



S.P.APPARELS LTD.



Regd. Office : 39-A, Extension Street, Kaikattipudur, AVINASHI - 641 654, Tamil Nadu, India.
Phone : +91-4296-714000 E-mail : spindia@s-p-apparels.com
Web : www.s-p-apparels.com CIN No.: L18101TZ2005PLC012295

August 28, 2025

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

National Stock Exchange of India Limited
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

Scrip Code: 540048

Symbol: SPAL

Dear Sirs,

Sub: Re-Submission of Annual report for the financial year 2024-2025.

We referring to our Submission of Annual Report dated August 8, 2025, pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), We hereby enclose a copy of the Revised Annual Report of the Company for the financial year 2024-25, with the inclusion of Secretarial Audit Report of our Wholly owned subsidiary, “Young Brand Apparel Private Limited”. A copy of the updated Annual Report is also available on the Company’s website at www.spapparels.com.

Kindly take the above information on record.

Thanking You,

For S.P.Apparels Limited,

K.Vinodhini
Company Secretary and Compliance Officer



S.P. APPARELS LIMITED



**ANNUAL
REPORT
2025**



S.P. APPARELS LIMITED







S.P. APPARELS LIMITED



C O N T E N T S

3	Chairman's message
4	Profile
5	Management Discussion and Analysis
10	Directors' Report
35	Business Responsibility and Sustainability Report
74	Corporate Governance Report
95	Standalone Financials
173	Consolidated Financials
256	Notice



Chairman's Message

Dear Shareholders,

I am pleased to report that FY25 has been a pivotal year for your Company. This year marks our first full year of consolidation following the acquisition of Young Brand Apparel. We continued to expand our presence in Sri Lanka, leveraging its geographical advantages and availability of skilled workforce. Our strategy focuses on acquiring customer-approved factories in Sri Lanka, enabling us to ramp up production quickly and reduce our gestation period. This strategy offers a clear advantage over establishing new factories in India, which typically takes about a year to set up and stabilize.

The global economy faced significant challenges in 2025, with new U.S. tariffs and retaliatory measures leading to unprecedented effective tariff rates. In contrast, India remained the fastest growing economy.

The recent UK-India Free Trade Agreement positions India as a key player in global sourcing, offering a 10% duty advantage over China and increasing our attractiveness as a sourcing destination amid political uncertainties in Bangladesh. This agreement eliminates tariffs on nearly all Indian textile and apparel exports to the UK, facilitating expanded exports and trade. With government support, rising global demand, and competitive labour costs, India is poised to capture a larger share of the global apparel market. The FTA is expected to generate more business and orders for India, creating opportunities for manufacturing and sourcing. At S.P. Apparels, we are focused on forming partnerships with UK retailers to leverage these opportunities and drive growth.

Performance Overview

In our Spinning and Dyeing division, your company have successfully navigated previous challenges related to fluctuating cotton prices. We experienced stability, with both cotton and yarn prices remaining steady. The dyeing unit is operating at full capacity, and we are also expanding our printing and embroidery capabilities to meet the evolving needs of our customers. By increasing our capacity through strategic factory acquisitions in Sri Lanka, we aim to achieve full utilization of our back-end facilities.

In the Garment division, we have made notable progress in improving utilization levels, achieving 85% in FY25, up from 76% in the previous year. Over the current year, we have added three factories and increased our overall capacity by 700 machines, with plans to add another 300 sewing machines by March 2026. Our current order book stands at Rs. 442 crores, positioning us well for future growth.

Our expansion into Sri Lanka presents significant opportunities, given the availability of operational factories and a skilled workforce. This move enhances our operational flexibility between Indian factories and Sri Lanka factories, allowing us to execute orders efficiently. Our strategy to acquire customer-approved factories will enable us to secure orders rapidly and enhance our production capabilities. We have already acquired a factory, and shipments are underway. Looking ahead, we plan to expand our capacity to around 2,000 machines within the next year.

On Young Brand Apparel, FY25 marks the first full year of consolidation post-acquisition, and I am pleased to report strong results. We plan to lease a facility near Salem with a capacity of 300 sewing machines, utilizing an asset-light model that leverages existing machinery. This initiative will increase our installed capacity with expectations to operate.

In our retail division, SP Retail Ventures reported revenue of INR 79.4 crores for FY25, compared to INR 82.9 crores in the previous year. The ongoing losses are primarily due to unfunded cash losses. We are expanding Angel & Rocket, a UK-based brand, and exploring equity fundraising options to support growth within our retail business. Following this, we anticipate the retail segment to turn profitable.

Outlook

In conclusion, our strategic capacity expansions through the acquisition of operational factories position us for significant growth. We anticipate that the expansion in Sri Lanka and the addition of machines in our existing factories as well as integration of Young Brand Apparel will drive growth. Additionally, our SPUK and retail businesses are on the verge of breaking even on an EBITDA and operational basis, which will contribute to our overall growth. With all the integration and on-going capacity expansion we aspire to march towards achieving higher topline in future.

This progress is a result of the collective effort of many, and I extend my gratitude to my fellow Directors, our suppliers, partners, and dedicated employees. Most importantly, I thank our shareholders for your belief in our long-term vision; with your continued support, we are poised for sustained growth.

Sincerely,

P. Sundararajan

Chairman and Managing Director, S.P. Apparels Limited.



PROFILE

BOARD OF DIRECTORS

Mr. P. Sundararajan

Chairman and Managing Director

Mrs. S. Latha

Executive Director

Mr. S. Chenduran

Joint Managing Director

Mrs. S. Shantha

Joint Managing Director

Mr. A.S. Anandkumar

Independent Director

Mr. C.R. Rajagopal

Independent Director

Mrs. H. Lakshmi Priya

Independent Director

Mr. B. Ravishankar

Independent Director

MANAGEMENT TEAM

Mrs. P.V. Jeeva

Chief Executive Officer - Garment Division

Mr. V. Balaji

Chief Financial Officer

Mrs. K. Vinodhini

Company Secretary and Compliance Officer

STATUTORY AUDITORS

ASA & Associates LLP

Chartered Accountants

Unit 709 & 710, 7th Floor, 'BETA Wing',
Raheja Towers, New Number 177, Annasalai,
Chennai – 600 002.

SECRETARIAL AUDITOR

MDS & Associates LLP

Coimbatore – 641 028

INTERNAL AUDITORS

BM & Associates

Chartered Accountants

Coimbatore - 641044.

REGISTERED OFFICE

39-A, Extension Street,
Kaikattipudur, Avinashi – 641 654,
Tirupur District

REGISTRAR AND SHARE TRANSFER AGENTS

MUFG Intime India Private Limited

(formerly Link Intime India Private Limited)

Coimbatore Branch

No. 35, Surya, Mayflower Avenue,
Behind Senthil Nagar, Sowripalayalam Road,
Coimbatore – 641028

Phone: 0422 – 2314792

Email id: coimbatore@in.mpms.mufg.com

BANKERS

State Bank of India, Coimbatore

IDBI Bank Limited, Coimbatore

The Hongkong and Shanghai Banking Corporation
Limited, Coimbatore

HDFC Bank, Coimbatore

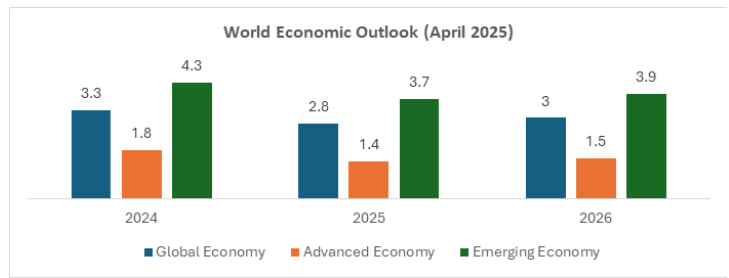
COMPANY CIN : L18101TZ2005PLC012295



MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY AND OUTLOOK

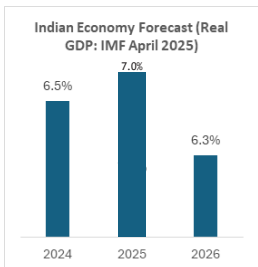
In 2025, the global economy faces heightened uncertainty amid escalating trade tensions and policy shifts. As per International Monetary Fund Growth is projected to slow to 2.8%, down from 3.3% in 2024, with advanced economies growing at just 1.4%. The US and China are particularly impacted by tariff escalations, disrupting global supply chains and dampening investment. Inflation remains elevated in some regions, while financial markets show signs of volatility. Despite these challenges, opportunities exist through policy coordination, technological innovation, and structural reforms. A stable trade environment



Source: International Monetary Fund

INDIAN ECONOMIC OVERVIEW & OUTLOOK

The Indian economy remains a key driver of global growth, supported by strong domestic demand, sound macroeconomic fundamentals, and prudent policies. Despite global uncertainties and trade disruptions, India maintained its position as the fastest-growing major economy in 2024-25. Inflation outlook is benign, and financial stability is reinforced by resilient banks and non-bank financial institutions with robust capital buffers and low non-performing loans. Corporate balance sheets are healthy, and stress tests confirm the system’s ability to withstand adverse shocks. Continued regulatory vigilance and innovation are fostering a stable, inclusive, and efficient financial ecosystem.

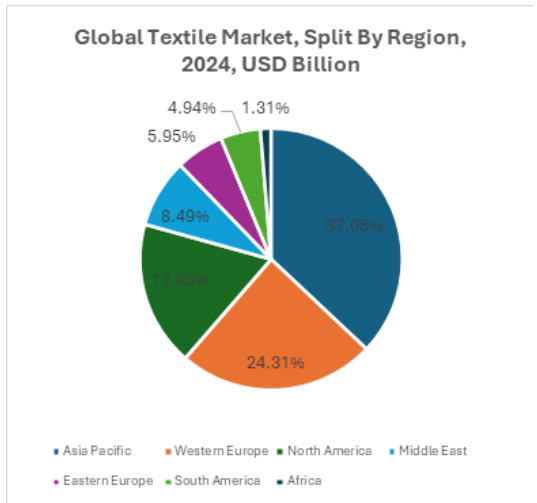
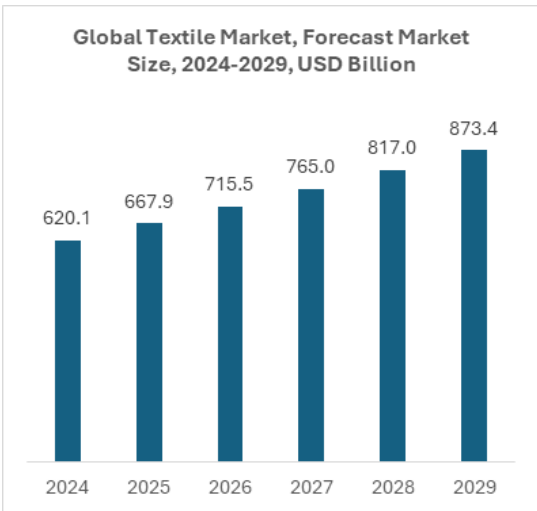


Source: International Monetary Fund

TEXTILES

Global Textile Industry

According to The Business Research Company the global textile market was valued at USD 620 billion In 2024. The Per capita consumption stood at USD 77.8, with the market contributing 0.56% to global GDP. Growth was driven by rising disposable incomes in emerging economies, expanding e-commerce, and steady global economic performance. Online platforms enhanced market reach, especially for traditional garments. Forecasted GDP growth and recovering commodity prices are expected to boost investments and demand in end-user markets. These trends position the textile industry for continued expansion in the coming years, according to The Business Research Company.



Source: The Business Research Company

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Textile Industry

India’s textile industry is a key pillar of the economy, contributing 2.3% to GDP, 13% to industrial output, and 12% to exports. It is the second-largest global producer of textiles and garments and a major employment generator, supporting over 45 million people. The domestic market is projected to grow at a CAGR of 10%, reaching USD 250-350 billion by 2030. The Government initiatives like the ₹10,683 crore PLI scheme and PM MITRA parks are enhancing infrastructure and competitiveness. With 100% FDI permitted under the automatic route, rising global demand, and a strong sustainability focus, the sector is poised for robust expansion.



Source: INDIA BRAND EQUITY FOUNDATION (IBEF)

Exports

India’s textile industry is on a robust growth path, with exports projected to reach USD 65 billion by FY2026. In FY2025 (April-October), exports stood at USD 21.36 billion, led by Ready-Made Garments (41%), Cotton Textiles (33%), and Man-Made Textiles (15%). The sector holds a 3.9% share in global trade, with RMG exports expected to surpass USD 30 billion by 2027. Government schemes like RoSCTL and targeted support for handlooms aim to boost competitiveness. Furthermore, the UK-India Free Trade Agreement marks a transformative milestone for India’s textile industry, eliminating tariffs on 99% of exports to the UK. This boosts competitiveness and is expected to nearly double garment exports by 2030. Ready-Made Garments, home textiles, and technical textiles will benefit significantly. Indian exporters gain a ~10% cost advantage, encouraging investment and product diversification. With the UK being a major apparel importer,

the FTA opens new opportunities for trade, innovation, and collaboration.



Source: INDIA BRAND EQUITY FOUNDATION (IBEF), F2F Apparel & Retail

Global Industry

As per The Business Research Company the global apparel market reached USD 693.6 billion in 2024, accounting for 63.9% of the broader apparel and leather products sector. It is projected to grow at a CAGR of 7.09%, reaching USD 976.7 billion by 2029. Key growth drivers include rising disposable incomes in emerging markets, technological advancements such as robotics and smart fabrics, and increased demand for man-made fibres. Women’s wear dominated the market in 2024 with a 52.13% share, followed by men’s wear (32.25%) and kids wear (15.62%). Regionally, Western Europe led with USD 238.5 billion, followed by Asia Pacific (USD 211.98 billion). E-commerce expansion, relaxed FDI norms, and growing demand for performance wear are expected to further accelerate growth. However, challenges such as raw material scarcity, counterfeit products, and environmental concerns may restrain market performance.

Source: Global Apparel Market Briefing 2025, The Business Research Company

Indian Market

In FY25, India’s textile industry demonstrated resilience amid global uncertainties. Total textile exports reached ₹1.84 lakh crore (USD 21.36 billion) by October 2024, led by Ready-Made Garments, Cotton Textiles, and Man-Made Textiles. Domestic demand surged, supported by a normal

monsoon, easing inflation, and festive season spending. The organized retail apparel sector grew 8-10%, driven by affordable fashion trends. Looking ahead, the industry is projected to double its GDP contribution to 5% by 2030, with market size expected to reach USD 350 billion. Government initiatives like the ₹10,683 crore PLI scheme and PM MITRA parks will further boost competitiveness and exports.

Source: INDIA BRAND EQUITY FOUNDATION (IBEF)

Company Overview

S.P. Apparels Limited (SPAL) is a leading manufacturer and exporter of knitted garments, with a strong focus on sustainability and operational excellence. The company operates a robust manufacturing and supply chain network, serving global clients in the children's wear segment and expanding its domestic presence through the 'Crocodile' menswear brand. In FY25, SPAL acquired Young Brand Apparels, enabling entry into the women's intimate wear export segment, particularly in the USA. This strategic move enhances SPAL's product portfolio and global reach, positioning it for long-term growth across diverse apparel categories and international markets.

Employee Welfare

SPAL is committed to promoting employee well-being, continuous learning, and workplace diversity. The company supports personal and professional growth through structured upskilling programs and wellness initiatives. By fostering an entrepreneurial culture, SPAL empowers employees to take ownership, drive innovation, and contribute meaningfully to organizational success.

Risks and Concerns

Raw Materials Risks:

India is one of the largest producers of cotton yarn in the world. The margins of the Indian textile industry are impacted by the fluctuations in cotton prices. In 2023-24 margins improved because of gain in cotton price movement, although average realization may decline due to deflation in raw material cost.

Inflation risk:

India has seen variable inflation trends historically. While fluctuations in inflation rates can present challenges in forecasting and managing our costs, they also encourage us to enhance our financial strategies and cost management practices. If there is an uptick in the cost of raw materials due to inflationary trends, or a rise in employee benefit payments driven by inflation in India, we are committed to implementing innovative measures to absorb these costs effectively. Our goal is to minimize the impact on our customers and maintain the integrity of our business operations.

Safety risk:

Ensuring a safe and healthy working environment for everyone is vital for boosting productivity and nurturing organisational development. We at SPAL equip the workplace with the necessary safety equipment and keep all the machinery in good working order through regular maintenance and safety inspections.

Finance and credit risk:

We evaluate and manage credit risk on the basis of assumptions and factors influenced by market conditions. To mitigate credit risk, we diligently track the creditworthiness of debtors through internal systems that are configured to define credit limits of customers.

Exchange risk:

S.P. Apparels faces exposure to foreign exchange rate fluctuations as considerable portion of its revenue is from other countries. To mitigate the risks associated with foreign exchange fluctuations that affect our commercial dealings and recognized foreign currency assets and liabilities, we strategically employ forward contracts and engage in hedging activities as needed. Additionally, we have a skilled team of professionals for managing forex concerns, ensuring that our approach to foreign exchange risk is both effective and informed.

Regulatory Changes:

Adjustments to regulations and government incentives present opportunities for the company to adapt and innovate, potentially enhancing its business and profitability. The Indian government has historically supported the textile sector with incentives such as RoSCTL and EPCG fostering production and export growth. While these incentives may evolve, the company is poised to leverage its operational strength to maintain and improve its market position.

