equity

Particulars	General Reserve	Other Comprehensive Income	Retained Earnings	Total
Balance as at April 1, 2023	**18,076.66**	**3,401.04**	**2,641.16**	**24,118.86**
Changes due to prior period errors	-	-	-	-
Dividend paid	-	-	(382.16)	(382.16)
Additions/ (Deductions) during the year	-	(6.84)	6.84	-
Total Comprehensive Income for the year	-	332.94	1,829.19	2,162.13
Balance as at March 31, 2024	**18,076.66**	**3,727.14**	**4,095.03**	**25,898.83**
Changes due to prior period errors	-	-	-	-
Dividend paid	-	-	(402.28)	(402.28)
Additions/ Deductions during the period	-	10.95	(10.95)	-
Total Comprehensive Income for the period	-	206.19	4,537.41	4,743.60
Balance as at March 31, 2025	**18,076.66**	**3,944.28**	**8,219.21**	**30,240.15**

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date attached
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No.004915S/ S200036)

K. Thiagarajan
Chairman & Managing Director
DIN: 03638370

RM. Somasundaram
Director
DIN : 00071510

E K Srivatsan
Partner
Membership No.225064

K.Deenadayalan
Chief Financial Officer

K. Preyatharshine
Company Secretary

Place : Kappalur, Madurai
Date : May 29, 2025

1 Corporate Information

VTM Limited was established in 1946 with the founding principles of setting standards in weaving by ensuring that the best of weaving technology was always available. Today, the Company is well-established with unique capabilities that allows to cater to exotic constructions in weaving. It has also expanded the capabilities to include special weaves and combinations. 255 state-of-the-art looms take pride of place in the manufacturing unit. 80 Sulzer machines, 06 Rapier leno looms, 163 Air jets and 06 Jacquard machines work in tandem to produce 1.7 million meters of fabric every month. It is also equipped with adequate equipment to cater to special fabric manufacturing in fine counts and complex specifications.

2 Basis of preparation of financial statements

Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended from time to time.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on May 29, 2025

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment (PPE)

The residual values and estimated useful life of PPEs and Intangible Assets are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment assessment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE)

The impairment assessment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

2B Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has modified the existing Ind AS 21, which deals with the effects of changes in foreign exchange rates. The amendments introduce detailed guidance on assessing whether a currency is exchangeable into another currency, estimating the spot exchange rate when a currency is not exchangeable, and the required disclosures in such circumstances. Definitions and application guidance are added to clarify terms and processes related to exchangeability for different purposes, such as reporting foreign currency transactions or translating foreign operations. Corresponding amendments are also made to Ind AS 101 regarding first-time adoption of Ind AS in the context of severe hyperinflation and non-exchangeable currencies. These amendments are applicable for annual reporting periods beginning on or after April 1, 2025, with specific transitional provisions outlined.

The Company made as assessment of the possible impact of the above amendments, to the extent applicable to the Company and concluded that the above amendments will not have any significant impact on the Company on a go forward basis.

3 Material Accounting Policy Information

a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 3 months as its operating cycle.

b) Fair value measurement

The Company has applied the fair value measurement wherever necessitated at each reporting period.

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:

i) In the principal market for the asset or liability;
ii) 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 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;
Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue from contracts with customers

Sale of goods

Revenue from sale of goods is recognised as and when the Company satisfies performance obligations by transferring control of the promised goods to its customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company does not have any non-cash consideration

Revenue is measured at the transaction price received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less.

Sale of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract and as per the terms of the contract.

Power Generation

Power generated from windmills that are covered under wheeling and banking arrangement with the State Electricity Board/ Electricity Distribution Companies are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue.

Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Sale of scrap

Scrap sale is recognised as and when the Company satisfies performance obligations by transferring control of the promised goods to its customers. Revenue is measured at the transaction price received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods after deducting discounts, and applicable taxes on sale

Interest Income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Rental Income

Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease as per Ind AS 116.

Dividend income

Dividend income is recognized when the company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified for our plant and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a written down value method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing Rs.5,000 each or less are fully depreciated retaining its residual value.

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

f) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average method as follows:

(i) Raw materials, packing materials and consumables: At purchase cost including other cost incurred in bringing materials/consumables to their present location and condition.

(ii) Work-in-process and intermediates: At material cost, conversion costs and appropriate share of production overheads

(iii) Finished goods: At material cost, conversion costs and an appropriate share of production overheads.

g) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also added to the cost of the financial asset. Purchases or sales 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 that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

The Company classifies a debt instrument as at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

The Company classifies a debt instrument at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

The Company classifies all debt instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of classifying the equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, Loans given to employees and others, deposits, interest receivable, unbilled revenue and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, mutual funds, forward exchange contracts (to the extent not designated as a hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

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

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are debt instruments and are measured at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S.No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in the profit or loss
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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.

h) Foreign currency transactions and translations

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date at which the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with Foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

i) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income

k) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 the 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

As per the policy of the Company, compensated absences are not entitled to be carried forward to the subsequent financial year and lapse at the end of the reporting period. Accordingly, no liability towards compensated absences are recognised in these financial statements.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

m) Leases

As a lessee

a) Initial measurement

Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid. Right-of-use asset is recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of restoration costs and any initial direct costs incurred by the lessee.

b) Subsequent measurement

The lease liability is measured in subsequent periods using the effective interest rate method. Right-of-use asset is depreciated in accordance with requirements in Ind AS 16, Property, Plant and equipment.