Financial Performance

Performance on a Standalone basis:

In FY 2024-25 your company has recorded a consolidated total revenue of Rs. 9,890.1 Mn as against Rs. 9,639.8 Mn in FY 2023-24. EBITDA stood as Rs. 1,688.4 Mn as against Rs. 1,838.7 Mn in the previous year. PAT was Rs. 835.3 Mn as against Rs 1,037.6 Mn in FY 2023-24. EPS for FY 2024-25 was Rs. 33.3 as against Rs. 41.4 in the previous year.

Performance on a consolidated basis:

In FY 2024-25 your company has recorded a consolidated total revenue of Rs. 14,073.3 Mn as against Rs. 11,036.7 Mn in FY 2023-24. EBITDA stood as Rs. 2,000.0 Mn as against Rs. 1,740.9 Mn in the previous year. PAT was Rs. 951.0 Mn as against Rs 896.2 Mn in FY 2023-24. EPS for FY 2024-25 was Rs. 37.9 as against Rs. 35.7 in the previous year.

Internal control system and adequacy

The company's internal control systems for financial reporting are robust and are commensurate with its size and its industry sectors. These systems ensure efficiency and productivity at all levels, while safeguarding your company's assets. Stringent procedures are in place to ensure high accuracy in recording and providing consistent financial and operational support. Business operations are closely monitored by the internal team and the Management. The Board is promptly notified in case of any deviations. To ensure seamless growth, risk identification & assessment and mitigation strategies are designed and continuously recalibrated on the basis of these findings.

Material Developments in Human Resources / Industrial Relations Front

During the year under review, industrial relations at our plant locations remained harmonious. Your Company emphasizes on the safety of people working in its premises. Structured safety meetings were held and safety programs were organized for them throughout the year.

Key Ratios

As per provisions of SEBI Listing Regulations, 2015, the significant financial ratios (calculated on standalone basis) are given below:

Ratio	FY 2024-25	FY 2023-24	% Variance	Remarks
Debtors Turnover	10.44	15.00	-30.40%	Due to increase in debtors because of business acquisition
Inventory Turnover	1.27	1.53	-16.99%	-
Current Ratio	1.47	2.26	-34.96%	Due to increase in working capital loans
Interest Coverage Ratio	6.59	11.35	-41.94%	Due to availing New Term Loan
Debt equity ratio	0.30	0.16	82.00%	Due to increase in long term borrowings and working capital loans
Operating Profit Margin (%)	0.13	0.16	-18.75%	-
Net Profit Margin (%)	0.09	0.11	- 18.18%	-

DIRECTORS' REPORT

To

The Members,

The Directors of your Company are pleased to present the 20th Annual Report on the business and operations of the Company together with the Audited Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2025.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March, 2025 is summarised below:

(in Million)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	9816.23	9483.20	13951.34	10873.55
Other Income	73.83	156.64	121.92	163.17
Total Income	9890.06	9639.84	14073.26	11036.72
Total Expenses before Interest & Depreciation	8201.66	7801.15	12,073.25	9295.79
Profit before Interest & Depreciation	1688.40	1838.39	2000.02	1740.93
Less: Interest	199.76	131.14	334.85	186.99
Depreciation	371.17	350.61	432.96	377.54
Profit Before Tax	1117.47	1356.94	1232.21	1176.40
Less : Taxation				
Provision for Current Tax	281.24	309.78	359.38	309.78
Prev period Tax	24.55	-6.80	23.62	-6.80
Deferred Tax Expenses / (Credit)	(23.64)	16.34	(101.81)	(22.83)
Total Tax Expenses	282.15	319.32	281.19	280.15
Profit After Tax from continuing operations	835.32	1037.62	951.02	896.25
Profit After Tax from discontinuing operations	-	-	-	-
Profit After Tax	835.32	1037.62	951.02	896.25
Other comprehensive Income (Net of tax)	(31.49)	76.98	(28.55)	76.98
Minority Interest	-	-	(0.46)	(0.59)
Total Comprehensive Income	803.83	1114.60	922.01	972.64

Review of Operations:

Garment Division

Financial Year 24 - 25, Garment division had an operational revenue of Rs 9816.23 million and have achieved a growth of 3% revenue for the current year. Margins were under pressure due to the low efficiency, level of workmen and also air freight.

Spinning Division and the Processing division was utilised 100% and had improved on their margins comparing the previous years.

Young Brand Apparels Private Limited

Young Brand Apparels (P) Ltd, was acquired on 21st of June

2024 and have been successful in improving the revenue and the margins for the current year. During the current Financial Year 2024 - 25 they have achieved a total revenue of Rs 3243.18 million and a PAT of Rs 324.44 million.

S.P. Retail Ventures Limited

Financial year 24 - 25 has also been a very tough year for the Retail sector. Inflation and higher interest cost is showing some stress in the retail industry.

The new brands that were added into the portfolio of brands had impacted the margins of the S.P. Retail Ventures Limited. This is mainly due to the brand HEAD where the minimum guaranteed sales were not achieved, and we were also losing margins due to lack of sales. However, we have exited brand "HEAD" effective from December 2024.

DIRECTORS' REPORT (CONTD.)

We are confident that SP Retail ventures will be able to raise capital during the current financial year to support their aspiration of growth and cash flows.

S.P. Apparels (UK) Ltd

S.P. Apparels (UK) Ltd has reported a revenue of GBP 6.8 million, However high Interest cost & higher Overheads are putting pressure in the margins of the company. The team has been changed in S.P. Apparels (UK) Ltd. They also have move to a new premises which is in London. They have also added couple of new customers to their portfolio and will increase on both revenue and margins during the next financial year.

S.P. Apparels International (Private) Limited

Currently our focus is on Sri Lanka operation and we are very confident of increasing our capacity in Sri Lanka. The next line of growth is expected to come from Sri Lanka.

OPERATIONS

The Company achieved a total revenue of Rs.9890.06 million as against Rs.9639.84 million in the previous year. The Company's Profit Before Tax is Rs.1117.47 million during the year, as compared to Rs. 1356.94 million in the previous year. The Company earned a Net Profit of Rs.835.32 million, as against a Net Profit of Rs. 1037.62 million in the previous year.

There was no change in the nature of business of the Company during the financial year ended 31st March 2025.

DIVIDEND

The Board of Directors recommends a dividend of Rs.2/- per Equity Share having a face value of Rs.10/- each (20%) on the Equity Share Capital of Rs.250.93 Million for the financial year ended on 31st March 2025 aggregating to Rs. 50.19 Million. As per Finance Act, 2020, the Dividend is taxable in the hands of the Shareholders. Dividend on Equity Shares is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

As per the requirements of SEBI notification no. SEBI/LAD/

NRO/GN/2016-17/008 dated 8th July 2016, the Company has formulated a Dividend Distribution Policy which has been duly approved by the Board of Directors. A copy of the Dividend Distribution Policy is available on the Company's website: <http://www.s-p-apparels.com/assets/img/docs/Dividend-Distribution-Policy.pdf>

TRANSFER TO RESERVES & SURPLUS

As at March 31, 2025 the Company had reserves of Rs.8346.60 million. During the year under review, the company has transferred Rs.835.32 million to Retained Earnings (Other Equity).

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

As required under the provisions of Section 125 and other applicable provisions of Companies Act, 2013 (hereinafter "the Act"), dividend that remains unpaid/ unclaimed for a period of seven years, are to be transferred to the account administered by the Central Government viz: Investor Education and Protection Fund ("IEPF").

Accordingly, the company has transferred Rs. 4,922.50/- to the Investor Education and Protection Fund on 24.09.2024 pertaining to the financial year 2016-17, that remained unpaid or unclaimed for seven consecutive years.

SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 47,25,00,000/- divided into 4,72,50,000 equity shares of Rs. 10/- each and the issued share capital of the Company as at 31.03.2025 stood at Rs.25,09,26,000/- divided into 2,50,92,600 Equity Shares of Rs.10/- each and the subscribed and paid-up share capital of the Company as at 31.03.2025 stood at Rs.25,09,26,000/- divided into 2,50,92,600 Equity Shares of Rs.10/- each.

WEBLINK OF ANNUAL RETURN

The Annual Return of the Company for the financial year 2024-25 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company at the link <http://www.sp-apparels.com>

DIRECTORS' REPORT (CONTD.)

CAPITAL EXPENDITURE

As on 31st March, 2025, the gross fixed assets block stood at Rs.8259.10 Million and net fixed assets block at Rs.4587.05 Million. Additions to Fixed Assets during the year amounted to Rs.538.02 Million.

BOARD AND COMMITTEE MEETINGS

The details of meetings of Board of Directors and Committees thereof and the attendance of the Directors in such meetings have been enumerated in the Corporate Governance Report.

STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards. Such systems are found to be adequate and are operating effectively. The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India in respect of the meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

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

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

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

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence 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 and that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Based on the confirmation / disclosures received from the Directors and on the evaluation of the Board, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 and also complied with the Code of Conduct for directors and senior management personnel formulated by the company.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board of Directors have evaluated the Independent Directors during the year 2024-25 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

DIRECTORS' REPORT (CONTD.)

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

The Company pursuant to the provisions of Section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI Listing Regulations has formulated a policy on Nomination and Remuneration for its Directors, Key Managerial Personnel and senior management. The Nomination and Remuneration Policy of the Company can be accessed on the Company's website at the link <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/NOMINATION-AND-REMUNERATION-POLICY-10-02-2025.pdf>

COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by ASA & Associates LLP, Statutory Auditors in their report.

Regarding the remarks made by MDS & Associates LLP, Secretarial Auditors of the Company in their report (Annexure D), your Director's ensure timely compliance going forward.

MAINTENANCE OF COST RECORDS UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

The maintenance of cost record as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is applicable to the Company and accordingly the cost accounts and records are made and maintained. However, the appointment of Cost Auditor under the provisions of Section 148 is not applicable to the Company.

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

The Company has given loans, provided guarantees and made investments including investments in mutual funds and complied with the provisions of section 186 of the Companies Act 2013 and as required therein the details of the loans given, guarantees provided and investments made are annexed by way of notes to accounts. However, the Company has not provided security in connection with a loan to any other body corporate or person during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) during the financial year 2024-25 were in the ordinary course of business and on an arm's length basis and not material in nature and thus a disclosure in Form AOC-2 is not required.

The Policy on Related Party Transactions as approved by the Board of Directors of the Company has been uploaded on the Company's website and may be accessed through the link at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/RPT-Policy-amended-dt-10022025.pdf>

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

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year as on 31st March 2025 and the date of the report.

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

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

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

The Committee has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-to-day operations of the Company. The Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management

DIRECTORS’ REPORT (CONTD.)

procedure is reviewed by the Audit Committee and Board of Directors on a Quarterly basis at the time of review of Quarterly Financial Results of the Company.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, which has been approved by the Board. For other details regarding the CSR Committee, refer to the Corporate Governance Report, which is a part of this report. The annual report on CSR activities is annexed in Annexure-B herewith. The CSR policy may be accessed on the Company’s website <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/CSR-Policy.pdf>

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

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The performance of each independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee processes, committee dynamics, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The Board was of the unanimous view

that all the committees were performing their functions satisfactorily.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr.S.Chenduran (DIN: 03173269), Joint Managing Director retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment.

During the year under review, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Ravishankar Balaraman (DIN: 07148483) as an Additional Director in the capacity as Independent Director of the Company with effect from 7th March 2025 and recommended to the members for appointment as Independent Director of the Company for the first term of consecutive Five (5) years with effect from 7th March 2025. Subsequently, the same was approved by the members with effect from the aforementioned date.

Mr. V. Sakthivel, (DIN: 00005720), retired as Independent Director on 29th March 2025 consequent to completion of his 2nd term of consecutive five years. The Board of Directors placed on record its sincere appreciation for the invaluable services rendered by him during his tenure.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors re-appointed Mr. Sundararajan Chenduran (DIN: 03173269) and Smt. Sundararajan Shantha (DIN: 00088941) as Joint Managing Director(s) of the Company for a further period of 3 years with effect from 11th August 2025 and the same was approved by the members subsequently.

Key Managerial Personnel of the Company as required pursuant to Section 2 (51) and 203 of the Companies Act, 2013 are:

Mr.P.Sundararajan	- Chairman and Managing Director.
Mrs.S.Latha	- Executive Director
Mr.S.Chenduran	- Joint Managing Director
Mrs.S.Shantha	- Joint Managing Director

DIRECTORS' REPORT (CONTD.)

Mrs.P.V.Jeeva - Chief Executive Officer - Garments Division.
Mr.V.Balaji - Chief Financial Officer and
Mrs.K.Vinodhini - Company Secretary.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES.

The Company has Five subsidiaries viz. Crocodile Products Private Limited, S.P.Apparels (UK) Private Limited, S.P Retail Ventures Limited, Young Brand Apparel Private Limited and S.P Apparels International Private Limited.

The consolidated financial statements of the company and its subsidiaries were prepared in accordance with the applicable accounting standards have been annexed to the Annual Report.

The annual accounts of the subsidiary companies are posted on the website of the Company viz. <https://www.s-p-apparels.com/wp/financial-information/> and will also be kept open for inspection by any shareholder at the Registered Office of the Company.

A report containing the salient features of the subsidiaries as required under Section 129(3) of the Companies Act, 2013 has been annexed herewith in Form AOC - 1 and is attached as Annexure-C to this report.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy may be accessed at: <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/POLICY-FOR-DETERMINATION-OF-MATERIALITY-OF-INFORMATION-OR-EVENTS-amended-dt-10022025.pdf>

The Company does not have Joint Venture or Associate Company.

CONSOLIDATED FINANCIAL STATEMENTS

Directors have attached the Consolidated Financial Statements in the Annual Report pursuant to the provisions of the Companies Act, 2013. They are prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard. The Consolidated Financials also shows a significant increase in revenue.

FIXED DEPOSITS

Since the Company has not accepted any fixed deposit covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March, 2025 and accordingly, the question of default in repayment of deposits or payment of interest thereon during the year does not arise.

FINANCE

Prompt repayments, facilitated by healthy cash flows, elevated the standing of your Company. It enabled prudent application of funds and better negotiation strength. This trend is expected to continue.

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

No significant and material order was passed by any Regulators that have any impact on the going concern status and the operations of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee of the Board periodically reviews the Internal Financial Control Systems and their adequacy and recommends corrective action as and when necessary to ensure that an effective internal control mechanism is in place.

The directors confirm that the Internal Financial Control (IFC) is adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Control is annexed with the Auditors Report.

AUDITORS

a) STATUTORY AUDITORS

M/s. ASA & Associates LLP, Chartered Accountants, Chennai

DIRECTORS' REPORT (CONTD.)

were appointed as the Statutory Auditors of the Company for a period of five years at the Annual General Meeting of the Company held on 19th September 2022 from the conclusion of the 17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting to be held in the year 2027.

The Company has received a certificate from the Statutory Auditors to the effect that their appointment as the Statutory Auditors of the Company, would be within the limits prescribed under section 139 of the Companies Act, 2013.

b) SECRETARIAL AUDITORS

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Sections 179 & 204 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, and subject to the approval of Shareholders in the ensuing Annual General Meeting, the Board of Directors of the Company have recommended the appointment of MDS & Associates LLP, Company Secretaries, Coimbatore as Secretarial Auditors of the Company for a first term of 5 (five) consecutive financial years commencing from the financial year 2025-26.

The report of the Secretarial Auditors for the financial year 2024-25 is annexed as Annexure-D to this Report.

c) INTERNAL AUDITOR

The Board has appointed BM & Associates, Chartered Accountants, Coimbatore as Internal Auditors for the financial year 2025-26 pursuant to the provisions of Section 138 of the Companies Act, 2013.

EMPLOYEE WELFARE

The Employee Welfare Initiatives and practices followed by the Company is among the best in the Corporate sector. The strength of company's employees is close to 14004.

EMPLOYEE STOCK OPTION SCHEME

The Company has implemented the SPAL Employee Stock Option Plan 2024 (SPAL ESOP 2024). The Nomination and Remuneration Committee administers and monitors the SPAL ESOP 2024 of the Company. The disclosure pursuant to

the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is given in Annexure-E to this report.

The Company has received a Certificate from the Secretarial Auditors of the Company that the above referred Scheme had been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the members in this regard.

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

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to define the policy and redress complaints received. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There were no complaints received from any employee or third parties during the Financial Year.

1. Number of complaints received - Nil
2. Number of complaints disposed of - NA

PARTICULARS OF EMPLOYEES

The statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to Annexure-F attached to this report.

MANAGEMENT DISCUSSION & ANALYSIS

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Management Discussion and Analysis Report outlining the business of your Company forms part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

At a time and age when enterprises are increasingly seen as critical components of the social system, they are

DIRECTORS' REPORT (CONTD.)

accountable not merely to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholders. The Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective, in the format as specified by SEBI Master Circular vide SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (as amended) forms part of this Annual Report.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance as stipulated in Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (as amended).

AUDIT COMMITTEE

The Audit Committee of the Board of Directors has been duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013. The details relating to the composition, meetings and functions of the Committee are set out in the Corporate Governance Report forming part of this Annual Report. The Board has accepted the Audit Committee recommendations during the year whenever required and hence no disclosure is required under Section 177(8) of the Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by the Board.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has provided for adequate safeguards to deal with instances of fraud and mismanagement and to report concerns about unethical behaviour or any violation of the Company's Code of Conduct. During the year under review, there were no complaints received under this mechanism. The policy can be accessed on the Company's website at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/Vigil-Mechanism-Policy_Revised.pdf

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications has been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.

INDUSTRIAL RELATIONS

The relationship between the management and the employees at all levels during the year under review has been cordial and productive.

CAUTIONARY NOTE

Certain statements in "management discussions and analysis" section may be forward looking and are stated as required by law and regulations. Many factors, both external and internal, may affect the actual results which could be different from what the directors envisage in terms of performance and outlook.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation for the dedication, commitment, and hard work of all employees across every level of the organization. The Company's accomplishments during the year would not have been possible without their unwavering support and tireless efforts. Your Directors also wish to thank its customers, suppliers and bankers for their continued support and faith reposed in the Company.