As a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor’s net investment in the lease.

n) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

o) Provisions, contingent liabilities and contingent asset

Provisions

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

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognised in the financial

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

- This space is intentionally left blank -

(All amounts are in INR lakhs, unless otherwise stated)

4 Property, plant and equipment

Particulars	Tangible Assets							ROU Asset	
	Land - Freehold	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total	Land - Leasehold	Total
Cost as at April 1, 2023	**3,444.58**	**1,919.04**	**7,460.11**	**83.15**	**100.11**	**34.95**	**13,041.94**	**169.77**	**13,211.71**
Additions	13.23	119.20	1,024.07	20.96	21.56	6.42	1,205.44	-	1,205.44
Disposals/ adjustments	-	-	-	-	(2.19)	(0.07)	(2.26)	-	(2.26)
Cost as at March 31, 2024	**3,457.81**	**2,038.24**	**8,484.18**	**104.11**	**119.48**	**41.30**	**14,245.12**	**169.77**	**14,414.89**
Additions	0.74	402.97	1,489.52	27.65	91.48	15.57	2,027.93	-	2,027.93
Disposals/ adjustments	-	(34.31)	-	-	(0.92)	(0.04)	(35.27)	-	(35.27)
Cost as at March 31, 2025	**3,458.55**	**2,406.90**	**9,973.70**	**131.76**	**210.04**	**56.83**	**16,237.78**	**169.77**	**16,407.55**
Depreciation as at April 1, 2023	**-**	**421.49**	**3,158.25**	**41.27**	**55.15**	**19.52**	**3,695.68**	**39.17**	**3,734.85**
Charge for the year	-	90.87	761.30	8.94	16.94	5.03	883.08	7.24	890.32
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
Depreciation as at March 31, 2024	**-**	**512.36**	**3,919.55**	**50.21**	**72.09**	**24.55**	**4,578.76**	**46.41**	**4,625.17**
Charge for the year	-	93.63	814.54	9.16	11.48	6.31	935.12	7.24	942.36
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
Depreciation as at March 31, 2025	**-**	**605.99**	**4,734.09**	**59.37**	**83.57**	**30.86**	**5,513.88**	**53.65**	**5,567.53**
Net Block									
As at March 31, 2024	3,457.81	1,525.88	4,564.63	53.90	47.39	16.75	9,666.36	123.36	9,789.72
As at March 31, 2025	3,458.55	1,800.91	5,239.61	72.39	126.47	25.97	10,723.90	116.12	10,840.02

Note: The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) during the year, since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

Disposals and adjustments include the effect of government grants received for property, plant and equipment and compulsory acquisition of partial land of the Company by the Government.

(All amounts are in INR lakhs, unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
5	**Capital Work-in-progress**		
	Capital work in progress	209.92	60.02
		209.92	**60.02**
	Refer Note No.51 (a) for information relating to ageing schedule of CWIP		
6	**Non-current investments**		
	Investment in other companies at FVTOCI		
	Quoted		
	Multi Commodity Exchange of India Ltd [69 (previous year 69) equity shares of INR 10 each fully paid]	3.66	2.31
	Groarc Industries India Ltd (Formerly known as Telesys Software Limited) [19,000 (previous year 19,000) equity shares of INR 10 each fully paid]	1.18	3.59
	Unquoted *		
	Thiagarajar Mills Private Limited [70,140 (previous year : 70,140) equity shares of INR 10 each fully paid]	4,478.03	4,055.22
	Colour Yarns Limited [106,000 (previous year 106,000) equity shares of INR 10 each fully paid]	18.76	17.49
	Integrated Hi-Tech Limited [1,800 (previous year 1,800) equity shares of INR 10 each fully paid]	0.05	0.19
	SIMA Textile Processing Centre Ltd [19,840 (previous year 19,840) equity shares of INR 10 each fully paid]	1.98	1.98
		4,503.66	**4,080.78**
	* Fair values have been determined to the extent of information available with the Company in respect of the investments in unlisted companies. In the opinion of the management, the impact of fair value changes, if any, is not considered to be material		
	Aggregate cost of quoted investments	0.71	0.71
	Aggregate market value of quoted investments	4.84	2.31
	Aggregate cost of unquoted investments	19.83	19.83
	Aggregate amount of impairment in value of investments	-	-
7	**Non-current Loans (at amortised cost)**		
	Unsecured - considered good		
	Other Loans	306.27	306.27
	Loans which have significant increase in credit risk	-	-
	Loans - Credit impaired	-	-
		306.27	**306.27**
	Note :The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.		
8	**Other non-current financial assets**		
	Unsecured - considered good		
	Security deposits	191.28	179.75
	Bank Deposits (Maturing after 12 months from end of the reporting period)	3.34	3.16
	Others	-	
	Loans and receivables which have significant increase in credit risk	-	-
	Loans and receivables - credit impaired	-	-
		194.62	**182.91**
9	**Other non-current assets**		
	Unsecured - considered good		
	Capital Advances	329.25	117.09
		329.25	**117.09**

(All amounts are in INR lakhs, unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
10	**Inventories**		
	Raw Materials		
	Yarn	1,172.52	1,259.77
	Cloth	2,755.39	2,072.44
	Work-in-progress		
	Yarn	749.29	618.36
	Cloth	101.67	106.44
	Made Ups / Processed	580.95	215.76
	Finished Products		
	Cloth	1,202.07	1,163.06
	Made Ups / Processed	2,837.65	233.62
	Waste	1.39	2.37
	Stores and spares	160.51	175.50
	Loose tools	0.01	0.01
	Provision for Slow moving and Non moving Inventory - Finished goods		
	Cloth	-	-
	Made ups	-	-
	Provision for Slow moving and Non moving Inventory - Raw materials		
	Yarn	-	-
		9,561.45	**5,847.33**
11	**Current Investments**		
	Investments carried at fair value through profit or loss		
	Investment in Mutual Funds - Quoted		
	ICICI Predential Asset Allocator Fund	277.43	250.70
	ICICI Prudential Equity Savings Fund Direct Growth	886.46	819.00
	ICICI Prudential Corporate Credit Opportunities Fund AIF	191.93	750.75
	Absl Money Manager Fund	48.31	103.21
	Nippon India Liquid Fund	-	165.81
	Invesco India Arbitrage Fund	780.96	2,629.73
		2,185.09	**4,719.20**
	Aggregate cost of quoted investments	1,728.59	4,144.32
	Aggregate market value of quoted investments	2,185.09	4,719.20
	Aggregate cost of unquoted investments	-	-
	Aggregate amount of impairment in value of investments	-	-
12	**Trade receivables**		
	Secured - considered good	-	-
	Unsecured, considered good	7,378.87	2,495.11
	Trade receivable which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	20.85	18.72
		7,399.72	2,513.83
	Less: Allowance for expected credit loss	(20.85)	(18.72)
		7,378.87	**2,495.11**

Note:
Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer Note No. 52 for information about risk profile of Trade Receivables under Financial Risk Management. Refer Note No. 51 (b) for the Ageing Schedule of Trade Receivables

13	**Cash and cash equivalents**		
	Cash on Hand	9.35	5.61
	Balances with Banks	-	
	- In current accounts	250.62	76.86
		259.97	**82.47**
14	**Other bank balances**		
	In ear-marked accounts		
	- Unpaid dividend accounts	75.89	77.97
		75.89	**77.97**

(All amounts are in INR lakhs, unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
15	**Current financial assets - Loans and Advances**		
	Unsecured - considered good		
	Balances with government authorities	2,177.07	1,461.22
	Security Deposits	8.39	8.39
	Loans and advances - other than related parties	34.16	13.63
	Loans and advances which have significant increase in credit	-	-
	Loans and advances credit impaired	8.37	8.37
		2,227.99	**1,491.61**
	Less: Allowance for expected credit loss	(8.37)	(8.37)
		2,219.62	**1,483.24**

Note :The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.