For and on behalf of the Board of Directors

P. Sundararajan

S. Latha

Chairman and Managing Director

Executive Director

DIN : 00003380

DIN : 00003388

Place : Avinashi

Date : 06.08.2025

ANNEXURE - A

PARTICULARS OF ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Particulars pursuant to the Rule 8(3) Companies (Accounts) Rules, 2014)

A. Conservation of Energy

I. Steps taken for conservation of energy:

- Installed Thermic fluid heater firing chamber, Sonic soot blowers & Water economizer in the boiler which helps to reduce coal consumption.
- CFL , Fluorescent lamps were replaced with Energy efficient LED lights.
- Clutch motors were replaced with Energy efficient Servo motors in the sewing machines to reduce significant consumption of electricity.
- Power saving by installation of variable frequency drives (VFD's) in the humidification plants

II. The steps taken by the Company for utilizing alternative source of energy:

- Our Company consumes 82% of its electricity from renewable sources like solar and windmill, reducing our dependence on conventional energy, contributing to our goal of reducing Green House Gases and carbon footprint
- The Company has a futuristic vision to attain 100 % of its power consumption by way of renewable energy sources by 2030.

III. Capital investment on energy conservation equipment:

- The Company has made a significant investment in the energy saving equipments.

Total Energy consumption and energy consumption per unit of production:

Particulars	2024-25	2023-24
1. Electricity		
a) Purchased		
EB units (Kwh)	8924347	7018021
Wind mill units (Kwh)	38743069	36873786
Thermal units (Kwh)	0	0
TPP units (Kwh)	0	0
Total units (Kwh)	47667416	43891807
Total amount (Rs.)	413509093	376160098
Cost / unit (Rs. / Kwh)	8.67	8.57
b) Own generation		
Through Solar Roof top		
Units (Kwh)	1457510	1468006
Total amount (Rs.)	10144201	9988893
Cost / unit (Rs. / Kwh)	6.96	6.80
Through Diesel Generator		
Units (Kwh)	417722	439176
Total amount (Rs.)	12648696	13541418
Cost / unit (Rs. / Kwh)	30.28	30.83
Net Electricity consumed in units	49542648	45798989
Net Electricity cost (Rs.)	436301990	399690408
Weighted Avg. Cost/ unit (Rs.)	8.81	8.73
2. Fuel		
a) Coal		
Quantity (Ton)	10220	7190
Total amount (Rs.)	74778896	58405384
Cost / unit (Rs. / Ton)	7317	8123
b) Fire wood		
Quantity (Ton)	8112	9296
Total amount (Rs.)	44640226	48702866
Cost / unit (Rs. / Ton)	5503	5239
c) Compact Fuel Block		
Quantity (Ton)	3	12
Total amount (Rs.)	15600	65464
Cost / unit (Rs. / Ton)	5200	5600
d) Diesel (Boiler alone)		
Quantity (Ltr)	227773	214625
Total amount (Rs.)	21176805	20339340
Cost / unit (Rs. / Ltr)	92.97	94.77
d) LPG (Boiler alone)		
Quantity (Kg)	37169	36795

Particulars	2024-25	2023-24
Total amount (Rs.)	3439212	3528921
Cost / unit (Rs. / Kg)	92.53	95.91
Net Steam Fuel cost (Rs.)	144050739	131041976
Consolidated Power & Fuel cost (In crores)	58.04	53.13

B. TECHNOLOGY ABSORPTION

Specific areas in which R&D carried out by the Company:

Your Company is continuously improving the energy efficiency to reduce the energy consumption.

The benefits derived:

Innovative improvements made in the energy consumption helps to produce the product at economized cost.

Future plan of action:

Your Company is continuously focusing on feasibility studies to install Solar PV Rooftop plant at its various Factories.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In Millions)

Particulars	2024-25	2023-24
Foreign Exchange earned	8474.65	8182.42
Foreign Exchange used	337.22	204.42

For and on behalf of the Board of Directors

P. Sundararajan

Chairman and Managing Director
DIN : 00003380

S. Latha

Executive Director
DIN : 00003388

Place : Avinashi
Date : 06.08.2025

Annexure-B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

CSR is a sense of responsibility towards the community and environment in which we operate. It can be expressed through contribution / participation in educational and social programs, pollution control, Green Movement etc., Considering the vital role played by education in producing good citizens, who can nurture strong and healthy nation, we primarily concentrate on promotion of education besides other social objectives. The CSR activities under the Policy are those covered under the ambit of Schedule VII of the Companies Act 2013. CSR projects are subject to audit.

2. Composition of CSR Committee:

Sl. No.	Name of the Directors	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr.P.Sundararajan	Chairman and Managing Director	2	2
2.	Mrs.S.Latha	Executive Director	2	2
3.	Mr.V.Sakthivel	Independent Director	2	2

3. The Weblink where composition of CSR committee, CSR projects approved by the Board are disclosed on the website of the Company:

The web-link where the Composition of the CSR Committee is disclosed on the website of the Company is <https://www.s-p-apparels.com/assets/img/docs/SCOPE-OF-COMMITTEES-07032025.pdf>

The web-link where the CSR policy is disclosed on the website of the Company is <https://www.s-p-apparels.com/wp-content/uploads/bsk-pdf-manager/2025/05/CSR-Policy.pdf>

The web-link where the CSR projects approved by the board are disclosed on the website of the Company is <https://www.s-p-apparels.com/wp-content/uploads/bsk-pdf-manager/2023/08/CSR-Projects.pdf>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable

Not Applicable

5. (a) Average net profit of the company as per section 135(5): Rs. 1240.20 Million

(b) Two Percent of average net profit of the Company as per section 135(5):Rs.24.80 Million

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

(d) Amount required to be set-off for the financial year, if any - Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] - Rs. 24.80 Million

6. (a) Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project) - Rs.24.90 Million
(b) Amount spent in Administrative Overheads - Nil
(c) Amount spent on Impact Assessment, if applicable - Not applicable
(d) Total amount spent for the Financial Year [(a)+(b)+(c)] - Rs. 24.90 Million
(e) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year, (Rs. in million)	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
24.90	-	-	-	-	-

- f) Excess amount for set off:

Sl.No	Particular	Rs. in Million
i)	Two percent of average net profit of the company as per Section 135 (5)	24.80
ii)	Total amount spent for the Financial Year	24.90
iii)	Excess amount spent for the financial year [(ii-i)]	0.10
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	0.10

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: Nil

Sl.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per Second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Amount	Date of Transfer	
1	FY 1	NIL					
2	FY 2						
3	FY 3						
	Total						

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

If Yes, enter the number of Capital assets created / acquired - Not Applicable.

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

Sl.No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property of asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NOT APPLICABLE							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 - Not applicable.

P. Sundararajan

Chairman of CSR Committee

DIN : 00003380

S. Latha

Member of CSR Committee

DIN : 00003388

Place : Avinashi
Date : 06.08.2025

ANNEXURE - C
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

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

Sl. No.	Particulars	Details				
1	Name of the subsidiary	S.P.Retail Ventures Limited	Crocodile Products Private Limited	S.P. Apparels (UK) (P) Limited	Young Brand Apparel Private Limited	S.P Apparel International Private Ltd
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	GBP 1 GBP = Rs. 110.74	Not Applicable	LKR 1 LKR = Rs. 0.2884
3	Share capital	73,000,000	38,000,000	15,746,800	651,606,060	836,000
4	Reserves & surplus	156,902,373	(98,662,164)	(27,406,056)	743,061,467	(1,016,292)
5	Total assets	1,134,025,221	51,271,196	655,735,967	2,142,435,112	144,002,313
6	Total Liabilities	904,122,848	111,933,360	667,395,223	747,767,585	144,182,605
7	Investments	NIL	NIL	NIL	NIL	NIL
8	Turnover	794,124,579	27,384,475	750,360,274	2,684,942,408	544,807
9	Profit before taxation	(149,119,833)	4,975,609	(77,505,439)	337,640,213	(1,054,694)
10	Provision for taxation	(4,35,80,384)	3,449,703	0	39,162,257	0
11	Profit after taxation	(105,539,449)	15,25,906	(77,505,439)	298,477,956	(1,054,694)
12	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
13	% of shareholding	100%	70%	100%	99.99%	100%

Notes:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Part “B”: Associates and Joint Ventures - Nil

For and on behalf of the Board of Directors

P. Sundararajan

Chairman and Managing Director
DIN : 00003380

S. Latha

Executive Director
DIN : 00003388

Place : Avinashi
Date : 06.08.2025

ANNEXURE - D
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 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
M/s. S.P. Apparels Limited
(L18101TZ2005PLC012295)
39-A, Extension Street,
Kaikattipudur,
Avinashi - 641 654.

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

Based on our verification of M/s. S.P.Apparels Limited'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 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 there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - 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, 2015;
 - d) 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 (Depositories and Participants) Regulations, 2018 and
 - f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

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

- a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);
- b) Listing Agreement entered into by the Company with the BSE Limited and National Stock Exchange of India Limited;

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations and Standards etc., mentioned above except to the extent of the following:

1. *The consolidated financial results published by the Company by way of advertisements in English and Regional language newspapers for the quarter and year ended 31st March 2024 was not in compliance with the regulations. However, the Company has complied with the said requirement in the subsequent quarters.*
2. *During the year under review, the Company had not reported certain events or information, to the stock exchanges, as required under Regulation 30 read with Part A of Schedule III of SEBI (LODR) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.*

We further report that, during the year under review, there were no actions/ events in pursuant of the following Rules/ Regulations requiring compliance thereof by the Company:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;
- c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- d. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021.

We further report that based on the information provided by the Company, its officers and authorized representatives, there are no other laws specifically applicable to the Company.

We further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

We further report, that the compliance of applicable financial laws, like direct and indirect tax laws by the Company have not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that

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

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

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

We 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 all applicable laws, rules, regulations and guidelines.

We further report that during the period under review, the company has obtained necessary approval of the members at the Annual General Meeting held on 26th September 2024 for the following instance(s);

- Approval of the SPAL Employee Stock Option Plan (SPAL ESOP 2024) and grant of Employee Stock Options under SPAL ESOP 2024 to the employees of the company.
- Approval of the grant of Employee Stock Options under SPAL Employee Stock Option Plan (SPAL ESOP 2024) to the employees of the Subsidiary company(ies).

Other than the above, there were no instances of:

- Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.
- Redemption / buy-back of securities
- Major decision taken by the members pursuant to Section 180 of the Companies Act, 2013.
- Merger / Amalgamation / Reconstruction etc
- Foreign technical collaborations.

For MDS & Associates LLP
Company Secretaries

M.D.SELVARAJ
Managing Partner

Membership No.: FCS 960 C P No.: 411
Peer Review No. 6468/2025
UDIN: F000960G000937381

Place : Coimbatore

Date : 06.08.2025

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

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To

The Members of
M/s. S.P. Apparels Limited
(L18101TZ2005PLC012295)
39-A, Extension Street, Kaikattipudur,
Avinashi - 641 654.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices,

we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MDS & Associates LLP
Company Secretaries

M.D.SELVARAJ
Managing Partner

Membership No.: FCS 960 C P No.: 411
Peer Review No. 6468/2025
UDIN: F000960G000937381

Place : Coimbatore

Date : 06.08.2025

FORM NO. MR-3
SECRETARIAL AUDIT REPORT OF YOUNG BRAND APPAREL PRIVATE LIMITED
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
YOUNG BRAND APPAREL PRIVATE LIMITED
(CIN: U18101TN2006PTC081600)
Kattuputhur Village,
Ozhaiyur Post,
Uthiramerur Taluk,
Kanchipuram - 603107.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. YOUNG BRAND APPAREL PRIVATE 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. YOUNG BRAND APPAREL PRIVATE LIMITED ("the Company") for the financial year ended on 31st March 2025 ('Audit Period') 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; (not applicable during the year under review)

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (not applicable during the year under review)
- 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') to the extent applicable to the Company;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable during the year under review)
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (not applicable during the year under review)
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable during the year under review)
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (not applicable to the company during the year under review)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable during the year under review)
 - f. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the company during the year under review)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the year under review); and

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the year under review);
- vi. The following other laws specifically applicable to the company:
 - a. Textile Committee Act, 1963
 - b. Textiles (Development and Regulation) order, 2001
 - c. Textiles (Consumer Protection) Regulation, 1985

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

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

I report that, 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, based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of periodical compliance reports by respective department heads / company secretary / CFO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable financial / general laws like, direct and indirect tax laws, labour laws, and environmental laws.

I further report that, the Board of Directors of the Company is duly constituted. There were changes in the Composition of the Board of Directors / consequent to change of management of the company.

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

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

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.

I further report that, during the audit period:

The company has not taken any events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. During the year under review, the company has become an wholly owned subsidiary of M/s S.P.Apparels Limited, (CIN: L18101TZ2005PLC012295).

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No.: 811/2020
ICSI UDIN: F007070G000373471

Place: Coimbatore
Date: 20.05.2025

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To

The Members

YOUNG BRAND APPAREL PRIVATE LIMITED

(CIN: U18101TN2006PTC081600)

Kattuputhur Village,

Ozhaiyur Post,

Uthiramerur Taluk,

Kanchipuram - 603107.

Auditor's responsibility

Based on the audit, my responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. I conducted my audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor comply with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I 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 the financial records and Books of Accounts of the company and for which I relied on the report of statutory auditor.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

R Dhanasekaran

Company Secretary in Practice

FCS 7070 / CP 7745

Peer Review No.: 811/2020

ICSI UDIN: F007070G000373471

Place: Coimbatore

Date: 20.05.2025

ANNEXURE - E

Particulars of Employees

(Pursuant to Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration paid to Executive Directors

Name of the Directors	Designation	% increase over previous year	Ratio of Remuneration to Median Remuneration
Mr.P.Sundararajan	Chairman and Managing Director	0.00%	205.59
Mrs.S.Latha	Executive Director	0.00%	164.48
Mr.S.Chenduran	Joint Managing Director	0.00%	128.50
Mrs.S.Shantha	Joint Managing Director	0.00%	10.28

2. Remuneration paid to Non-Executive Directors

The Independent Directors of the Company are entitled for sitting fee only and its details are provided in the Corporate Governance Report.

3. Remuneration of other Key Managerial Personnel (KMP)

Name of the KMP	Title	% increase over previous year
Mrs.P.V.Jeeva	Chief Executive Officer - Garment Division	5.88 %
Mr.V.Balaji	Chief Financial Officer	3.98 %
Mrs.K.Vinodhini	Company Secretary	11.56 %

4. Percentage increase in the median remuneration of employees in the financial year : 5.23%

5. Number of Permanent employees on the roll of the Company at the end of the year: 14,004

6. 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.

Particulars	31/03/2025
Average increase in remuneration of employees excluding KMP	24.93 %
Average increase in remuneration of KMP	5.97 %

7. Affirmation that the remuneration is as per the remuneration policy of the company:

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

b) Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Names of the Top ten employees in terms of remuneration drawn and the name of every employee employed who was in receipt of remuneration not less than rupees one crore and two lakhs per annum or rupees eight lakhs fifty thousand per month

S. NO	NAME	DATE OF JOINING	DESIGNATION ON 31.03.2025	QUALIFICATION AND EXPERIENCE	AGE	%OF SHARE HOLDING	REMUNERATION FOR THE PERIOD 2024-25 (Rs.in millions)	LAST EMPLOYED
1	SUNDARARAJAN.P	18-11-05	MANAGING DIRECTOR	B.Sc & 40 + years	69	49.97	24.00	Nil
2	LATHA.S	18-11-05	EXECUTIVE DIRECTOR	Higher Secondary & 35 + years	61	11.80	19.20	Nil
3	CHENDHURAN.S	30-03-15	JOINT MANAGING DIRECTOR	Msc & 10 + years	36	0.11	15.00	Nil
4	JEEVA.P.V	01-07-86	CHIEF EXECUTIVE OFFICER	D.T.P & 30 + years	58	-	6.84	Nil
5	BALAJI.V	06-05-11	CHIEF FINANCIAL OFFICER	B.Com., FCA & 30 + years	55	-	3.66	Nil
6	SHANMUGASUNDARAM. S	12-11-03	GM - OPERATION	B.Tech; M.B.A. & 20 + years	50	-	3.01	VOLTAS LTD
7	PONNUSAMY.T.R	23-09-96	GM - MARKETING & MERCHANDISING	B.Com. & 20 + years	51	0.0005	2.97	SUNRISE KNITTING MILLS
8	NARAYANAN C.	11-07-18	GM - SPINNING	D.T.T & 20 + Years	60	-	2.71	RSWM LTD, HOSUR
9	KALEESBABU	10-06-96	GM - SYSTEMS	M.C.A & 25+ YEARS	53	-	3.10	GARAN MANUFACTURING CORP.
10	MANOHARAN RAJAN	18-03-22	GM - OPERATION - 2	B.A. & 20 + years	54	-	2.78	Nil

Annexure-F

DISCLOSURES IN COMPLIANCE WITH REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

1. Disclosure in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI:
Disclosed in the notes to the financial statements which forms part of this Annual Report.

2. **Material Changes in the Scheme:**

No material change has been carried out during the financial year under review.