		As at March 31, 2025	As at March 31, 2024
16	**Other current assets**		
	(Unsecured, considered good)		
	Advance to suppliers	169.56	221.02
	Prepaid expenses	27.83	38.58
	CSR excess spent carried forward	-	-
		197.39	**259.60**
17	**Current tax assets**		
	Advance income tax (net of provision for tax)	-	336.33
		-	
		-	**336.33**
18	**Capital**		
	Authorised Share Capital		
	10,00,00,000 (Previous year 10,00,000) Equity shares of Re. 1 each	1,000.00	1,000.00
		1,000.00	**1,000.00**
	Issued Share Capital		
	4,02,27,600 (Previous year 4,02,27,600) Equity shares of Re. 1 each	402.28	402.28
		402.28	**402.28**
	Subscribed and fully paid up share capital		
	4,02,27,600 (Previous year 4,02,27,600) Equity shares of Re. 1 each	402.28	402.28
		402.28	**402.28**

Notes:

1)	**Reconciliation of number of equity shares subscribed**		
	Balance as at the beginning and end of the year	40,227,600	40,227,600

2) The Company has no Holding or Subsidiary Companies.

3) During the last five years immediately preceding the date of Balance Sheet, the Company has neither issued any shares as bonus shares nor for consideration other than cash and has not bought back any shares.

4) Rights, preferences and restrictions in respect of equity shares issued by the Company

(a) The company has issued only one class of equity shares having a par value of Re. 1 each. The equity shares of the company having par value of Re.1/- rank pari-passu in all respects including voting rights and entitlement to dividend.

(b) The Company declares dividend on equity shares. In the event of declaration of interim dividend, the same is as per the decision of the Board of Directors. Final dividend is proposed by Board of Directors and approved by the shareholders of the Company at the Annual General Meeting. The directors have recommended a dividend of INR 0.25 per equity share of INR 1 each (including the interim dividends already paid) for the year ended March 31, 2025 (For the year ended March 31, 2024 INR 0.75 per every share of INR 1 each)

(c) In the event of liquidation, shareholders will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholder.

(All amounts are in INR lakhs, unless otherwise stated)

5) **Shareholders holding more than 5% of the total share capital**

Name of the share holder	March 31, 2025		March 31, 2024	
	No. of shares held	% of holding	No. of shares held	% of holding
Estate of T.Kannan, Partner, Guruvayoorappan Investments*	7,520,000	18.69%	7,520,000	18.69%
Estate of T.Kannan, Partner, Avittam Investments*	7,500,000	18.64%	7,500,000	18.64%
Estate of T.Kannan, Partner, Karumuttu Investments*	6,190,000	15.39%	6,190,000	15.39%
M/s. Thiagarajar Mills Private Limited	2,678,000	6.66%	2,678,000	6.66%

* Sri T.Kannan demised in May 2023 and the consequential changes has been effected in the respective partnership firms listed above. The Company is in the process of getting the name of the holder changed to the name of continuing partner of the aforesaid firms.

6) **Shareholding of promoters**

Shares held by promoters at the end of the year			
Name of the promoter	Number of Shares	% of total shares	% of change during the year
Estate of T.Kannan, Partner, Guruvayoorappan Investments *	7,520,000	18.69%	Nil
Estate of T.Kannan, Partner, Avittam Investments *	7,500,000	18.64%	Nil
Estate of T.Kannan, Partner, Karumuttu Investments *	6,190,000	15.39%	Nil
M/s. Thiagarajar Mills Private Limited	2,678,000	6.66%	Nil
Estate of T.Kannan, Partner, Thirumagal Investments *	1,828,000	4.54%	Nil
Sree Thiagarajar Finance Private Limited	1,504,000	3.74%	Nil
Sree Devi Karumari Finance Private Limited	1,336,300	3.32%	Nil
Ms . Radha Kannan	874,200	2.17%	Nil
Mr. K . Thiagarajan	739,200	1.84%	Nil

* Sri T.Kannan demised in May 2023 and the consequential changes has been effected in the respective partnership firms listed above. The Company is in the process of getting the name of the holder changed to the name of continuing partner of the aforesaid firms.

		As at March 31, 2025	As at March 31, 2024
19	**Other Equity**		
	General Reserve	18,076.66	18,076.66
	Other Comprehensive Income	3,944.28	3,727.14
	Profit and Loss Account	8,219.21	4,095.03
		30,240.15	**25,898.83**
	a) General reserve		
	Balance at the beginning of the year	18,076.66	18,076.66
	Additions during the year	-	
	Deductions/Adjustments during the period	-	-
	Balance at the end of the year	**18,076.66**	**18,076.66**

General Reserve represents the reserve created in accordance with Companies Act, 2013 by transferring a portion of profit of the year. This is a free reserve and the Company can use it for declaration of dividends, subject to the conditions prescribed by the Companies Act, 2013.

	As at March 31, 2025	As at March 31, 2024
b) Other comprehensive income		
Balance at the beginning of the year	3,727.14	3,401.04
Additions during the year	206.19	332.94
Deductions/ Adjustments during the year	10.95	(6.84)
Balance at the end of the year	**3,944.28**	**3,727.14**

Other comprehensive income represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers the amounts recognised in OCI to the Retained Earnings, except in the case of fair value recognition of equity instruments. The effect of fair valuation of equity instruments, including the profit on sale of such investments will be recognised in OCI and will be transferred to retained earnings only when the respective equity instruments are derecognised.

(All amounts are in INR lakhs, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
c) Profit and loss account		
Balance at the beginning of the year	4,095.03	2,641.16
Net profit for the year	4,537.41	1,829.19
Final dividends paid	(301.71)	(281.59)
Interim dividends paid	(100.57)	(100.57)
Transfer from Other Comprehensive Income	(10.95)	6.84
Balance at the end of the year	**8,219.21**	**4,095.03**

Profit and Loss account represent the undistributed profits of the Company remaining after transfer to other Reserves. This is a free reserve and the Company can use it for declaration of dividends, subject to the conditions prescribed by the Companies Act.

20 Non-Current Liabilities - Financial Liabilities: Borrowings

	As at March 31, 2025	As at March 31, 2024
Secured		
From Banks **	45.59	184.22
Less : Current maturities of long term borrowings (refer note 26)	(45.59)	(100.38)
	-	**83.84**

Note : The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees

**** Terms of loan and security details**

1) Term loan - I availed from HDFC Bank by securing first charge on the specific assets procured under ATUF Scheme - repayable in 5 years on quarterly basis, commencing from December 2019.

2) Term loan - II availed from HDFC Bank by securing first charge on the specific assets procured under ATUF Scheme - repayable in 5 years on half yearly basis, commencing from February 25, 2021.

3) Term loan - III availed from HDFC Bank by securing first charge on the specific assets procured under ATUF Scheme - repayable in 5 years on quarterly basis, commencing from August 15, 2020.

	As at March 31, 2025	As at March 31, 2024
21 Lease Liability		
Lease Liability	9.32	16.50
	9.32	**16.50**
22 Other non-current financial liabilities		
Lease rent advance	4.83	4.37
	4.83	**4.37**
23 Deferred Tax Liability		
On fixed assets	435.42	456.11
Remeasurement of financial assets	746.10	560.69
	1,181.52	**1,016.80**
Deferred Tax Asset		
Gratuity	39.65	60.89
On others	1.93	1.75
	41.58	**62.64**
Net deferred tax liability	1,139.94	954.16
	1,139.94	**954.16**
24 Long term Provisions		
Provision for gratuity	138.29	133.97
	138.29	**133.97**

(All amounts are in INR lakhs, unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
25	**Other non current liabilities**		
	Deferred Income from government grant	-	-
	Lease prepayment liability	75.77	78.26
		75.77	**78.26**
26	**Short Term Borrowings**		
	Packing credit limit from Banks	4,034.02	179.20
	Current maturities of long term borrowings (refer note 20)	45.59	100.38
		4,079.61	**279.58**
27	**Lease Liability**		
	Lease Liability	7.17	6.49
		7.17	**6.49**
28	**Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises	210.77	232.41
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,194.39	1,401.80
		1,405.16	**1,634.21**
	Refer Note 51 (c) for the Ageing Schedule of Trade Payables		
29	**Other current financial liabilities**		
	Security Deposits	2.28	2.28
	Forward Contract Payable	-	2.04
		2.28	**4.32**
30	**Other current liabilities**		
	Creditor for capital goods	43.22	17.29
	Unpaid dividends	75.89	77.97
	Statutory dues payable	41.45	24.36
	Employee payables	112.75	89.61
	Advance from Customers	165.56	82.00
	Remuneration payable to Chairman and MD	250.00	50.00
	Deferred Income from Government Grant	-	-
	Unspent CSR carried forward	15.63	-
		704.50	**341.23**
31	**Current tax liabilities**		
	Advance income tax (net of provision for tax)	52.72	-
		52.72	**-**

- This space is intentionally left blank -

(All amounts are in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2025	For the year ended March 31, 2024
31	**Revenue from operations**		
	Sale of Products		
	Cloth	15,251.56	14,594.92
	Made ups	18,150.60	5,495.12
	Yarn and cloth waste	181.69	318.06
		33,583.85	20,408.10
	Sale of Services		
	Job work charges received	-	9.39
	Other Operating Revenue		
	Foreign exchange gain (net)	226.14	108.25
	Duty drawback	235.17	89.84
	Incentive for export sales	407.52	180.97
		34,452.68	**20,796.55**
32	**Other income**		
	Interest Income	13.00	15.98
	Dividend Income	146.28	109.55
	Income on fair valuation of investment in mutual funds	125.52	378.45
	Profit on sale of fixed assets	21.97	5.41
	Profit on sale of Investments	98.80	164.69
	Income from government grant	-	6.99
	Other non operating income	76.94	50.01
	Liabilities no longer required written back	-	-
		482.51	**731.08**
33	**Cost of materials consumed**		
	Opening stock	3,332.21	1,302.62
	Add : Purchases	22,612.59	15,352.61
	Less : Closing Stock	(3,927.91)	(3,332.21)
		22,016.89	**13,323.02**
34	**Changes in inventories of work-in-progress, stock in trade and finished goods**		
	Opening stock of		
	Work-in-progress		
	Yarn	618.36	575.28
	Cloth in Process	106.44	176.83
	Made Ups/ Processed	215.76	-
	Finished goods		
	Cloth	1,163.06	817.65
	Made Ups/ Processed	233.62	144.57
	Waste	2.37	0.98
		2,339.61	**1,715.31**
	Closing stock of		
	Work-in-progress		
	Yarn	749.29	618.36
	Cloth in Process	101.67	106.44
	Made Ups/ Processed	580.95	215.76
	Finished goods		
	Cloth	1,202.07	1,163.06
	Made Ups/ Processed	2,837.65	233.62
	Waste	1.39	2.37
		5,473.02	**2,339.61**
	(Increase)/ Decrease in inventories	**(3,133.41)**	**(624.30)**
35	**Employee benefits expense**		
	Salaries and wages	1,568.18	1,256.41
	Contribution to provident and other funds	81.52	98.41
	Staff and workmen welfare expenses	437.57	171.80
		2,087.27	**1,526.62**