3. **Diluted EPS on issue of shares pursuant to ESOP: 33.29**

4. **Details related to Employee Stock Option Scheme (ESOS)**

- i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including

S. No	Particulars	Details
a.	Date of Shareholders' approval	26-09-2024
b.	Total number of options approved under ESOS	2,50,000 Equity Options
c.	Vesting requirements	The options granted shall have a vesting period of not more than 5 years from the date of grant and all options granted shall vest as per the vesting schedule specified in the Grant Letter. The vesting of options shall be subject to the fulfilment of the terms and conditions mentioned in the Grant Letter
d.	Exercise price or pricing formula	The Exercise Price of the Vested Options shall be determined in accordance with the Notified Scheme(s) under the SPAL ESOP 2024.
e.	Maximum term of options granted	The options shall vest not less than one year and not more than 5 years from the date of grant of Options or such other period as may be decided by the Nomination and Remuneration Committee.
f.	Source of shares	Primary
g.	Variation in terms of options	No variation

- ii. **Method used to account for ESOS: Fair Value Method**

The fair value of each option granted is estimated based on the Black-Scholes-Merton formula.

- iii. **Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.**

Not applicable as the Company has adopted fair value method of accounting for options issued under ESOS.

iv. Option movement during the year:

Particulars	Details
Number of options outstanding at the beginning of the period	Nil
Number of options granted during the year	1,94,080
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Nil
Loan repaid by the Trust during the year from exercise price received	Nil
Number of options outstanding at the end of the year	1,86,030*
Number of options exercisable at the end of the year	Nil

Note: Number of options rejected out of the number of options granted - 8050*

v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Exercise price for the Options issued during the year under review: Rs. 250/- per option granted.

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to-

a. Senior Managerial Personnel - as mentioned in the below table.

S. No	Name of the Employee	Options granted during the year
1.	P. V. Jeeva	62400
2.	V. Balaji	21000

Exercise Price of the aforementioned Options granted is Rs. 250.

b. any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year - as mentioned in the below table.

c.

S.No	Name of the Employee	Options granted during the year
1.	V. Sugavaneshwaran	30000

Exercise Price of the aforementioned Options granted is Rs. 250.

d. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - Nil.

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model; - Black - Scholes Model

- b. the method used and the assumptions made to incorporate the effects of expected early exercise - None
- c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility - we have used 5 years daily closing share prices of S. P. Apparels to arrive at the volatility (standard deviation of the natural logarithm of returns over the period).

5. Details related to Trust:

SPAL Employee Stock Option Plan 2024 (SPAL ESOP 2024) is directly administered by the Company and hence the disclosure of the details of the Trust is not applicable.

For and on behalf of the Board of Directors

P. Sundararajan

Chairman and Managing Director
DIN : 00003380

S. Latha

Executive Director
DIN : 00003388

Place : Avinashi
Date : 06.08.2025

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I.DETAILS		
1.	Corporate Identity Number (CIN) of the Listed Entity	L18101TZ2005PLC012295
2.	Name of the Listed Entity	S.P.Apparels Limited
3.	Year of incorporation	2005
4.	Registered office address	39 A Extension Street,Kaikattipudur, Avinashi, Tirupur 641654.
5.	Corporate address	39 A Extension Street, Kaikattipudur, Avinashi, Tirupur 641654.
6.	E-mail	csoffice@spapparels.com
7.	Telephone	04296-714000
8.	Website	www.spapparels.com
9.	Financial year for which reporting is being done	1st April, 2024 to 31st March, 2025
10.	Name of the Stock Exchange(s) where shares are listed	1.BSE Limited 2.National Stock Exchange of India Limited
11.	Paid-up Capital	25,09,26,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	K.Vinodhini, Company Secretary 39 A Extension Street, Kaikattipudur, Avinashi, Tirupur 641654. Tel.: 04296-714000 Email:csoffice@spapparels.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a Standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Garments	93

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Garments	18101	93

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	22	1	23
International	-	-	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	-
International (No. of Countries)	2

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute around 93 % of the total turnover of the entity

c. A brief on types of customers

The Company has a strong foothold and premium brand customers in UK & USA for our fine quality garments and dedicated customer service.

IV. EMPLOYEES

20. Details as at the end of Financial Year : 2024-2025

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1045	778	74.45	267	25.55
2.	Other than Permanent (E)	916	531	57.97	385	42.03
3.	Total employees (D + E)	1961	1309	66.75	652	33.25
WORKERS						
4.	Permanent (F)	7861	1622	20.63	6239	79.37
5.	Other than Permanent (G)	6143	2023	32.93	4120	67.07
6.	Total workers (F + G)	14004	3645	26.03	10359	73.97

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	15	7	46.67	8	53.33
5.	Other than permanent (G)	13	9	69.23	4	30.77
6.	Total differently abled workers (F + G)	28	16	57.14	12	42.86

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	3	38
Key Management Personnel	3	2	66

22. Turnover rate for permanent employees and worker. (Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.19%	1.87%	4.06%	1.22%	2.02%	3.24%	4%	6%	10%
Permanent Workers	9.49%	6.01%	15.50%	5.27%	5.42%	10.69%	10 %	12%	22 %

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Crocodile Products Private Limited	Subsidiary	70	No
2	S.P.Apparels (UK)(P) Limited	Subsidiary	100	No
3	S.P. Retail Ventures Limited	Subsidiary	100	No
4	S.P.Apparels International(Private) Limited	Subsidiary	100	No
5	Young Brand Apparel Private Limited	Subsidiary	100	No

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Millions): 9816.23

(iii) Net worth (in millions): 8597.53

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Re-remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No, the business of the Company is such that it does not affect the community. However, the HR & Factory head at the factories engage with the communities located in the vicinity on an ongoing basis.	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	NA	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes. The Shareholders grievances are promptly redressed by RTA. The Company also equipped to handle the queries directly from the shareholders through its experienced personnels at secretarial department. Further the Investor can register the Compliant in SCORES Platform and Smart ODR provided by SEBI. The Company also constitutes Stake Holder relationship committee to address the grievances of the Shareholders periodically.	Nil	Nil	Nil	Nil	-	Nil

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Re-remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes. The Company has in place a Grievance Redressal Mechanism; details whereof are available at https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2023/08/Grievance-Redressal-policy.pdf	608	0	Nil	534	0	Nil
Customers		Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners		Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)	Not Applicable						

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Opportunity	For our operations, major source of energy we consuming from renewable energy that minimizes carbon pollution by way of electrical energy from wind mills and solar energy, which is a non conventional energy source.	-	Positive The energy saving measures result in consumption of economized power and fuel that would reduce the cost of production. 1. Controlling emission 2. Carbon emission

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

S. No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water Use and Management	Opportunity	The Company follows Chemical free 2200 KLD of 100% Biological Oxidation process with ultra filtration and reverse osmosis separation process and multiple effect evaporator followed by agitator thin film drier for final reject management system.	-	Positive: 1. RO permwate recovered and reused in process house 2. MEE condensate recovered and reused in process house and boiler 3. Overall 99.1 % water recovered and reused as process water.
3	Health and Safety	Risk and Opportunity	The Company places very high importance on safety of its employees. By continuously focusing on behavioral, process, contractors, and transport safety. The Company is aiming for smooth operations. The basic objective is to make the working place safe for all its employees.	Health and Safety are deeply embedded in the operations and using digitalization and automation to enhance safety governance at all the levels. Enabled systematic approach for monitoring all the third- party service providers of the company on stringent safety criteria.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

[illegible]

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

<p>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p>	<p>Yes. Risk Management Committee. The Committee comprises of: - Mr.P.Sundararajan, Chairman & Managing Director - Mr.C.R.Rajagopal, Independent Director - Mr.Chenduran, Joint Managing Director. The Committee monitors and approves risk management and sustainability framework on a regular basis among others</p>																	
<p>10. Details of Review of NGRBCs by the Company:</p>																		
<p>Subject for Review</p>	<p>Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee</p>									<p>Frequency(Annually/ Half yearly/ Quarterly/ Any other - please specify)</p>								
<p>Performance against above policies and follow up action</p>	<p>Committees of the Board</p>	<p>Annually</p>																
<p>Compliance with statutory requirements of relevance to the principles, and, rectification of any non- compliances</p>	<p>Statutory Compliance Certificate on applicable laws is provided by the CEO & MD to the Board of Directors.</p>	<p>Quarterly</p>																
<p>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</p>	<p>P1</p>	<p>P2</p>	<p>P3</p>	<p>P4</p>	<p>P5</p>	<p>P6</p>	<p>P7</p>	<p>P8</p>	<p>P9</p>									
<p>12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:</p>	<p>P1</p>	<p>P2</p>	<p>P3</p>	<p>P4</p>	<p>P5</p>	<p>P6</p>	<p>P7</p>	<p>P8</p>	<p>P9</p>									
<p>The entity does not consider the Principles material to its business (Yes/No)</p>	<p>Not applicable</p>																	
<p>The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)</p>																		
<p>The entity does not have the financial or/human and technical resources available for the task (Yes/No)</p>																		
<p>It is planned to be done in the next financial year (Yes/No)</p>																		
<p>Any other reason (please specify)</p>																		

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any or all the Principles in the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	4	1. Compliance with the applicable legislation, regulations and significant material development. 2. Increasing the effectiveness of Human resources. 3. Reviewing the Risk Management framework. 4. Ensruing the efficacy of Internal financial controls. 5. Reviweing and planning the sustainability initiatives.	100%
Key Managerial Personnel	4		
Employees other than BoD and KMPs	12	1. Fire and work Safety management. 2. Awareness programmes on sustainability. 3. Sports 4. Knowledge Sharing. 5. Workplace stress management.	97%
Workers	12	1. Fire and work Safety management. 2. Awareness programmes on stress management 3. Knowledge sharing	98%

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil				
Settlement					
Compounding fee					

Non-Monetary				
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Our Company have zero tolerance to bribery and corruption in any form by any party and we follow high standard of ethical conduct of not accepting or offering bribes, or participate in corrupt practices.

The policy is available on the Company's website at - <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2023/08/Anti-Bribery-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Case Details	FY 2024-2025 (Current Financial Year)	FY 2023- 2024 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

6. Details of complaints with regard to conflict of interest:

	FY 2024-2025 (Current Financial Year)		FY 2023- 2024 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-2025 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	46	41.50

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY24-25 (Current Financial Year)	FY 23-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	0.46	0.33
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100	100
	d. Investments (Investments in related parties / Total Investments made)	96	98

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Leadership Indicators:

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value) of business done with such partners) under the awareness programmes
4	1. Zero Tolerance awareness	85 %
	2.Higgs	
	3. ZDHC Chemical Management System Awareness	

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)
If Yes, provide details of the same.

Yes, the Company has a code of conduct for the Board and Senior Management pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Further, the Board Members and KMPs confirms, at the beginning of every financial year and as and when there is any change in such interest, that there was no material, financial and commercial transactions with the Company, where they have interest that may have any potential conflict.

The Directors do not participate in agenda items at the Board/ Committee meetings in which they are interested or deemed to be interested.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators:

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the company, respectively.

	FY2024-2025	FY2023-2024	Details of improvements in environmental and social impacts
R&D	-	-	Water treatment, solar rooftop panels, briquettes to reduce CO2 emission.
Capex	Rs. 98 lakhs (For converting the LT to HT in PTLR to reduce the diesel consumption & EB penal charges)	Rs. 93 lakhs (For converting the LT to HT in KVP to reduce the diesel consumption & EB penal charges)	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No): Yes

2. b. If yes, what percentage of inputs were sourced sustainably?

As part of sustainable sourcing, about 98% of our annual cotton procurement is sourced sustainably from the vendors who is compliant with social and environment standards. Further other inputs is also procuring from such vendors.

3. Describe the processes in place to safely collect, reuse, recycle and dispose after sale and at the end of life for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

- 100% of plastics waste including packing material are sold for recycling.
- E-waste are sold only to authorized vendors of TamilNadu Pollution Control Board
- Hazardous waste are sold to TNPCB authorized hazardous waste vendors.
- All the cutting wastes are segregated colour wise and sold for other reuseage.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If Yes, Whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable to the Company and the waste collection plan is in line with the Extended Producer Responsibility (EPR). The waste generated under various category is collected by the Authorized Recycle plant who is covered under the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

Leadership Indicators:

1. Has the entity conducted Life Cycle Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web link
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The Company has not conducted any life cycle assessment for the products till date. However, it is planning to carry out the LCA for products in the coming future.

2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Name of Product/Service	Description of the risk/concern	Action Taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Accessories	21.47%	30 %

4. Of the products and packaging collected at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Re-cycled	Safely Disposed	Re-Used	Re-cycled	Safely Disposed
Plastics (including packaging)	0	100	All plastic waste sold to recycle plants	0	100	All plastic waste sold to recycle plants
E-waste	0	100	All the E-waste sold to TNPCB Approved plants	0	100	All the E-waste sold to TNPCB Approved plants
Hazardous waste	0	100	All the Hazardous waste sold to TNPCB Approved plants	0	100	All the Hazardous waste sold to TNPCB Approved plants
Other waste	0	100	All the solid waste sold to recycle plants	0	100	All the solid waste sold to recycle plants

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

Essential Indicators:

1. a. Details of measures for the well-being of employees:

[illegible]

b. Details of measures for the well-being of workers:

[illegible]

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	3.59%	3.29%

2. Details of retirement benefits:

Benefits#	FY2024-25 (Current Financial year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	28.76	100.00	Yes	34.16	100.00	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	52.78	99.51	Yes	55.99	99.51	Yes
Others - please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

Yes, operations and office premises are accessible to differently abled employees and workers as per Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is committed to being an equal opportunity employer and ensures an inclusive workplace for all its employees. The Company's anti-harassment and anti-discrimination policy highlights that the Company provides equal opportunity to all without discriminating on any grounds be of gender, age, sex, religion, cultural background, health or medical condition, physical ability, appearance, marital status, etc. The policy is uploaded on the Company's website at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2023/08/Human-Rights-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave (in %).

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	1	100	0	0
Total	1	100	0	0

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?
If yes, give details of the mechanism in brief.

Permanent Workers	Yes. Employees can approach Grievance Redressal Investigation Committee (GRIC) to resolve their discrepancies on immediate basis, employees can also register their grievances in a toll free number given for redressal purpose.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category#	FY 2024-2025 (Current Financial Year)			FY 2023-2024 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1045	-	-	934	-	-
- Male	778	-	-	736	-	-
- Female	267	-	-	198	-	-
Total Permanent Workers	7861	-	-	7475	-	-
- Male	1622	-	-	1743	-	-
- Female	6239	-	-	5732	-	-

8. Details of training given to employees and workers:

Category	FY 2024-2025 (Current Financial Year)					FY 2023-2024 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1045	1045	100	0	0	1212	1212	100	1212	100
Female	916	916	100	0	0	555	555	100	555	100
Total	1916	1916	100	0	0	1767	1767	100	1767	100
Workers										
Male	7861	7861	100	7861	100	3152	3152	100	3152	100
Female	6143	6143	100	6143	100	9310	9310	100	9310	100
Total	14004	14004	100	14004	100	12462	12462	100	12462	100

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-2025 (Current Financial Year)			FY 2023-2024 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1045	1045	100	1212	1212	100
Female	916	916	100	555	555	100
Total	1916	1916	100	1767	1767	100
Workers						
Male	7861	7861	100	3152	3152	100
Female	6143	6143	100	9310	9310	100
Total	14004	14004	100	12462	12462	100

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?
 - Yes. The Company's Units have implemented occupational health and safety management systems covering all elements of Plan-Do-Check-Act (PDCA) cycle.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
 - Identifying Hazards: After assessing the workplace routinely, potential hazard will be identified.
 - Risk Assessment: Once the thread is identified then it would be assessed to measure the intensity of the risk.
 - Control Measures: Based on the assessment we implement the steps to control and manage the risk.
 - Documentation and Review: The threads identified and control measures taken were documented accordingly and the same will be subject to periodical review.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, facilities have medical center, nurse team and health service providers for non-occupational needs.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total recordable work-related injuries	Employees	-	-
	Workers	-	5
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Health of the Employees and workers are paramount for the wellbeing of the Company. The Company is following various effective initiations with regard to the safe and healthy workplace. All the safety measures to be followed at the time to emergency were directly demonstrated to the employees and workers along with their effective participation. A dedicated medical team and evacuation team is always ready to be deployed. SPAL always prioritize the organizational safety culture at any cost. Numerous initiatives have been undertaken to improve employee safety at the Units.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	1	0	-
Health & Safety	228	0	-	85	0	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant Risky incidents were occurred.

Leadership Indicators:

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees - (Y) (B) Workers - (Y).

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Yes, we ensure that statutory dues have been deducted and deposited by the value chain partners.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been / are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial year)	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial year)
Employees	-	-	-	-
Workers	1	-	5	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the Company is conducting programme for career development and skill upgradation to enrich the employees on their own.

5. Details on assessment of value chain partners

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100 %
Working Conditions	100 %

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

We are monitoring the sustainable practices followed by our value chain partners.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

PRINCIPLE 4 - Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators:

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has internal framework to capture the internal and external stakeholders to have an insight of their needs and expectations. And devised suitable plan to cater their needs.

2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) other	Frequency of Engagement (Annual / Half Yearly / Quarterly / Others - Please specify)	Purpose and Scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> - Personal and Group Meetings - Skill development - Training - Internal Communications 	Frequently	To improve productivity and standard of Work and for refreshments from work stress.
Vendors/ contractors	No	<ul style="list-style-type: none"> - Review meetings 	As required	To discuss about the management of Supply chain issues and quality of the product.
Regulatory bodies and government agency	No	<ul style="list-style-type: none"> - Regulatory Filings - Facility Inspections - One on One meetings 	As required	Good governance practice; regulatory compliance
Customers	No	<ul style="list-style-type: none"> - Company website - Advertisement - Surveys 	As required	To discuss about the issues faced by the Customers and to redress it immediately
Shareholders	No	<ul style="list-style-type: none"> - Meetings - Website - Investor Presentation - Annual Report One on One meeting 	Quarterly/ Annually	Discussion about the performance of the Company, declare dividend and getting approvals.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) other	Frequency of Engagement (Annual / Half Yearly / Quarterly / Others - Please specify)	Purpose and Scope of engagement including key topics and concerns raised during such engagement
Community	No	-Community visits and meetings - CSR Activities	As required	Empowering the Vulnerable People by providing Food and education and actively contributing towards the wellbeing of the Community.

Leadership Indicators:

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Consultation with the stakeholders and the Board on economic, environmental, and social topics has been delegated to the respective departments who are in close contact with the identified stakeholders on continuous basis.

The Board and relevant Committees are briefed about the interactions with the stakeholders and action implemented.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Stakeholders form an integral part of the Company's business. Consultations are in the form of Meetings and other mode of digital communications.

Based on the Consultation with the stakeholders the Company will frame the mechanism to effectively address the grievances. The Company focuses meeting with customers to improve the quality of its products and to cater the needs of the market. It follows a bottom-up approach for all social projects. All projects are planned in consultation with the community. The process involves interacting with them and understanding their challenges and issues.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.

The CSR projects of the Company aim to focus on a social transformation in the life of its disadvantaged, vulnerable and marginalised stakeholders. The Company ensures that the CSR funds are utilised in an optimum manner that uplifts the weaker sections of the society.

The Company works towards overall development of the way of life of the communities around its Units, most of which are in distant rural areas.

For more information, please refer the Corporate Social Responsibility (CSR) Section of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

PRINCIPLE 5 - Businesses should respect and promote human rights

Essential Indicators:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employee / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1045	1045	100	934	934	100
Other than permanent	916	916	100	833	833	100
Total Employees	1961	1961	100	1767	1767	100
Workers						
Permanent	7861	7861	100	7475	7475	100
Other permanent	6143	6143	100	4987	4987	100
Total Workers	14004	14004	100	12462	12462	100

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/ D)	No. (F)	% (F/D)
Employees										
Permanent	1045	-	-	1045	100	934	-	-	934	100
Male	778	-	-	778	100	736	-	-	736	100
Female	267	-	-	267	100	198	-	-	198	100
Other than permanent	916	-	-	916	100	833	-	-	833	100
Male	531	-	-	531	100	476	-	-	476	100
Female	385	-	-	385	100	357	-	-	357	100
Workers										
Permanent	7861	-	-	7861	100	7475	-	-	7475	100
Male	1622	-	-	1622	100	1743	-	-	1743	100
Female	6239	-	-	6239	100	5732	-	-	5732	100
Other than permanent	6143	-	-	6143	100	4987	-	-	4987	100
Male	2023	-	-	2023	100	1409	-	-	1409	100
Female	4120	-	-	4120	100	3578	-	-	3578	100

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

3. Details of remuneration/salary/wages# in the following format:

a. Median remuneration/wages:

Particulars	Male		Female	
	Number	Median remuneration / salary / wages of respective category (in ₹)	Number	Median remuneration / salary wages of respective category (in ₹)
Board of Directors (BoD)*	5	10,83,333	3	1,00,000
Key Managerial Personnel (KMP)**	1	2,90,600	2	3,65,350
Employees other than BoD and KMP	1045	25,610	916	15,660
Workers	7861	12,329	6143	9,753

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wages	60.00 %	73.54 %

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

- GRIC has been constituted by the Management. Senior officials at various levels are the members of this committee.
- We have established a Grievance redressal Committee which periodically reviews the employees concerns
- We have installed suggestion box in prominent work places which is taken care by concerned department and timely remedial measures is given
- Toll free numbers are displayed everywhere in workplace, which enables the employees to reach out in case of need
- We have also set up a Works committee
- Number of Complaints on the following made by employees and workers:

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2024-25 Current Financial year	FY 2023-24 Previous Financial year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

- Shop Floor Committee meeting
- General Grievance Redressal (GGR)
- Critical Grievance Redressal (CGR)
- Random Grievance Redressal (RGR)

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of our plants are inspected regularly by respective statutory authorities
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No any such adverse incidents took place.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Leadership Indicators:

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Not applicable as no such modifications has been introduced in the current reporting year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company's Human rights policy recognizes the following priority issues:

1. We are duly audited and certified by the concerned authorities.
2. We are zero tolerant to the child, forced or compulsory labour in operations and supply chains
3. We provide equal opportunity for all employees and also Providing opportunities for all employees to express concerns and seek redressal.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, operations and office premises are accessible to differently abled employees and workers.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Child labor	100%
Forced / involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No such incidents took place for corrective actions.

PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

Essential Indicators:

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
From Renewable sources		
Total electricity consumption (A) (TJ)	97.465 TJ	138.03
Total fuel consumption (B)	0.00	0.00
Energy consumption through other sources (C)	172.44 TJ	
Total energy consumed from Renewable resources(A+B+C)	269.905 TJ	138.03
From non-renewable sources	-	
Total Electricity consumption (TJ) (D)	20.56 TJ	25.27

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Total Fuel Consumption (E)	15.6 TJ	5.52
Energy Consumption through other sources(F)	241.91 TJ	259.27
Total energy consumed from non-renewable resources(D+E+F)	278.07 TJ	290.06
Total energy consumed (A+B+C+D+E+F)	547.98 TJ	428.09
Energy intensity per rupee (Total energy consumption/revenue per operations)	0.03825 TJ / INR Million	0.04515 TJ / INR Million
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	-	-
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes. We are conducting Factories Environmental Module (FEM) every year in all factories and the results are also verified by certified third parties external agencies such as PGS Energy Services, NIN Energy India Pvt Ltd.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	0
(ii) Groundwater	204648.83	381063.24
(iii) Third-party water	97539.38	106348.95
(iv) Seawater / desalinated water	0	0
(v) Others (rainwater)	12382.8	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	314571.01	487412.18
Total volume of water consumption(in kilolitres)	314571.01	487412.18
Water intensity per rupee of turnover (Water consumed in litres / Revenue from Operations)	32.05	51.39
Water intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP)	-	-
Water intensity in terms of Physical output	-	-
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N)

If yes, name of the external agency

No independent assessment/evaluation/assurance has been carried out by any external agencies.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Water Discharge by destination and level of treatment (in kilolitres)		
i) To Surface water	-	-
- No Treatment	-	-
-With Treatment - Specify level of treatment	-	-
ii) To Groundwater	-	-
- No Treatment	-	-
-With Treatment - Specify level of treatment	-	-
iii) To Seawater	-	-
- No Treatment	-	-
-With Treatment - Specify level of treatment	-	-
iv) Sent to third Party	-	-
- No Treatment	-	-
-With Treatment - Specify level of treatment	-	-
v) Others	-	-
- No Treatment	-	-
-With Treatment - Specify level of treatment	-	-
Total Water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, the name of the external agency. No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, The Processing division of the Company where the effluent level is high are compliant with Zero Liquid Discharge. The Company follows Chemical free 2200 KLD of 100% Biological Oxidation process with ultra filtration and reverse osmosis separation process and multiple effect evaporator followed by agitator thin film drier for final reject management system. Overall 99.1 % water recovered and reused as process water.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
NOx	mg/Nm3	158.08 Kgs/Year	210.97
SOx	mg/Nm3	43.6 Kgs/Year	87.33
Particulate matter (PM)	mg/Nm3	328.8 Kgs/Year	228.38
Persistent organic pollutants (POP)	NA	NA	NA

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Parameter	Unit	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others - please specify	NA	NA	NA

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N)
If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	36489.65	8712.69
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	4922.5	5698.25
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and 2 GHG emissions/Revenue from operations)		4.22	1.51
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO ₂ eq/ lakh	-	-
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company is committed to reduce its carbon footprint and to achieve the target of carbon neutrality by 2050, the Company has taken major initiatives such as installation of solar roof top in the factories. It also adopted processes such as replacing traditional fuel with alternative fuel, improving energy efficiency and using industrial waste as raw material.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

9. Provide details related to waste management by the entity in the following format:

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	118.16	13.35
E-waste (B)	3.62	4.97
Bio-medical waste (C)	0.82	0.7
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other hazardous waste. Please specify, if any Polythene waste, spent oil (G)	100.19	80.53
Other non-hazardous waste generated (H) Please specify, if any. Metal Waste, Carton Box, Paper Waste, Food waste (Break-up by composition i.e. by materials relevant to the sector)	340.36	472.85
Total (A+B + C + D + E + F + G + H)	563.15	571.14
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.059	0.060
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of Physical output	-	-
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	Waste Recovered	
(i) Recycled	All the cutting wastes are segregated by colour wise and sent to the recycling unit.	
(ii) Re-used		
(iii) Other recovery operations (Co-processed)		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Waste Recovered	
(i) Incineration	NIL	
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

No independent assessment/evaluation/assurance has been carried out by any external agencies.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The management of waste generated is being undertaken as detailed below:

- The Company has a waste management system which segregates hazardous and non-hazardous waste, recycling, treatment and disposal.
- Wet waste is stabilized by composting
- Hazardous waste generated viz. lube oil, grease and oily cotton, is managed through authorized recyclers
- The Company follows Zero Discharge of Hazardous Chemicals which enables to reduce the Hazardous Chemicals discharge in the water.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable since EIA not attracted for our Industry categorization.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
S.P.Apparels Limited adheres to all applicable environmental laws and regulations and no case of non-compliance was registered during the reporting period.				

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Leadership Indicators:

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area Not Applicable

(ii) Nature of operations Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format: Not Applicable

Parameter	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source(in kilolitres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater	Not Applicable	Not Applicable
(iii) Third-party water	Not Applicable	Not Applicable
(iv) Seawater / desalinated water	Not Applicable	Not Applicable
(v) Others (rainwater)	Not Applicable	Not Applicable
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	Not Applicable	Not Applicable
Total volume of water consumption(in kilolitres)	Not Applicable	Not Applicable
Water intensity per rupee of turnover (Water consumed in litres / turnover)	Not Applicable	Not Applicable
Water intensity (optional) - the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Water discharge by destination and level of treatment (in kilolitres)		
(i) into Surface water	Not Applicable	Not Applicable
-No treatment	Not Applicable	Not Applicable
-With treatment - please specify level of treatment	Not Applicable	Not Applicable
(ii) intoGroundwater	Not Applicable	Not Applicable
-No treatment	Not Applicable	Not Applicable
-With treatment - please specify level of treatment	Not Applicable	Not Applicable
(iii) into Seawater	Not Applicable	Not Applicable
-No treatment	Not Applicable	Not Applicable
-With treatment - please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third-parties	Not Applicable	Not Applicable
-No treatment	Not Applicable	Not Applicable
-With treatment - please specify level of treatment	Not Applicable	Not Applicable
(v) Others	Not Applicable	Not Applicable
-No treatment	Not Applicable	Not Applicable
-With treatment - please specify level of treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)	Not Applicable	Not Applicable

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

2. Please provide details of total Scope 3 emissions & its intensity in the following format:

Parameter	Unit	FY 2024-25 (Current Financial year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover	tCO ₂ eq/ Lakh	-	-
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by any external agencies.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Our unit was audited by Bluwin UK to improve resource efficiency, as per their suggestion we have implemented below energy conservation measures replacement of 80 nos of 28 w BLDC FANS in place of 75 watts conventional fans, Thermal insulation for all valves to reduce heat loss, VFD panel installation in a 22 kw air compressor

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	STP & ETP	Recycling of treated process effluent from ETP through followed by Ultra Filtration (UF) & Reverse Osmosis.	Water Conservation
2	Water Conservation	Reduction of raw water consumption in canteen and gardening through process improvements.	Water Conservation
3	Waste Management	Fabric, E-Waste, Packing material and plastic are sold for recycling.	Reduction in Green House Gases and Conversion of Energy.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4	Renewable energy	The Company sourcing the electrical energy from non conventional energy sources which is windmills & roof top solar panels, contributes 82 % of its total power consumption.	Reduction of Carbon Emission.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has a business continuity and robust disaster management plan thoroughly implemented at each Unit. Mock Drills are conducted frequently to educate employees and workers of the Company to act in vigilant manner at the time of emergency and they were trained to combat fire, to save and rescue people inside the factories. Further health and safety protocols and adequate communication protocols during extreme weather events ensure safety at sites and minimise the impact on workforce. Insurance coverage is in place to protect against damages to business assets or loss of materials in warehouses or transit due to extreme weather events.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NIL.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

NIL

8. How many Green credits have been generated or procured:

a. By the listed entity - Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - Nil

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators:

1. a. Number of affiliations with trade and industry chambers/ associations. 2
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Tamilnadu Spinning Mill Association	State
2	Tirupur Exporters Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators:

1. Details of public policy positions advocated by the entity:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of review by Board (Annually / Half yearly / Quarterly / Others) Please specify)	Web Link, if available
Nil					

PRINCIPLE 8 - Businesses should promote inclusive growth and equitable development

Essential Indicators:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification no.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
None of the projects undertaken by the Company in FY 2024-25 required Social Impact Assessments (SIA).					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

S. No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (in INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

As a part of the CSR Policy, the Company has a dedicated team to proactively meets the community representatives and marginal stakeholders. Required solutions were implemented as per the need.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Directly sourced from MSMEs/ small producers	63.00%	63.00%
Sourced directly from within the district and neighbouring districts	27.00 %	28.00 %

5. Job Creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Rural	100 %	100 %
Semi-Urban	-	-
Urban	-	-
Metropolitan	-	-

(Place to be categorized as per RBI classification System - rural/semi-urban/urban/metropolitan)

Leadership Indicators:

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S No.	State	Aspirational District	Amount spent (in INR)
-	-	-	-

Not Applicable as no CSR projects were undertaken in designated aspirational districts as identified by government bodies

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

- (c) What percentage of total procurement (by value) does it constitute?
- Not Applicable
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not Applicable
5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective action taken
-	-	-

6. Details of beneficiaries of CSR Projects:

S. No.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Promoting Education	The beneficiaries are General Public	100%
2.	Promoting Health Care	The beneficiaries are General Public	
3.	Relief and Rehabilitation	The beneficiaries are General Public	
4.	Enhancement of Vocational Skills	The beneficiaries are General Public	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators:

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
 - The Company is a Customer Centric organisation designed to enrich customers' experience. There's an effective complaint handling procedure that facilitates prompt logging, investigation, resolution, and closure.
 - Customers can register complaints through dealers, Company team, Company Website, Contact Centre. Upon receipt of the customer complaint, the technical personnel attend and address the complaint within 24 hours. all the complaints are monitored on monthly basis.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	40 % (For Garments Sold)
Safe and responsible usage	
Recycling and/or safe disposal	

- Number of consumer complaints in respect of the following:

Particulars	FY24-25* (Current Financial Year)		Remarks	FY23-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

- Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The same is available on the Company's website at <http://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2022/08/Risk-Management-Policy-Revised-2022.pdf>

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (CONTD..)

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No corrective actions during the year.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil
- Percentage of data breached involving personally identifiable information of customers - Nil
- Impact, if any, of the data breaches - Nil

Leadership Indicators:

1.	Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).	The information on company's products can be accessed through company's website i.e., www.spapparels.com
2.	Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.	Our product tag contains the information on the safe and responsible usage of the products such as Wash care instructions, product features, Customer care details etc. We mention these instructions on all of our apparel products.
3.	Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.	Not Applicable.
4.	Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)	The Company only discloses the product information what is mandated under the Various Act.

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2025, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board is committed to maintaining a high standard of corporate governance practices within the Group and devotes considerable effort to identify and formalize best practices. We believe that sound and effective corporate practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and stakeholders and enhance shareholder value.

At SP Apparels Limited, we are committed to practice the highest level of corporate governance across all our business functions. It is about commitment to values and ethical business conduct. Systems, policies and frameworks are regularly upgraded to meet the challenges of rapid growth in

a dynamic external business environment.

2. BOARD OF DIRECTORS -

a. Composition, Category and Attendance of Directors:

The Company's Board of Directors as on 31st March 2025 comprised of Eight Directors. It has an appropriate combination of Executive and Non-Executive Directors ("NEDs"), to ensure independent functioning. The Board presently comprises of 8 Directors including one (1) Chairman and Managing Director, two (2) Joint Managing Directors & one (1) Whole-time Director and all others are Independent Directors including a Woman Director. The Board's actions and decisions are aligned with the Company's best interests.

The Board has met Five times during the financial year on 21.05.2024, 10.08.2024, 11.11.2024, 10.02.2025 and 07.03.2025. The details of attendance of each Director at Board Meetings, last Annual General Meeting ("AGM") and their Directorship in other Indian Companies and membership in the Committees thereof are given below:

Name of the Director	Category	Attendance Particulars		Number of Directorships held in other Companies #	Number of Board & Committee Memberships held in other Companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mr.P.Sundararajan DIN: 00003380	Chairman & Managing Director. Promoter	5	Yes	3	-	-
Mrs.S.Latha DIN: 00003388	Executive Director. Promoter	5	Yes	4	-	-
Mr.S.Chenduran DIN: 03173269	Joint Managing Director. Promoter	5	Yes	4	-	-
Mrs.S.Shantha DIN: 00088941	Joint Managing Director. Promoter	5	Yes	1	-	-
Mr.A.S.Anand Kumar DIN: 00058292	Non-Executive Independent	5	No	-	-	-
Mr.C.R.Rajagopal DIN: 08853688	Non-Executive Independent	5	Yes	4	4	GHCL Textiles Limited, Non Executive Independent Director

CORPORATE GOVERNANCE REPORT (CONTD.)