(All amounts are in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2025	For the year ended March 31, 2024
36	**Finance Cost**		
	Interest on		
	Term Loans from Banks	10.88	29.40
	Packing Credit facilities from Banks	94.58	29.08
	Finance charges		
	Others	74.44	35.65
		179.90	**94.13**
37	**Depreciation**		
	Depreciation of property, plant and equipment	935.12	883.08
	Depreciation of right of use asset	7.24	7.24
		942.36	**890.32**
38	**Other expenses**		
	Power and fuel	1,103.85	947.86
	Consumption of stores and spare parts	1,120.74	583.06
	Bleaching and Processing charges - Cloth	2,080.75	863.32
	Rent	129.79	10.13
	Repairs to buildings	191.54	177.85
	Repairs to machinery	291.58	258.23
	Insurance	39.37	42.71
	Rates and taxes	36.06	38.27
	Payment to Auditors	-	
	- for Statutory Audit and Limited review	7.25	7.25
	- for Reimbursement of expenses	0.32	0.23
	Selling expenses	239.18	216.55
	Brokerage expenses	872.10	481.56
	Donations	-	23.42
	Corporate social responsibility expenditure (refer note 39)	27.88	22.95
	Legal and Professional charges	73.68	48.14
	Directors sittings fees and travelling expenses	2.23	2.68
	Commission to Chairman and Managing Director	250.00	50.00
	Allowance for expected credit loss	2.13	7.30
	Travelling and conveyance expenses	162.89	100.83
	Irrecoverable Deposits Written off	-	2.50
	Miscellaneous expenses	159.29	86.90
		6,790.63	**3,971.74**

39	**Expenditure on Corporate Social Responsibility**		
(i)	Gross amount required to be spent on CSR expenditure in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014	28.01	22.82
(ii)	Amount unspent/ (excess spent) carried forward from earlier years	(0.13)	(4.04)
(iii)	Amount actually spent during the year on		
	a) Promotion of Education	7.77	13.64
	b) Others	4.48	5.27
		12.25	18.91
(iv)	(Excess amount spent carried forward)/ Short fall	15.63	(0.13)

(v) The details of related party transactions in relation to CSR expenditure are furnished in Note No.53

(All amounts are in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024
40 Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	1,551.62	560.05
Tax adjustments based on assessments received	(17.52)	
Total current tax expense	**1,534.10**	**560.05**
Deferred tax		
Deferred tax adjustments	(19.96)	(43.14)
Total deferred tax expense/ (benefit)	**(19.96)**	**(43.14)**
Income tax expense	**1,514.14**	**516.91**

b) The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax from continuing operations	6,051.55	2,346.10
Income tax expense calculated at 25.168% (Previous year : 25.168%)	1,523.05	590.47
Effect of expenses/ (income) that are treated differently for tax purposes		
CSR Expenditure	7.02	5.78
Dividend Income Exempt	(13.24)	(17.66)
Differential tax on capital gains	63.64	-
Others	(11.33)	(18.54)
Tax adjustments based on assessments received	(17.52)	-
Income tax expense	**1,551.62**	**560.05**

c) Income tax recognised in other comprehensive income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Deferred tax		
Remeasurement of defined benefit obligation and equity instruments	(205.74)	(52.26)
Total income tax recognised in other comprehensive income	(205.74)	(52.26)

d) Movement of deferred tax expense during the year ended March 31, 2025

Deferred tax (liabilities)/ assets in relation to:	**Opening balance**	**Recognised in profit or loss**	**Recognised in Other Comprehensive**	**Closing balance**
Property, plant, and equipment	(456.11)	20.69	-	(435.42)
Expenses allowable on payment basis under the Income Tax Act	60.89	(21.24)	-	39.65
Remeasurement of financial instruments	(560.69)	20.33	(205.74)	(746.10)
Others	1.75	0.18	-	1.93
Total	**(954.16)**	**19.96**	**(205.74)**	**(1,139.94)**

Movement of deferred tax expense during the year ended March 31, 2024

Deferred tax (liabilities)/ assets in relation to:	**Opening balance**	**Recognised in profit or loss**	**Recognised in Other Comprehensive**	**Closing balance**
Property, plant, and equipment	(481.71)	25.60	-	(456.11)
Expenses allowable on payment basis under the Income Tax Act	39.83	21.06	-	60.89
Remeasurement of financial instruments	(504.18)	(4.25)	(52.26)	(560.69)
Others	1.02	0.73	-	1.75
Total	**(945.04)**	**43.14**	**(52.26)**	**(954.16)**

		For the year ended March 31, 2025	For the year ended March 31, 2024
41	**Earnings per share**		
	Profit for the year attributable to owners of the Company	4,537.41	1,829.19
	Weighted average number of ordinary shares outstanding	40,227,600	40,227,600
	Basic earnings per share (INR)	11.28	4.55
	Diluted earnings per share (INR)	11.28	4.55
42	**Earnings in foreign currency**		
	FOB value of exports	21,183.88	9,816.31
43	**Expenditure in foreign currency (net of withholding tax)**		
	Commission	300.65	194.73
	Selling expenses	58.26	36.78
		358.91	**231.51**
44	**Value of Imports calculated on C.I.F basis**		
	Components and spare parts	86.51	43.71
	Capital goods	253.94	711.96
		340.45	**755.67**

45 Value of imported and indigenous Raw Materials and Stores and Spares consumed during the financial year and the percentage of each to the total consumption

Particulars	**Year ended March 31, 2025**		**Year ended March 31, 2024**	
	In INR Lakhs	**Percentage (%)**	**In INR Lakhs**	**Percentage (%)**
Value of raw materials consumed				
Imported	-	-	-	-
Indigenous	22,016.89	100.00	13,323.02	100.00
	22,016.89	**100.00**	**13,323.02**	**100.00**
Value of Stores and Spares Consumed				
Imported	86.51	7.72	43.71	7.50
Indigenous	1,034.23	92.28	539.35	92.50
	1,120.74	**100.00**	**583.06**	**100.00**

46 Commitments and contingent liability

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
(a) Contingent Liabilities **		
Tax Demands and PF Arrears under dispute	62.37	62.37
Electricity peak hour penalty dispute	35.68	35.68
Income tax demands	325.17	325.17
Claims against the Company by a customer not acknowledged as debt	110.61	110.61
Bills discounted	407.68	235.41
Bank Guarantees/ Letter of Credits	1.61	1.61
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	857.96	314.95

** The management believes, based on internal assessment and/ or legal advice, that the probability of an ultimate adverse decision and outflow of resources of the company is not probable and accordingly, no provision for the same is considered necessary.

(All amounts are in INR lakhs, unless otherwise stated)

47

Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under	As at March 31, 2025	As at March 31, 2024
(a) The principal amount remaining unpaid at the end of the year	210.77	232.41
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-
(d) Normal Interest due and payable during the year, for delayed payments, as per the agreed terms	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

48 Operating Segments

The company is engaged in the business of manufacturing of "Textiles" and therefore, has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.