Name of the Director	Category	Attendance Particulars		Number of Directorships held in other Companies #	Number of Board & Committee Memberships held in other Companies \$	
		Board Meeting	Last AGM		Chairman	Member
Mrs.H.Lakshmi Priya DIN: 08858643	Non-Executive Independent	4	Yes	-	-	-
Mr. B Ravishankar DIN: 07148483 (Appointed on 07.03.2025)	Non-Executive Independent	1	NA	-		
Mr.V.Sakthivel DIN: 00005720 (Retired on 29.03.2025)	Non-Executive Independent	5	Yes	1	-	-

Excludes directorships in Private Companies, Foreign Companies, Section 8 Companies & Govt. Companies.

\$ Only Audit Committee and Stakeholders Relationship Committee are considered as per Regulation 26 of Listing Regulation.

None of the Directors holds directorship in more than 20 Companies (including limit of maximum directorships in 10 public companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors hold directorships in more than the maximum number of Directorships prescribed under Regulation 17A of the Listing Regulation.

As per the disclosures received from the directors, none of the directors serve as member of more than 10 committees nor they serve as the Chairman / Chairperson of more than 5 committees, as per the requirements of Listing Regulation

b. Directors Inter-Se relationship:

Mr.P.Sundararajan, Chairman and Managing Director is the spouse of Mrs.S.Latha, Executive Director and father of Mr.S.Chenduran & Mrs.S.Shantha, Joint Managing Directors of the Company. None of the other directors are related to any other director on the Board.

c. Number of Shares and Convertible Instruments held by Non- Executive Directors:

Mr. B. Ravishankar, Non- Executive Independent Director of the company holds 135 shares in the Company as on March 31, 2025, which are within the limits specified under section 149 of Companies Act 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014. Further, no other Non- Executive Independent Director of the company holds any shares as on March 31, 2025 and the Company has not issued any type of Convertible instruments to Non-Executive Directors.

d. Familiarisation Programmes imparted to Independent Directors:

All independent directors inducted into the board shall attend an orientation program. The details of the familiarization programmes have been hosted on the website of the Company and can be viewed at <https://www.s-p-apparels.com/assets/img/docs/Familiarisation-Training-Orientation-Programmes-2025.pdf>. Further at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

CORPORATE GOVERNANCE REPORT (CONTD.)

e. Key Board qualifications, expertise and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The Board Members are regularly updated on changes in Corporate and Allied Laws, Taxation Laws & matters thereto. In the quarterly Board Meetings, the Managing Director and Senior Management have conducted a session for the Board Members sharing updates about the Company's business strategy, operations and the key trends in the textile industry. These updates help the Board Members to keep themselves abreast with the key changes and their impact on the Company.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's Business Vertical(s) and those already available with the Board are as follows:

CORE SKILL/EXPERTISE/COMPETENCIES	DESCRIPTION
Leadership	Leadership / Directorship experience resulting in effective participation in or spearheading various initiatives taken up by the Company. Ability to envision, develop talent, long-term planning and to champion & drive necessary changes.
Board service, Legal and Governance	Has experience in managing Board Services and Governance resulting in better understanding of the governance process undertaken by the organisation and helps to protect the Stakeholders' interest at large. Has experience in Legal processes and is adept at interpreting laws / regulations applicable to the Company to enhance the Governance and protect its interest.
Business Strategy	The Directors possesses required skills and specialist knowledge to assist the management in the key areas. All the directors have the ability to understand the financial statements
Technology and Innovation	Ability to develop long term plans to sustain and support the Business, anticipating future business models / changes in an innovative way. Experience in understanding technology, its purpose and its suitability for the Company.
Financial	Experience in supervising the principal financial officer or person having similar nature of function. Having the ability to read and understand the Financial Statements. Management of financial function of the organisation resulting in proficiency in financial management / reporting / processes.
Sales and Marketing	Experience in driving / heading sales and marketing, resulting in better management of sales, increase of organisation reputation and building of brand reputation.
Human Resources	Experience in people management including but not limited to talent management, dispute resolution, inter-personnel relations, liaison with external stakeholders.
Industry Knowledge	The Directors have necessary experience and knowledge in the textile industry which enables them to guide the management

CORPORATE GOVERNANCE REPORT (CONTD.)

The specific areas of focus or expertise of individual Board members have been highlighted in the below chart.

Name of the Directors/Skills	Leadership	Board Service Legal and Governance	Business Strategy	Technology & Innovation	Financial	Sales and Marketing	Human Resources	Industry knowledge
Mr.P.Sundararajan	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.S.Latha	✓	✓	✓	✓	✓	✓	✓	✓
Mr.S.Chenduran	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.S.Shantha	✓	✓	✓	✓	✓	✓	✓	✓
Mr.A.S.Anand Kumar	✓	✓	✓	✓	✓	✓	✓	✓
Mr.C.R.Rajagopal	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.H.Lakshmi Priya	✓	✓	✓	✓	✓	✓	✓	✓
Mr.B.Ravishankar (Appointed on 07.03.2025)	✓	✓	✓	✓	✓	✓	✓	✓
Mr. V Sakthivel (retired on 29.03.2025)	✓	✓	✓	✓	✓	✓	✓	✓

f. Confirmation on the fulfilment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in Listing Regulation and the Companies Act, 2013 and are independent of the management.

As per the requirements of the Companies Act, 2013, all Independent Directors of the Company have applied online to the Indian Institute of Corporate Affairs for inclusion of their name in the Independent Directors Databank and obtained registration thereof as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

g. Resignation of Independent Directors before expiry of tenure:

During the year under review, none of the Independent Directors have resigned before the expiry of the tenure.

h. Separate meeting of the Independent Directors:

During the year, the meeting of Independent Directors was held on 10.02.2025 and 07.03.2025 without the attendance of Non-Independent Directors and members of Management pursuant to Schedule IV of the Companies Act, 2013. The following matters were discussed in detail:

- Review of the performance of Non-independent directors and the Board as a whole;
- Review of the performance of the Chairman & Managing director of the Company, taking into account the views of Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

COMMITTEES OF THE BOARD:

The Board Committees play a crucial role in the governance structure of the Company and help in delegating particular matters that require greater and more focused attention. The Board has constituted the following committees of Directors to deal with matters referred to it for timely decisions.

1) Audit Committee 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee, 4) Risk Management Committee, 5) Corporate Social Responsibility (CSR) Committee, 6) Borrowing and Bank Operations Committee, 7) Acquisition Committee* and 8) Investment Committee.

* Acquisition Committee was dissolved by the Board of Directors at their meeting held on 10.08.2024 consequent to completion of acquisition of Young Brand Apparels Private Limited, the purpose for which it was constituted.

3. AUDIT COMMITTEE:

i. Brief description of terms of reference:

The Board has constituted a well-qualified Audit Committee in compliance with Section 177 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulation. The Committee presently comprises of three members being non-executive Independent Directors of the Company including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc., The quorum for an audit committee meeting is a minimum two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

The role, powers and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and Listing Regulation. The terms of reference of this Committee are as required by SEBI under Regulation 18 read with part C of Schedule II of the Listing Regulation. Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company.

The Committee meets periodically and reviews -

- Audited and un-audited financial results;
- Internal audit reports and report on internal control systems of the Company;
- Discusses the larger issues that could be of vital concern to the Company;
- Auditors' report on financial statements and their findings and suggestions and seeks clarification thereon;
- Policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- All other important matters within the scope and purview of the committee

During the year under review, the Committee met five times on 21.05.2024, 10.08.2024, 11.11.2024, 10.02.2024 and 07.03.2025.

ii. The Composition of the Audit Committee and the attendance details of Members are as follows:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr. C R Rajagopal - Chairman (w.e.f from 07.03.2025)	Non-Executive Independent Director	5	5
Mr.A.S.Anandkumar - Member	Non-Executive Independent Director	5	4
Mrs. H Lakshmi Priya- Member (w.e.f 07.03.2025)	Non-Executive Independent Director	NA	NA
Mr.V.Sakthivel- Chairman (Upto 07.03.2025)	Non-Executive Independent Director	5	5

CORPORATE GOVERNANCE REPORT (CONTD.)

The Chairman of the Audit Committee attended the Annual General Meeting held on 26th September 2024.

The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, Internal Auditors and Chief Financial Officer of the Company have also attended the committee meetings as invitees. The minutes of the Audit Committee meetings were circulated to the Board, and the Board discussed and took note of the same. The Audit Committee considered and reviewed the financial statements for the financial year 2024-25, before it was placed in the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

i. Brief description of terms of reference:

The Nomination and Remuneration Committee consists of 3 Independent Directors as its Members. The composition of the Committee is as per the provisions of Section 178 of the Act & Regulation 19 of the Listing Regulation and Nomination & Remuneration Policy.

The terms of reference of this committee has been mandated with the same as specified in Regulation 19 read with Part D of Schedule II of the Listing Regulation and also with the requirement of Section 178 of the Companies Act, 2013.

The Committee met Five times in a year on 10.08.2024, 26.09.2024, 14.11.2024, 27.01.2025 and 07.03.2025.

ii. The Composition of the Nomination and Remuneration Committee and the attendance of each member of the Committee are as follows:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr.C.R.Rajagopal - Chairman	Non-Executive Independent Director	5	5
Mrs.H.Lakshmi Priya - Member	Non-Executive Independent Director	5	5
Mr. B Ravishankar - Member (W.e.f. 07.03.2025)	Non-Executive Independent Director	NA	NA
Mr.V.Sakthivel -Member (Upto 07.03.2025)	Non-Executive Independent Director	5	5

The Chairman of Nomination and Remuneration Committee attended the Annual General Meeting held on 26th September 2024.

The Company Secretary of the Company acts as the Secretary of the Committee.

This Committee would look into and determine the Company's policy on remuneration packages of the Executive directors and Senior Management.

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. The Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The remuneration policy of the Company can be accessed on the Company's website at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/NOMINATION-AND-REMUNERATION-POLICY-10-02-2025.pdf>

Non-Executive Independent Directors of the Company do not have any pecuniary relationship or transaction with the Company. They do not draw any remuneration, except sitting fees for attending meetings of Board / Committee.

CORPORATE GOVERNANCE REPORT (CONTD.)

iii. Performance Evaluation of Non-Executive and Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 37(10) of the Listing Regulation and based on the guidance note issued by Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated January 5, 2017, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholder Relationship Committee. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance. Feedback on the appraisal has been provided to the board members.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Listing Regulation.

During the year under review, the Committee met 4 times on 10.04.2024, 10.07.2024, 10.10.2024 and 09.01.2025. The Composition of the Stakeholders Relationship Committee and the attendance of each member of the Committee are given below:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr.C.R.Rajagopal - Chairman	Non-Executive Independent Director	4	4
Mrs.S.Latha - Member	Executive Director - Promoter	4	4
Mr. S.Chenduran - Member	Joint Managing Director - Promoter	4	4

The Chairman of Stakeholders Relationship Committee attended the Annual General Meeting held on 26th September 2024.

Mrs. K Vinodhini, Company Secretary of the Company acts as the Secretary of the Committee.

The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to non-receipt of annual reports, dividend payments, and other miscellaneous complaints.

In addition, the Committee looks into other issues including status of dematerialization / re-materialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

With a view to regulate trading in securities by the designated persons, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

As required by the Listing Regulations, Company's website www.spapparels.com is updated with the quarterly information conveyed to the Stock Exchanges. All information required to be disseminated in the Company's website as per Regulation 46(2) of the Listing Regulations are disseminated.

During the year under review, there were no investor complaints which were pending/received/resolved. Hence, no Complaint is remaining unresolved/ pending as on 31st March 2025.

6. RISK MANAGEMENT COMMITTEE:

i. Brief description of terms of reference:

The Committees composition is in compliance with the provisions of Regulation 21 of Listing Regulation. The primary responsibility of the risk management committee is to oversee and approve the company's risk management practices. The Company has framed a Risk Management Policy and the same is disseminated in the website of the Company.

During the year under review, the Committee met two times on 01.07.2024 and 14.11.2024.

CORPORATE GOVERNANCE REPORT (CONTD.)

The Composition of the Risk Management Committee and the attendance of each member are given below:

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr. P.Sundararajan - Chairman	Chairman & Managing Director - Promoter	2	2
Mr.C.R.Rajagopal - Member	Non-Executive Independent Director	2	2
Mr. S.Chenduran - Member	Joint Managing Director - Promoter	2	2

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee consists of three directors of which one is Independent Director.

The terms of reference of this Committee, assigned by the Board encompasses:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
- To recommend the amount of expenditure to be incurred on the activities referred to in clause A
- To monitor the CSR policy of the Company from time to time
- Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India

The main objective of the Corporate Social Responsibility Committee is to assist the Board and the Company in fulfilling its Corporate Social Responsibility (“CSR”) activities. Besides the Committee has the overall responsibility for identifying the areas of CSR activities to be undertaken by the company as specified in Schedule VII; devising and implementing the CSR policy; co-ordinating with the Agency, if any, appointed to implement programs and executing initiatives as per CSR policy of the Company.

The CSR Policy has also been framed and its details are uploaded in the Company’s website at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/CSR-Policy.pdf>

During the year under review, the Committee has met two times on 20.05.2024 and 10.08.2024.

The composition of the Corporate Social Responsibility Committee and the details of the attendance of Members are as follows

Name of the Members	Category	No. of Meetings held during the year	No. of Meetings attended
Mr.P.Sundararajan - Chairman	Chairman & Managing Director - Promoter	2	2
Mrs.S.Latha - Member	Executive Director - Promoter	2	2
Mr. C.R.Rajagopal - Member (W.e.f 07.03.2025)	Non-Executive Independent Director	NA	NA
Mr.V.Sakthivel - Member (Upto 07.03.2025)	Non-Executive Independent Director	2	2

8. SENIOR MANAGEMENT

The particulars of senior management including the changes therein since the close of the previous financial year are as follows:

CORPORATE GOVERNANCE REPORT (CONTD.)

Name of Senior Management Personnel	Designation	Date of Appointment	Date of Cessation, if any
Mrs. P. V. Jeeva	Chief Executive Officer - Garment Division	01.07.1986	-
Mr. V Balaji	Chief Financial Officer	06.05.2011	-
Mrs. K Vinodhini	Company Secretary	16.12.2015	-

9. REMUNERATION OF DIRECTORS:

The remuneration of Executive Directors is governed by resolution which has been approved by the Board of Directors and the shareholders of the Company. The remuneration broadly comprises fixed and variable components. The Executive Directors are not entitled to sitting fees for attending meetings of the Board and Committees.

- During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for attending meetings of the Company.
- The criteria of making payments to Non - Executive Directors and the criteria to evaluate the performance of Non-Executive Directors and Independent Directors of the Company are disseminated on the Company's website at <https://www.s-p-apparels.com/assets/img/docs/Criteria-for-making-payment.pdf>.
- The Company has not granted any stock options to its Directors.
- The remuneration paid to the directors of the Company is within the limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations
- Details of the remuneration paid to the Executive and Non-Executive Directors of the Company for the financial year ended 31st March 2025 are as follows:

(Rs. in Million)

Name of the Directors	Salary	Perquisites	Commission	Sitting Fees	Total
Mr. P Sundararajan Chairman & Managing Director	12.00	-	12.00	-	24.00
Mrs S Latha Executive Director	7.20	-	12.00	-	19.20
Mr.S.Chenduran Joint Managing Director	3.00	-	12.00	-	15.00
Mrs.S.Shantha Joint Managing Director	1.20	-	-	-	1.20
Mr.A.S.Anandkumar, Non-Executive Independent Director	-	-	-	0.36	0.36
Mr.C.R.Rajagopal, Non-Executive Independent Director	-	-	-	0.36	0.36
Mrs.H.Lakshmi Priya, Non-Executive Independent Director	-	-	-	0.16	0.16
Mr. B Ravishankar, Non-Executive Independent Director (w.e.f 07.03.2025)	-	-	-	0.04	0.04
Mr.V.Sakthivel, Non-Executive Inde- pendent Director (retired on 29.03.2025)	-	-	-	0.36	0.36

CORPORATE GOVERNANCE REPORT (CONTD.)

The Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board of Directors and / or committees thereof. No benefits, other than the above are given to the Directors. No performance linked incentive, severance fee, bonus, pension and/or stock option is given to the Directors. No service contracts were entered into with the Directors and their appointment is governed by the respective resolutions passed at the General Meeting of the Company in line with the requirements of the Companies Act, 2013 and the Listing Regulation.

10.GENERAL BODY MEETINGS:

a. Annual General Meeting:

Location and time for last three AGMs held and the Special Resolutions, if any, passed thereat, are as given below:

Year	Date of Meeting	Time of Meeting	Venue of the Meeting	Special Resolutions Passed, if any
2023-2024	26/09/2024	4.00 pm	Video Conferencing (VC) / Other Audio Visual Means (OAVM).	<ol style="list-style-type: none"> 1. Approval of the SPAL Employee Stock Option Plan (SPAL ESOP 2024) and grant of Employee Stock Options under SPAL ESOP 2024 to the employees of the company. 2. Approval of the grant of Employee Stock Options under SPAL Employee Stock Option Plan (SPAL ESOP 2024) to the employees of the Subsidiary company(ies).
2022-2023	22/09/2023	4.00 pm	Video Conferencing (VC) / Other Audio Visual Means (OAVM).	<ol style="list-style-type: none"> 1. Payment of remuneration to Mr.P.Sundararajan (DIN: 00003380) Chairman and Managing Director of the Company for the period from 21st November 2023 till the remaining period of his present term i.e. till 20th November 2025 2. Payment of remuneration to Mrs. S. Latha (DIN: 00003388) Executive Director of the Company for the period from 16th August 2024 till the remaining period of her present term i.e. till 15th August 2026.
2021 - 2022	19/09/2022	4.00 pm	Video Conferencing(VC) / Other Audio Visual Means (OAVM).	<ol style="list-style-type: none"> 1. Appointment of Mrs.S.Shantha (DIN: 00088941) as Joint Managing Director of the Company for a period of 3 (Three) years with effect from 11th August, 2022. 2. Appointment of Mr.S.Chenduran (DIN: 03173269) as Joint Managing Director of the Company for a period of 3 (Three) years with effect from 11th August, 2022. 3. Alteration of Article 13 of Articles of Association of the Company

b. Extraordinary General Meeting

No extraordinary general meeting of the members was held during the financial year 2024 - 2025.