Information relating to geographical areas

(a) Revenue from external customers

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
India	12,364.34	10,559.90
Rest of the world	21,219.51	9,848.20
Total	**33,583.85**	**20,408.10**

(b) Non current assets

The manufacturing facilities of the Company are situated in India and no non-current assets are held outside India.

(c) Information about major customers

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of external customers each contributing more than 10% of total revenue	1	2
Total revenue from the above customers	15,942.89	6,598.74

49 Leases

As Lessor

The Company has entered into operating lease arrangements for certain surplus facilities. The leases are non cancellable and may be renewed based on mutual agreement of the parties.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total lease income recognised in the Statement of Profit and Loss	1.00	1.00
Undiscounted lease payments to be received		
Within 5 years	5	5.00
Later than 5 years	25.67	26.67

As Lessee

The Company has entered into both operating lease arrangements and finance lease arrangements for certain facilities. Some leases are non cancellable at the option of either party to lease and others are cancellable at the option of the lease. The Lease may be renewed based on mutual agreement of the parties.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Expense relating to leases of low-value assets accounted for applying para 6 of Ind AS 116	129.79	10.13
Right of use asset as on the opening date	123.36	130.60
Additions during the year	-	-
Depreciation charge for the year	7.24	7.24
Closing balance of Right of use asset	116.12	123.36
Total Cash outflow for finance lease arrangements	129.79	10.13

(All amounts are in INR lakhs, unless otherwise stated)

50 Government Grants

The details of Government Grants received by the Company are as follows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Duty drawback on exports	235.17	89.84
Interest subvention of export finance		5.65
ATUF - Subsidy for garment Unit	-	-
Capital Grant - ATUF subsidy for machinery purchased	-	6.99

There are no unfulfilled conditions and other contingencies attached to government assistance that has been recognised in the financial statements.

The company has opted for deferred income. Accordingly, government grant is credited to profit or loss on a straight-line basis over the expected life of the related asset and presented within other income. In respect of capital grant towards specific asset, the same is adjusted in the carrying amount of the related asset as required by Ind AS 20.

- This space is intentionally left blank -

(All amounts are in INR lakhs, unless otherwise stated)

51 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(a) ***Ageing Schedule of Capital Work-in-Progress (CWIP) - March 2025***

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	209.92	-	-	-	209.92
(ii) Projects temporarily suspended	-	-	-	-	-
	209.92	**-**	**-**	**-**	**209.92**

Note: The Company do not have any projects whose activity has been suspended.

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	60.02	-	-	-	60.02
(ii) Projects temporarily suspended	-	-	-	-	-
	60.02	**-**	**-**	**-**	**60.02**

Note: The Company do not have any projects whose activity has been suspended.

(b) ***Ageing Schedule of Trade Receivables***
As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good	3,630.35	3,744.23	4.29	-	-	-	7,378.87
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	3.48	3.45	13.92	20.85
	-	-	-	-	-	-	-
Disputed Trade Receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
	3,630.35	**3,744.23**	**4.29**	**3.48**	**3.45**	**13.92**	**7,399.72**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
(i) Considered good	2,318.35	175.19	1.57	-	-	-	2,495.11
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	0.12	4.27	3.06	11.27	18.72
Disputed Trade Receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
	2,318.35	**175.19**	**1.69**	**4.27**	**3.06**	**11.27**	**2,513.83**

51 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(c) ***Ageing Schedule of Trade Payables***

Particulars		Outstanding for following periods from due date of payment				Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025						
(i). MSME	180.40	30.13	0.10	0.07	0.07	210.77
(ii) Others	926.77	170.34	2.14	1.42	17.02	1,194.39
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	1,107.17	**200.47**	**2.24**	**1.49**	**17.09**	**1,405.16**
As at March 31, 2024						
(i). MSME	232.41	-	-	-	-	232.41
(ii) Others	863.36	517.77	16.22	-	4.45	1,401.80
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
	1,095.77	**517.77**	**16.22**	**-**	**4.45**	**1,634.21**

(d) Proceedings under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

There are no proceedings 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

(e) Borrowings from banks

The Company has 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 and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.

(f) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

(g) Compliance with number of layers of companies

The Company do not have any parent company and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.

(h) Key Financial Ratios

Particulars	Unit of Measurement	March 31, 2025	March 31, 2024	Variation in %
Current Ratio	In multiple	10.07	7.70	31%
Debt-Equity Ratio	In multiple	0.13	0.01	1200%
Debt Service Coverage Ratio	In multiple	59.59	12.1	392%
Return on Equity Ratio	In %	17.00%	9.00%	8%
Inventory Turnover Ratio	In Days	82.00	79.00	4%
Trade receivables Turnover Ratio	In Days	52.00	34.00	53%
Trade payables Turnover Ratio	In Days	16.00	19.00	(16%)
Net Capital Turnover Ratio	In Days	118.00	94.00	26%
Net Profit Ratio	In %	13.17%	8.80%	4%
Return on Capital Employed	In %	20.30%	9.46%	11%
Return on Investment (Assets)	In %	17.77%	8.26%	10%

51 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

Formula adopted for above Ratios:
Current Ratio = Current Assets / (Total Current Liabilities – Security Deposits payable on Demand – Current maturities of Long Term Debt)
Debt-Equity Ratio = Total Debt / Total Equity
Debt Service Coverage Ratio = (EBITDA – Current Tax) / (Principal Repayment + Gross Interest on term loans)
Return on Equity Ratio = Total Comprehensive Income / Average Total Equity
Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)
Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)
Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)
Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio – Trade payables turnover ratio)
Net Profit Ratio = Net Profit / Net Revenue
Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))
Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

Reasons for Variation if more than 25%
Current Ratio
Increase in the trade receivables and inventories resulted in the increase in the Current Ratio

Debt Equity Ratio
The significant increase in profit after tax during the year and reduction in borrowings due to repayments resulted in the decrease in the Debt Equity Ratio

Debt Service Coverage Ratio
Decrease in the debt and significant increase in the profit after tax has resulted in the increase of Debt Service Coverage Ratio

Trade Receivable Turnover Ratio
The increase in trade receivables not due as at the yearend compared to the previous year, has resulted in the increase in the Trade Receivable Turnover Days

Net Capital Turnover Ratio
Increase in the trade receivables and inventories resulted in the increase in the Net Capital Turnover Ratio

(i) Scheme of arrangements
There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

(j) Advance or loan or investment to intermediaries and receipt of funds from intermediaries
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 (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(k) Undisclosed Income
The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

(l) Details of Crypto Currency or Virtual Currency
The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.

(m) Audit Trail
The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with at any time during the year. The audit trail has been preserved by the company as per the statutory requirements for record retention.

(All amounts are in INR lakhs, unless otherwise stated)

52 Financial Instruments

Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long term and short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital and other equity reserves attributable to the equity holders.

Categories of Financial Instruments	**March 31, 2025**	**March 31, 2024**
Financial assets		
a. Measured at amortised cost		
Loans (non-current)	306.27	306.27
Other non-current financial assets	194.62	182.91
Trade receivables	7,378.87	2,495.11
Cash and cash equivalents	259.97	82.47
Bank balances other than above	75.89	77.97
Loans (current)	2,219.62	1,483.24
b. Measured at fair value through other comprehensive income (FVTOCI)		
Investments (non-current)	4,503.66	4,080.78
c. Mandatorily measured at fair value through profit or loss (FVTPL)		
Investments (current)	2,185.09	4,719.20
Financial liabilities		
a. Measured at amortised cost		
Borrowings (non-current)	-	83.84
Other non-current financial liabilities	4.83	4.37
Trade payables	1,405.16	1,634.21
Other financial liabilities	2.28	4.32
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Derivative instruments	-	2.04

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

As at March 31, 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Financials Assets				
Mutual Fund Units	2,185.09	-	-	2,185.09
Equity shares	3.66	-	4,498.82	4,502.48
	2,188.75	**-**	**4,498.82**	**6,687.57**

Financials Liabilities				
Fair value of foreign exchange derivative liabilities	-	-	-	-
	-	**-**	**-**	**-**

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financials Assets				
Mutual Fund Units	4,719.20	-	-	4,719.20
Equity shares	2.31	-	4,074.88	4,077.19
	4,721.51	**-**	**4,074.88**	**8,796.39**
Financials Liabilities				
Fair value of foreign exchange derivative liabilities	2.04	-	-	2.04
	2.04	**-**	**-**	**2.04**

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2025 (all amounts are in equivalent in INR lakhs)

Particulars	**Liabilities**			**Assets**			**Net overall exposure on the currency - net assets / (net liabilities)**
	Gross exposure	**Exposure hedged using derivatives**	**Net liability exposure on the currency**	**Gross exposure**	**Exposure hedged using derivatives**	**Net asset exposure on the currency**	
Trade receivables	-	-	-		-	-	-
Trade Payables	-	-	-	-	-	-	-

As on March 31, 2024 (all amounts are in equivalent in INR lakhs)

Particulars	**Liabilities**			**Assets**			**Net overall exposure on the currency - net assets / (net liabilities)**
	Gross exposure	**Exposure hedged using derivatives**	**Net liability exposure on the currency**	**Gross exposure**	**Exposure hedged using derivatives**	**Net asset exposure on the currency**	
Trade receivables	-	-	-	282.95	-	282.95	282.95
Trade Payables	155.29	-	155.29	-	-	-	(155.29)

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The estimated sensitivity impact will be around +/- INR 103.77 lakhs (Previous year Rs. 31.46 lakhs), which is considered to be immaterial to the size of operations of the Company.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by INR 0.45 Lakhs for the year (Previous year INR 0.24 Lakhs)

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments, investments in debt securities and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The allowance for lifetime expected credit losses on trade receivables for the years ended March 31, 2025 and 2024 and the reconciliation of allowance for expected credit losses are as follows:

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	**18.72**	**11.42**
Changes during the year	2.13	7.30
Balances at the end of the year	**20.85**	**18.72**

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of quoted Mutual Funds. These Mutual Funds and Counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the loan agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

(All amounts are in INR lakhs, unless otherwise stated)

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2025	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	4,079.61	-	-	4,079.61
Trade payables	1,405.16	-	-	1,405.16
	5,484.77	**-**	**-**	**5,484.77**

March 31, 2024	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	279.58	83.84	-	363.42
Trade payables	1,634.21	-	-	1,634.21
	1,913.79	**83.84**	**-**	**1,997.63**

	March 31, 2025	March 31, 2024
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)	Nil	Nil

- This space is intentionally left blank -

(All amounts are in INR lakhs, unless otherwise stated)

53 Related party disclosure

a) List of parties having significant influence

Holding company	The Company does not have any holding company
Subsidiaries, associates and joint ventures	The Company does not have any subsidiaries, associates and joint ventures

Key Management Personnel (KMP) and their Relatives

Sri. K.Thiagarajan	Chairman and Managing Director
Dr.(Smt) Uma Kannan	Director
Sri K.Deenadayalan	Chief Financial Officer
Smt. Preyatharshine	Company Secretary

Enterprises in which Key Management Personnel and their Relatives have significant influence

- Thiagarajar Mills (P) Ltd.
- Tamaraiselvi Finance (P) Ltd.
- Kalaithanthai Karumuttu Thiagarajar Chettiar Memorial Charitable Trust
- Colour Yarns Limited
- Thiagarajar Rubbers Private Limited
- Pacific Cotton LLC
- Sivakami Textiles
- Kannappan Traders
- Thiagarajar College of Arts
- Thiagarajar College Of Engineering
- Murugan Security Services
- Thiagarajar Leasing LLP

Transactions with related parties are as follows

S.No	Transactions/ Balances	Enterprises in which Key Management Personnel and their Relatives have significant influence		Key Management Personnel and their Relatives	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1	Sale of goods	85.07	213.33		
2	Purchase of goods	3,926.75	4,748.07		
3	Availing of services	965.24	405.61		
4	Rendering of services	1.18	11.04		
5	CSR Contribution	7.77	17.68		
6	Dividend Paid	26.78	26.78	237.77	236.31
7	Remuneration & Short term benefits*				
	Chairman and Managing Director			250.00	50.00
	Chief Financial Officer			12.81	9.51
	Company Secretary			16.03	11.31
8	Sitting fees			0.25	0.40

*Post employment benefit comprising gratuity and compensated absences is not disclosed as these are determined for the Company as a whole.