CORPORATE GOVERNANCE REPORT (CONTD.)

c. Postal Ballot and E-Voting

No Postal Ballot process was conducted during the financial year 2024-2025

d. Postal Ballot conducted consequent to the closure of the financial year

Consequent to the closure of the financial year 2024-2025, the Company has conducted a Postal Ballot Process to obtain the approval of members by means of passing of Special Resolutions through remote E-Voting and details of the voting pattern of the said resolutions are as detailed herein below:

Date of Postal Ballot Notice	07.03.2025			
Cut off Date:	Remote E-Voting Period from 11.03.2025 to 09.04.2025.			
Date of Approval	Date of Declaration of Results: 10.04.2025			
Resolution Particulars	Votes Cast in Favour		Votes Cast in Against Invalid Votes Cast	
Approval for re-appointment of Smt. Sundararajan Shantha (DIN: 00088941) as Joint Managing Director of the Company.	1,95,45,446	94.43%	11,53,139	5.57%
Approval for re-appointment of Sri. Sundararajan Chenduran (DIN: 03173269) as a Joint Managing Director of the Company	1,95,45,446	94.43%	11,53,139	5.57%
Approval for the appointment of Sri. Ravishankar Balaraman (DIN: 07148483) as a Non-Executive Independent Director of the Company.	1,98,51,757	95.91%	8,46,828	4.09%

Procedure for Postal Ballot:

In accordance with the MCA Circulars, the Postal Ballot Notice(s) dated 7th March 2025 was sent only by electronic mode to those Members whose names appeared in the Register of Members / List of Beneficial Owners as on 7th March 2025 ("Cut-Off Date") respectively as received from the Depositories and whose e-mail addresses were registered with the Company / Depositories.

Sri M D Selvaraj, FCS, Managing Partner of MDS & Associates LLP, Company Secretaries, Coimbatore was appointed as the Scrutinizer for carrying on the Postal Ballot process in a fair and transparent manner.

Pursuant to the provisions of Sections 108 & 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Resolutions as specified in the Notice(s) of the Postal Ballot dated 7th March 2025 were transacted respectively through Postal Ballot only by way of remote e-Voting.

The Company had engaged the services of the MUFG Intime India Private Limited (formerly known as "Link Intime India Private Limited") ('MUFG') for providing an e-voting facility to the Members. The Members were provided with the option of exercising their right to vote on the said resolution(s) through e-voting during the period from 11th March 2025 to 9th April 2025. Upon completion of the voting period, the Scrutinizer completed the scrutiny of the votes cast and submitted his report to the Chairman and Managing Director. The results of the voting were declared on 10th April 2025 and displayed on the websites of the Stock Exchanges, the Company, and the MUFG.

Further, as on date of this report, apart from the above, the Company do not foresee the need for conducting postal ballot to pass any resolution in the current financial year, However, if required, the same shall be conducted in compliance with the procedure stipulated under Section 110 and other applicable provisions, if any, of the Companies Act, 2013 and its relevant Rules made thereunder, the Listing Regulations and any other applicable laws in this regard.

CORPORATE GOVERNANCE REPORT (CONTD.)

11. MEANS OF COMMUNICATION

The Annual Report containing the financial statements is posted / e-mailed to the shareholders of the Company in compliance with the provisions of the Act. Towards Green Initiative, the Shareholders are requested to convey / update their e-mail address as well as register the same with their respective Depository Participant. Official-news releases and official media releases are sent to Stock Exchanges.

1. Quarterly Results are usually published in “Financial Express” (English) and in “Dinamani” (Tamil - Vernacular Language).
2. The Financial Results are also accessible on the Company’s website - www.spapparels.com. The copies of the results are forwarded to concerned stock exchanges immediately after they are approved by the board.
3. The Company does not display any official news releases in the website of the Company.
4. Presentations made to Institutional Investors and financial analysts on the Company’s unaudited quarterly as well as audited annual financial results are uploaded on the Company’s website - www.spapparels.com.

12. GENERAL SHAREHODLER INFORMATION

a. 20th Annual General Meeting:

- i. Date and Time: Monday, 1st September 2025 at 4.00 PM
- ii. Venue: The 20th Annual General Meeting (AGM) is being convened through Video Conferencing (VC) / Other Audio Visual Means (OAVM), and hence, the deemed venue for the AGM shall be the Registered Office of the Company.

b. Financial Year : 01.04.2024 to 31.03.2025

Date of book closure: Tuesday 26th August 2025 to Monday 1st September 2025

c. Dividend payment date: On or before 30th September 2025.

d. Name and Addresses of Stock Exchange(s) where Company’s shares are listed:

The Equity Shares of the Company are listed at the following Stock Exchanges:

BSE Limited - Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

National Stock Exchange of India Ltd - Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051

The Annual Listing Fee payable to the Stock Exchanges for the financial year 2024-2025 have been paid in full.

e. The shares of the company are regularly traded and in no point of time the shares were suspended for trading in the stock exchanges

f. Registrar and Share Transfer Agent:

M/s.MUFG Intime India Private Limited, (formerly known as “Link Intime India Private Limited”), Coimbatore Branch, No. 35, Surya, Mayflower Avenue, Behind Senthil Nagar, Sowripalayalam Road, Coimbatore - 641028, Phone: 0422 - 2314792, Email id: coimbatore@in.mpms.mufg.com.

Details of Compliance Officer

Mrs. K .Vinodhini,
Company Secretary

39-A, Extension Street, Kaikattipudur,
Avinashi - 641654.

Phone : 04296 - 714000

Email id: csoffice@spapparels.com

Reconciliation of Share Capital Audit

A qualified Company Secretary in Practice has carried out the reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL & CDSL.

g. Share Transfer System:

SEBI has vide circular dated 25th January 2022, prescribed procedures for processing the service requests of shareholders like transmission, issue of duplicate shares, and for conversion of the physical holding into dematerialised form through issue of Letter of Confirmation upon completion of the service request. The shares mentioned in the Letter of Confirmation issued by the Company/RTA is to be dematerialised within 120 days from the date of the Letter of Confirmation. In case of non-dematerialisation within the prescribed period as aforesaid, such shares are to be transferred to an Unclaimed Demat Suspense Escrow Account. The Company has opened a demat account in the name of "S.P. Apparels Limited Unclaimed Securities Suspense Escrow Account" in compliance with SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW/P/20223/64923 dated December 30, 2022. No share has been credited to that account during the financial year under review since 100% of the Shareholding of the Company are in Dematerialized form. There are no legal proceedings / disputes on share transfer against the Company and also there are no shares in lock in.

h. Distribution of Shareholding:

Share holdings	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Equity Capital
1 - 500	15808	92.42	1099402	4.38
501 - 1000	643	3.76	467239	1.86
1001 - 2000	347	2.03	489541	1.95
2001 - 3000	99	0.58	246622	0.98
3001 - 4000	45	0.25	159855	0.64
4001 - 5000	34	0.20	153078	0.61
5001 - 10000	51	0.30	369246	1.47
10001 & Above	78	0.46	22107617	88.10
Total	17105	100.00	25092600	100.00

Shareholding Pattern as on 31st March 2025

Category	Number of Shares Held	% of Holding
Promoter & Promoter Group	15538791	61.93
Relatives of Promoter	21004	0.08
Mutual Fund	4623426	18.43
Alternate Investment Fund	163750	0.65
Insurance Companies	150863	0.60
Foreign Portfolio Investor Category I	399075	1.59
Foreign Portfolio Investor Category II	54877	0.22
Individuals	3064581	12.21
Hindu Undivided Family	129018	0.51
Foreign Companies	345212	1.38

CORPORATE GOVERNANCE REPORT (CONTD.)

Category	Number of Shares Held	% of Holding
NRI	232950	0.928
Clearing Member	72	0.001
Bodies Corporate	310601	1.237
Trusts	1352	0.005
Limited Liability Partnership	57028	0.229
Total	25092600	100.00

i. Dematerialization of shares and liquidity:

Members have the option to hold their shares in demat form either through the National Securities Depository Limited or the Central Depository Services Limited. The ISIN Number of the Company is INE212I01016.

The Annual Custodian Fee payable to NSDL and CDSL for the financial year 2024-25 have been paid by the Company.

As on 31st March 2025, 2,50,92,600 Equity Shares constituting 100% percent of the paid-up Equity Share Capital of the Company has been dematerialised. The promoters of the Company have completely dematerialized their shareholdings.

j. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

k. Foreign exchange risk and hedging activities: NIL

l. PLANT LOCATION

Sl.No.	LOCATION	FACILITIES
1	39-A, Extension Street, Kaikattipudur, Avinashi and 245/1 and 246/2B, Extension Street, Avinashi	Registered Office, Administration, Manufacturing of Garments
2	4/1, Extension Street, S.F.Nos.229/1 and 230/3, Avinashi	Manufacturing of garments
3	No.5/407-6, N.H.-47 Main Road, Palangarai Village, Avinashi	Manufacturing of Garments
4	No1/477-A, Avinashi Main Road, Neelambur, Coimbatore	Manufacturing of Garments
5	S.F.No. 565/1 and 565/2, Kovai Main Road, Thekkalur	Manufacturing of Garments, Printing and Embroidery Units
6	S.F.Nos.647/1C and 647/2, and No.378-D, Samichettypalayam, Gudalur Village, Gudalur Panchayath, Coimbatore Taluk, Coimbatore District	Manufacturing of Garments
7	Athani Road, Near Government Hospital, M.Kumarapalayam, Sathyamangalam	Manufacturing of garments
8	Plot Nos.C-30,31,32, SIPCOT Industrial Growth Centre, Perundurai, Erode District	Manufacturing of garments
9	Plot No.PP 1, Phase II, SIPCOT Industrial Growth Centre, Perundurai, Erode District	Dyeing unit
10	SF.No.694/3,4 (A, B and C Block) Varapatti, Sulthanpet Main Road, Sulthanpet Post, Sulur taluk, Coimbatore District	Manufacturing of garments
11	Plot No.18, Eettiveerampalayam Village, Avinashi, Tirupur District	Manufacturing of garments
12	Attur Main Road, Valappady, Salem	Spinning unit
13	2/286, Idaisevel II Village, Chatirapatti Mall, Kovilpatti Tk, Tuticorin, Tamilnadu - 628501	Manufacturing of garments
14	S. F. No. 849/1 & 2, 856/1, Kuppanur Village, Annur Taluk	Manufacturing of garments
15	S. F. No. 578/1A, Pattalur Village, Bhavani Taluk, Erode District	Manufacturing of garments

CORPORATE GOVERNANCE REPORT (CONTD.)

Sl.No.	LOCATION	FACILITIES
16	Shed No. 14, Netaji Apparel Park, NH Road, New Tirupur	Manufacturing of garments
17	Unit II, Cuddalore Main Road, Kalapaganur, Pethanaickenpalayam, Attur Tk, Salem-636109	Spinning & Knitting Unit
18	S.F.Nos.52/11 and 52/12, Erode-Gobichettipalayam Main Road, Polavakalipalayam, Gobichettipalayam, Erode District	Manufacturing of garments
19	S.F. No. 293/2, Palladam hi-tech Weaving park, KN Puram Post, Coimbatore - Trichy national highway, Palladam, Sukkampalayam, Tirupur.	Manufacturing of garments
20	Plot No. R44 SIPCOT Industrial Growth Center, Perundurai, Ingur Erode	Manufacturing of garments
21	SF Nos 44,49b/2,50/1,50/2,55/B1 & 55b/2b, Amathur Village, Veerasellaiyapuram, Virudhunagar Taluk, Virudhunagar	Manufacturing of garments
22	2/115A, Hub Road, Thinnanur, Thuraiyur Taluk, Tiruchirappalli.	Manufacturing of garments

m. Address for correspondence:

All Shareholders correspondence shall be addressed to:

The Company Secretary

S.P.Apparels Limited

39-A, Extension Street, Kaikattipudur,

Avinashi - 641654.

Phone : 04296 - 714000

CIN: L18101TZ2005PLC012295

Email id: csoffice@spapparels.com

n. Credit Rating:

The Company has obtained rating from ICRA during the year ended 31st March, 2025.

Rating Agency	Rating	Outlook
ICRA Limited	Long term: {ICRA} AA-	Stable
	Short term: {ICRA} A+	Stable

13. OTHER DISCLOSURES:

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

All the related party transactions are entered into on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of The Companies Act, 2013 and the Listing Regulation. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or otherwise which may have potential conflict with the interest of the Company at large.

The details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards. All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company has also formulated a policy on dealing with the Related Party Transactions and the details of such policies is disseminated on the website at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/RPT-Policy-amended-dt-10022025.pdf>

CORPORATE GOVERNANCE REPORT (CONTD.)

Kindly refer to the notes forming part of accounts for the details of Related Party Transactions.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The disclosure of related party transactions for the half year ended 31st March 2022 in respect of the Audited financial results declared on 20th May 2022 was submitted by the listed entity on 15th June 2022, which is not within the time stipulated under Regulation 23(9) of Listing Regulation and in this regard the Company has paid a fine of Rs.70,800/- to the BSE Limited and National Stock Exchange of India Limited on 28th July 2022 & 29th July 2022 respectively.

Other than above, no Penalties and/or strictures were imposed on the Company by SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

c. Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Company has adopted Vigil Mechanism Policy to enable Stakeholders (including Directors and Employees) to report their genuine concerns or grievances about unethical behaviour, actual or suspected fraud, misuse, misappropriation or violation of codes of conduct or policies and also provide for direct access to the chairman of Audit Committee in exceptional cases.

The policy provides adequate safeguard against victimization of Director(s)/ employee(s). The Protected Disclosures, if any reported under this policy would be appropriately and expeditiously investigated by the Chairman of the Audit Committee without interference from any board members.

Your company hereby affirms that no director/employee/personnel has been denied access to the chairman of the Audit Committee and that no complaints were received during the year. The vigil mechanism policy/ Whistle Blower policy has been disclosed on the Company's website https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/Vigil-Mechanism-Policy_Revised.pdf. The policy is in line with the Company's code of conduct, vision and values and forms part of good Corporate Governance

d. Details of compliance with mandatory requirements and adoption of the non mandatory requirements

The Company has complied with all mandatory requirements of Corporate Governance norms as laid down under the provision of Listing Regulation.

The Company has adopted the non-mandatory requirement of Reporting of internal auditors to Audit Committee as recommended under Regulation 27 (1) read with Part E of Schedule II of Listing Regulation. The Company has not adopted any other non-mandatory requirements.

e. web link where policy for determining 'material' subsidiaries is disclosed

The Company has formulated a policy for determining the Material Subsidiary and the details of such policies are disseminated in the website at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/Policy-for-Determining-Material-Subsidiaries-amended-dt10.02.2025.pdf>

f. web link where policy on dealing with related party transactions

The policy on dealing with related party transactions can be accessed on the Company's website at <https://www.s-p-apparels.com/wp/wp-content/uploads/bsk-pdf-manager/2025/05/RPT-Policy-amended-dt-10022025.pdf>

g. Disclosure of commodity price risks and commodity hedging activities.

During the financial year ended 31st March 2025, the Company did not engage in commodity hedging activities.

CORPORATE GOVERNANCE REPORT (CONTD.)

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the financial year ended 31st March 2025, the company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulation.

i. A Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been obtained from MDS & Associates LLP, Company Secretaries in Practice and annexed to Annual Report.

j. During the year under review, the recommendations made by the different committees of Board of Directors have been accepted. Hence, there were no instances where the Board have not accepted such recommendation of the committees.

k. The Company has paid a sum of Rs.45,00,000 /- as fees on consolidated basis to the Statutory Auditors and all entities in the network firm / entity of which the Statutory Auditors is a part for the services rendered by them

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

- i. Number of complaints filed during the financial year - NIL
- ii. Number of complaints disposed of during the financial year - NIL
- iii. Number of complaints pending as on end of the financial year - NIL

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount - NIL

n. Details of material subsidiaries of the listed entity (based on the financials for the year ended 31st March, 2025), including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as follows:

S . No	Name of the Material Subsidiary	Date of Incorporation/ Acquisition	Place of Incorporation	Name of appointment of Statutory Auditors	Date of appointment of Statutory Auditors
1.	Young Brand Apparels Private Limited	21st June 2024	Kanchipuram, Chennai	ASA & Associates LLP	31.07.2024

14. All the requirements of corporate governance report of sub paragraphs (2) to (10) Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 have been duly complied with.

15. None of the discretionary requirements as specified in Part E of Schedule II have been adopted.

16. The Company is fully compliant with the Corporate Governance requirements as specified by Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURE ON ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

CORPORATE GOVERNANCE REPORT (CONTD.)

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report forms part of this Annual Report.

CERTIFICATE FROM CEO AND CFO:

The Managing Director and CFO certification of the Financial Statements for the year has been submitted to the Board of Directors in its meeting held on 27th May 2025, as required under Listing Obligation.