Balances with related parties are as follows

S.No	Transactions/ Balances	Enterprises in which KMP and their Relatives have significant influence		Key Management Personnel and their Relatives	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1	Trade Payables	324.45	300.11	-	-
2	Remuneration payable	-	-	250.00	50.00

(All amounts are in INR lakhs, unless otherwise stated)

Material related party transactions are follows

S.No	Nature of transactions	Year ended March 31, 2025	Year ended March 31, 2024
1	**Sale of goods**		
	Thiagarajar Mills (P) Ltd.	85.07	213.33
2	**Purchase of goods**		
	Thiagarajar Mills (P) Ltd.	3,926.75	4,748.07
	Thiagarajar College of Engineering	-	-
3	**Availing of services**		
	Thiagarajar Mills (P) Ltd.	16.44	13.96
	Tamaraiselvi Finance (P) Ltd.	7.20	7.20
	Karumuttu Farms Ltd	1.00	0.20
	Pacific Cotton LLC	163.34	323.50
	Thiagarajar College of Engineering	0.05	0.59
	Colour Yarns	8.50	17.00
	Murugan Security Services	33.49	41.53
	Thiagarajar Rubbers Private Limited	-	1.63
	Thiagarajar Leasing LLP	735.22	-
4	**Rendering of services**		
	Thiagarajar Mills (P) Ltd.	1.18	11.04
5	**CSR Contribution paid**		
	Kalaithanthai Karumuttu Thiagarajar Chettiar Memorial Charitable Trust	7.77	17.68
6	**Remuneration to Key Management Personnel**		
	K Thiagarajan	250.00	50.00
	A.N Paramasivam	-	3.68
	K.Deenadayalan	12.44	5.50
	S Paramasivam	-	1.07
	Smt. K. Preyatharshine	15.51	9.88
7	**Contribution to PF and Other funds for KMP**		
	K.Deenadayalan	0.37	0.19
	A.N Paramasivam	-	0.14
	Smt. K. Preyatharshine	0.52	0.36
8	**Sitting Fees**		
	Dr.(Smt) Uma Kannan	0.25	0.25
	Sri. K.Thiagarajan	-	0.15
7	**Dividend Paid**		
	T.Kannan	230.38	222.96
	K.Thiagarajan	7.39	1.46
	Thiagarajar Mills P ltd	26.78	25.44

Material related party balances are follows

S.No	Name of the related party	As at March 31, 2025	As at March 31, 2024
1	**Trade payables**		
	Pacific Cotton LLC	-	155.29
	Thiagarajar Mills (P) Limited	1.09	300.11
	Thiagarajar Leasing Lip	323.36	
2	**Remuneration Payable**		
	Sri K. Thiagarajan	250.00	50.00

54 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident fund as well as Employee State Insurance Fund.

The total expense recognised in profit or loss of INR 82.14 lakhs (for the year ended March 31, 2024 is INR 64.84 lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.)

Defined benefit plans

(a) Gratuity
Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard, the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Company has an independent Gratuity Trust. The liability of each year is valued as per Ind AS 19 "Employee Benefits)" by an independent Actuary and the amount as per the actuarial valuation report is provided in the accounts each year.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2025	March 31, 2024
Discount Rate	6.74%	6.97%
Rate of increase in compensation level	5.00%	5.00%
Attrition Rate	1.00%	1.00%
Expected Rate of Return on Plan Assets	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	**March 31, 2025** in INR Lakhs	**March 31, 2024** in INR Lakhs
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Current service cost	12.14	11.20
Net interest expense	9.45	9.05
Return on plan assets (excluding amounts included in net interest expense)	(0.32)	(0.34)
Components of defined benefit costs recognised in profit or loss	**21.27**	**19.91**
Amount recognised in Other Comprehensive Income (OCI) for the Year		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(10.95)	6.82
Components of defined benefit costs recognised in other comprehensive	**(10.95)**	**6.82**
Total	**10.32**	**26.73**

i. Current service cost and the net interest expense for the year are included in the 'Employee Benefits Expense' in profit or loss.
ii. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(All amounts are in INR lakhs, unless otherwise stated)

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Present value of defined benefit obligation	139.25	142.19
Fair value of plan assets	(0.96)	(8.22)
Net liability arising from defined benefit obligation	**138.29**	**133.97**
Funded	-	-
Unfunded	138.29	133.97
	138.29	**133.97**

The above provisions are reflected under 'Provision for employee benefits' (Long -term provisions) [Refer note 23]

Movements in the present value of the defined benefit obligation in the current year were as follows:

Opening defined benefit obligation	142.19	134.84
Current service cost	12.14	11.20
Interest cost	9.45	9.05
Actuarial (gains)/losses	(11.23)	6.48
Benefits paid	(13.30)	(19.38)
Closing defined benefit obligation	**139.25**	**142.19**

Movements in the fair value of the plan assets in the current year were as follows:

Opening fair value of plan assets	8.22	1.60
Expected return on plan assets (excluding amounts included in net interest expense)	0.32	0.34
Contributions	6.00	26.00
Benefits paid	(13.30)	(19.38)
Actuarial gains/(loss)	(0.28)	(0.34)
Others	-	-
Closing fair value of plan assets	**0.96**	**8.22**

Sensitivity analysis

A. Discount Rate + 50 BP	7.24%	7.47%
Defined Benefit Obligation [PVO]	133.54	136.51
Current Service Cost	13.22	11.41
B. Discount Rate - 50 BP	6.24%	6.47%
Defined Benefit Obligation [PVO]	145.38	148.30
Current Service Cost	15.02	12.94
C. Salary Escalation Rate + 50 BP	5.50%	5.50%
Defined Benefit Obligation [PVO]	145.51	148.44
Current Service Cost	15.04	12.96
D. Salary Escalation Rate - 50 BP	4.50%	4.50%
Defined Benefit Obligation [PVO]	133.38	136.34
Current Service Cost	13.19	11.39

(b) Compensated absences

As per the policy of the Company, compensated absences are not entitled to be carried forward to the subsequent financial year and lapse at the end of the reporting period. Accordingly, no liability towards compensated absences are recognised in these financial statements.

For and on behalf of the Board of Directors

As per our report of even date attached
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No.004915S/ S200036)

K. Thiagarajan
Chairman & Managing Director
DIN: 03638370

RM. Somasundaram
Director
DIN : 00071510

E K Srivatsan
Partner
Membership No.225064

K.Deenadayalan
Chief Financial Officer

K. Preyatharshine
Company Secretary

Place : Kappalur, Madurai
Date : May 29, 2025