CERTIFICATE ON CORPORATE GOVERNANCE

As required by Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance Certificate from the M/s. MDS & Associates LLP, Practicing Company Secretaries, Coimbatore regarding compliance of conditions of Corporate Governance forms part of this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated employees. The code ensures the prevention of dealing in shares by persons having accessed to unpublished price sensitive information.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The same has been posted on the website of the Company. A declaration in accordance with Regulation 26(3) of Listing Regulation has been received from Directors and Senior Management Personnel affirming their compliance with the code of conduct for the year under review.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSEACCOUNT

Pursuant to Regulation 39(4) read with Schedule VI of Listing Regulation, the Company does not have any unclaimed shares. Hence, opening of unclaimed suspense account is not applicable.

The Company has opened Suspense Escrow Demat Account in compliance with SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES - Not Applicable

By order of the Board
For S.P. Apparels Limited
P. Sundararajan
Chairman and Managing Director
DIN : 00003380

Place : Avinashi
Date : 06.08.2025

CORPORATE GOVERNANCE REPORT (CONTD.)

DECLARATION

I, P.Sundararajan, Chairman and Managing Director of S.P. Apparels Limited, hereby declare that all the members of the Board of Directors and Senior Management have, for the year ended March 31, 2025 affirm compliance with the said code of conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of Listing Regulation.

Place : Avinashi
Date : 06.08.2025

By order of the Board
For S.P. Apparels Limited
P. Sundararajan
Chairman and Managing Director
DIN : 00003380

MD/CFO CERTIFICATION

CERTIFICATE ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31/03/2025

MD/CFO CERTIFICATION

To

The Board of Directors

S.P.Apparels Limited

Sir,

- a) We have reviewed the Financial Statement and cash flow statement for the year ended 31st March 2025 and that 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 statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with Indian accounting standards (IND-AS), 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 that are fraudulent, illegal or in violation of the Company's code of conduct.
- c) We accept the responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the audit Committee, that there are no deficiencies in the design or operation of such internal controls, if any, of which we are aware.
- d) We have indicated to the auditors and Audit Committee
- i) That there is no significant change in internal control over financial reporting during the year.
 - ii) There is no significant changes in the accounting policies during the year.
 - iii) There is no significant fraud of which we have become aware and that 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.

For S.P.Apparels Limited

P.Sundararajan

Chairman and Managing Director

(DIN:00003380)

Place : Avinashi

Date : 06.08.2025

V.Balaji

Chief Financial Officer

To

The Members of M/s. S.P.Apparels Limited

Dear Sir(s),

We have examined the compliance of the conditions of Corporate Governance by M/s.S.P.Apparels Limited ("the Company") for the financial year ended March 31, 2025 as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2025.

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

For MDS & Associates LLP

Company Secretaries

M D SELVARAJ

Managing Partner

Membership No.: FCS 960 C P No.: 411

Peer Review No.. 6468/2025

UDIN: F000960G000937500

Place : Coimbatore

Date : 06.08.2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of

M/s. S.P. APPARELS LIMITED

(L18101TZ2005PLC012295)

39-A, Extension Street,

Kaikattipudur,

Avinashi - 641 654

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. S.P. APPARELS LIMITED having CIN: L18101TZ2005PLC012295 and having registered office at 39-A, Extension Street, Kaikattipudur, Avinashi - 641 654 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2025 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of the Directors	DIN	Date of appointment in Company
1	Mr. Sundararajan Perumal Mudaliar (Chairman and Managing Director)	00003380	18/11/2005
2	Mrs. Sundararajan Latha (Wholetime Director)	00003388	18/11/2005
3	Mr.Sundararajan Chenduran (Joint Managing Director)	03173269	30/03/2015
4	Mr. Aravinda Sundara Anand Kumar	00058292	13/11/2015
5	Mr. Chathamur Raman Rajagopal	08853688	02/09/2020
6	Mrs.Harihara Sharma Lakshmi Priya	08858643	02/09/2020
7	Mrs. Sundararajan Shantha(Joint Managing Director)	00088941	11/08/2022
8	*Mr. Ravishankar Balaraman	07148483	07/03/2025

**Mr. Ravishankar Balaraman was appointed as a Non-Executive Independent Director of the Company for the 1st term of consecutive 5 years with effect from 7th March 2025.*

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

For MDS & Associates LLP

Company Secretaries

M D SELVARAJ

Managing Partner

Place : Coimbatore

Date : 06.08.2025

Membership No.: FCS 960 C P No.: 411

Peer Review No. 6468/2025

UDIN: F000960G000937456



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

To the Members of S.P.Apparels Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of S.P.Apparels Limited (the "Company"), which comprise the standalone balance sheet as at March 31, 2025, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Sr No	Key Audit Matter	Auditor's Response
1.	Revenue Recognition The Company's revenue is derived primarily from sale of goods (Exports of Garments). Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations as per the terms agreed with the customer by the Company	We have performed the following procedures: <ul style="list-style-type: none"> Assessed the appropriateness of accounting policies of the company with relevant accounting standards. Evaluated the design, implementation and tested the operating effectiveness of the internal controls in relation to timing of revenue recognition. We performed detailed transaction testing by selecting samples of revenue transactions recorded during the year and around the year end date. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, evidence of delivery, FCR's (customer acceptances), shipping documents and subsequent receipts.
2.	Inventories The total value of inventory as of March 31, 2025, amounted to INR 2,888.39 Million. representing 23% of the total assets. We considered this as a Key Audit Matter considering the significance of the balance, and the valuation involved.	<ul style="list-style-type: none"> Assessed the appropriateness of accounting policies of the company with relevant accounting standards. Evaluated the design, implementation and tested the operating effectiveness of the Key internal controls over the valuation of inventories being considered by the management. Observed the physical verification of inventories on a sample basis across locations. Verified the valuation of Raw materials, WIP and Finished Goods on sample basis and ensured the valuations/assumptions are reasonable and in line with the accounting policies/generally accepted accounting principles.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance Report, that would be included in the Annual Report 2024-25 but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the additional information, as mentioned above, that would be included in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe appropriate actions as applicable under the relevant laws and regulations.



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government

of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act; read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- (g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation give to us, the remuneration paid by the Company to its directors during the year is in



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

accordance with the provisions of section 197 read with Schedule V 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at March 31, 2025 on its standalone financial statements - Refer Note No. 3.11 to the standalone financial statements.
- ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

- v. The Company has neither declared nor paid any dividend during the year.
- vi. 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Audit trail has been preserved by the Company as per the statutory requirements for record retention in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

D K Giridharan
Partner
Membership No: 028738
UDIN: 25028738BMIZFC5747

Place : Chennai
Date : May 27, 2025



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure- A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

- (i) (a)(A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a)(B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed during such verification.
- (i) (c) According to information and explanations given to us and audit procedures performed by us, the title deeds of all of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone financial statements are held in the name of the Company.
- (i) (d) According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (i) (e) According to information and explanations given to us and audit procedures performed by 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.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the

aggregate of each class of inventory.

- (ii) (b) 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. According to information and explanations given to us and on the basis of our examination of the records of the Company, 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, except as follows:

Name of the Bank	Quarter	Amount as per Books of Account [INR in Millions]	Amount reported in Quarterly Return/ Statement [INR in Millions]	Amount of Differences [INR in Millions]	Reasons for Discrepancies
State Bank of India, IDBI Bank, HSBC and HDFC Bank	Q3 2024-25	2,851.27	2,932.11	-80.84	Provisions, Regrouping, Final Entries are not part of data submitted to Bank. The details get shared with Initial Reports.
	Q4 2024-25	2,883.62	2,853.53	30.09	

- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has, during the year, granted unsecured loan to 1 subsidiary Company. The aggregate amount granted during the year, and balance outstanding at the balance sheet date with respect to such loan to subsidiary are as per the table given below:



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

Particulars	Loans
	(INR in Millions)
Aggregate amount granted/ provided during the year Subsidiary - S.P.Apparels International (Private) Limited - Sri Lanka	146.87
Balance outstanding as at balance sheet date in respect of above cases Subsidiary - S.P.Apparels International (Private) Limited - Sri Lanka	145.49

- (iii) (b) According to the information and explanations given to us and audit procedures performed by us, we are of the opinion that the investments made, during the year are, prima facie, not prejudicial to the Company's interest.
- (iii) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans given by the Company, the repayment of principal and payment of interest has been stipulated except for one loan amounting to INR 165 Million which is repayable on demand and receipts of interest have been regular except in case of one subsidiary - S.P.Apparels (UK) (P) Limited, where the Interest amount of INR 1.96 Million is overdue. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (iii) (d) According to the information and explanations given to us and audit procedures performed by us, there is no overdue amounts for more than ninety days in respect of the loans given by the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (iii) (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security as specified under Sections 185 and 186 of the Act. In respect of Investments made, loans given, and guarantee provided by the Company, in our opinion the

provisions of Section 185 and 186 of the Companies Act, 2013 have been compiled with.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of its manufactured goods and/ or services provided by it and are of the opinion, that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company does not have liability in respect of service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed unto Goods and Services Tax.

According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues applicable to it.

According to the information provided and explanations given to us and based on our examination of the records of the Company, there are no undisputed amount payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other material statutory dues, existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

- (vii) (b) According to the information provided and explanations given to us, there are no statutory dues relating to Goods and Services Tax, provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute. Details of Employees' state insurance has been given below;



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

Name of the Statute	Nature of the Dues	Amount (INR in Mn)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employee State Insurance Act, 1948	Payment of Employee State Insurance	12.70 (including interest of 6.32)	October 1, 2016 to January 31, 2021	Labour Court, Coimbatore	Deposited INR 12.70 Million
Goods and Service Tax	Goods & Services Tax dues	9.44	April 2019 to March 2023	Assistant Commissioner, GST	-

(viii) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3(viii) of the Order is not applicable.

(ix) (a) According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

(ix) (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) According to the information and explanations given to us and audit procedures performed by us, term loans were applied for the purposes for which they were obtained.

(ix) (d) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its

subsidiaries as defined under Companies Act, 2013.

(ix) (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. The Company does not hold any investment in any associate or joint venture as defined under the Companies Act, 2013 during the year.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable. The Company does not hold any investment in any associate or joint venture as defined under the Companies Act, 2013 during the year.

(x) (b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, 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, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(xi) (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order are not applicable to the Company.

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

(xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

- (xiii) In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- (xiv)(a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (xiv)(b) We have considered the internal audit reports of the Company issued for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) 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.
- (xvi)(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (xvi)(c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the Company's annual report is expected to be made available to us after the date of this auditor's report.
- (xx) In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

D K Giridharan
Partner
Membership No: 028738
UDIN: 25028738BMIZFC5747

Place : Chennai
Date : May 27, 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 of even date)

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

We have audited the internal financial controls with reference to the Standalone financial statements of S.P. Apparels Limited (the "Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference

to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

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

Place : Chennai
Date : May 27, 2025

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006
D K Giridharan
Partner
Membership No: 028738
UDIN: 25028738BMIZFC5747



STANDALONE BALANCE SHEET

As at March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	As at March 31, 2025	As at March 31, 2024
ASSETS			
1 Non Current Assets			
a. Property, Plant and Equipment	1.1	4,144.98	4,081.33
b. Capital Work-In-Progress	1.1	305.64	187.47
c. Right of Use Assets	1.1	212.01	251.74
d. Intangible Assets	1.1	136.43	3.36
		4,799.06	4,523.90
e. Financial Assets			
-Investments	1.2	2,236.36	632.36
-Loans and Advances	1.3	375.76	222.33
-Other Financial Assets	1.4	289.57	445.04
f. Other non-current assets	1.5	313.34	185.13
Total Non Current Assets		8,014.09	6,008.76
2 Current Assets			
a. Inventories	1.6	2,888.39	2,147.59
b. Financial Assets			
- Investments	1.7	-	502.78
- Trade Receivables	1.8	1,040.26	841.12
- Cash and Cash Equivalents	1.9 A	296.95	596.71
- Bank Balances other than (1.9A) above	1.9 B	7.81	4.55
- Other Financial Assets	1.10	-	12.84
c. Other current assets	1.11	441.20	347.71
Total Current Assets		4,674.61	4,453.30
Total Assets		12,688.70	10,462.06
EQUITY AND LIABILITIES			
1 Equity			
a. Equity Share capital	1.12	250.93	250.93
b. Other Equity	1.13	8,346.60	7,539.11
Total Equity		8,597.53	7,790.04
Liabilities			
2 Non-current liabilities			
a. Financial Liabilities			
- Borrowings	1.14	287.61	-
- Lease Liabilities	1.15	223.69	255.73
- Other Financial liabilities	1.16	45.40	59.93
b. Deferred tax liabilities (net)	1.17	348.82	383.06
Total Non Current Liabilities		905.52	698.72



STANDALONE BALANCE SHEET (CONTD..)

As at March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	As at March 31, 2025	As at March 31, 2024
3 Current liabilities			
a. Financial Liabilities			
- Borrowings	1.18	2,058.94	1,024.16
- Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises		259.50	82.17
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1.19	431.54	529.83
- Other Financial liabilities	1.20	262.72	198.67
b. Other current liabilities	1.21	73.67	51.52
c. Provisions	1.22	99.28	86.95
Total Current Liabilities		3,185.65	1,973.30
Total Equity and Liabilities		12,688.70	10,462.06

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Standalone Balance Sheet

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP

Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

D K Giridharan

Partner, Membership No. : 028738

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Chennai

Date : May 27, 2025

Place : Avinashi

Date : May 27, 2025



STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Revenue from operations	2.1	9,816.23	9,483.20
2 Other Income	2.2	73.83	156.64
3 Total Income(1+2)		9,890.06	9,639.84
4 EXPENSES			
Cost of materials consumed	2.3	3,490.11	3,227.91
Purchases of Stock-in-Trade - Traded goods	2.4	58.03	9.69
Changes in inventories of finished goods and work-in-progress	2.5	(359.25)	207.71
		3,188.89	3,445.31
Employee benefit expenses	2.6	2,752.63	2,420.87
Finance costs	2.7	199.76	131.14
Depreciation and amortisation expense	2.8	371.17	350.61
Other expenses	2.9	2,260.14	1,934.97
Total Expenses		8,772.59	8,282.90
5 Profit for the year before tax (3 - 4)		1,117.47	1,356.94
6 Tax Expense:			
a. Current tax expense		281.24	309.78
b. Short / (Excess) provision for earlier year's tax	3.1	24.55	(6.80)
c. Deferred tax		(23.64)	16.34
Total Tax Expenses		282.15	319.32
7 Net profit for the year after tax (5-6)		835.32	1,037.62
8 OTHER COMPREHENSIVE INCOME			
A. (i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plans		(17.50)	6.17
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		4.41	(1.55)
B (i) Items that will be reclassified to Profit or Loss			
The effective portion of gains and loss on hedging instruments in a cash flow hedge - Translation difference		(24.59)	96.70
(ii) Income tax relating to items that will be reclassified to Profit or Loss		6.19	(24.34)
Total Other Comprehensive Income		(31.49)	76.98
9 TOTAL COMPREHENSIVE INCOME (7+8)		803.83	1,114.60



STANDALONE STATEMENT OF PROFIT AND LOSS (CONTD..)

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	For the year ended March 31, 2025	For the year ended March 31, 2024
Weighted average number of equity shares		25.09	25.09
Earnings Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]	3.3	33.29	41.35

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Standalone Statement of Profit and Loss

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Reg. No.: 009571N/N500006

D K Giridharan

Partner, Membership No. : 028738

P.Sundararajan

Managing Director

DIN : 00003380

S. Latha

Executive Director

DIN : 00003388

V.Balaji

Chief Financial Officer

K. Vinodhini

Company Secretary

Place : Chennai

Date : May 27, 2025

Place : Avinashi

Date : May 27, 2025



STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

A. Equity Share Capital

Balance as at April 1, 2023	Change in Equity Share Capital during the year	Balance as at March 31, 2024	Change in Equity Share Capital during the year	Balance as at March 31, 2025
250.93	-	250.93	-	250.93

B. Other Equity

	Reserves and surplus			Other Components of Equity				Total
	Securities Premium	Capital Redemp- tion Reserve	Retained earnings	Share Op- tions Out- standing Account	Addition- al Paid in Equity	Defined Benefit Plan	Effective portion of cash flow hedges	
2023-24								
Opening balance as at April 1, 2023 - (A)	2,174.94	206.00	4,258.75	-	90.36	(101.89)	(128.42)	6,499.74
Profit for the year	-	-	1,037.62	-	-	-	-	1,037.62
Other comprehensive income	-	-	-	-	-	4.62	72.36	76.98
Total comprehensive income for the year 2023-24 - (B)	-	-	1,037.62	-	-	4.62	72.36	1,114.60
Dividend paid for 2022-23	-	-	(75.28)	-	-	-	-	(75.28)
Others Adjustments - Expenses on buy back	-	-	0.05	-	-	-	-	0.05
Balance as at March 31, 2024 - (C)	2,174.94	206.00	5,221.14	-	90.36	(97.27)	(56.06)	7,539.11
2024-25								
Opening balance as at April 1, 2024 - (A)	2,174.94	206.00	5,221.14	-	90.36	(97.27)	(56.06)	7,539.11
Profit for the year	-	-	835.32	-	-	-	-	835.32
Other comprehensive income	-	-	-	-	-	(13.09)	(18.40)	(31.49)
Total comprehensive income for the year 2024-25 - (B)	-	-	835.32	-	-	(13.09)	(18.40)	803.83
Share Options Outstanding Account(Refer Note 3.6.1)	-	-	-	3.66	-	-	-	3.66
Balance as at March 31, 2025 - (C)	2,174.94	206.00	6,056.46	3.66	90.36	(110.36)	(74.46)	8,346.60

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Standalone Statement of Changes in Equity

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants
Firm Reg. No.: 009571N/N500006

D K Giridharan

Partner, Membership No. : 028738

Place : Chennai

Date : May 27, 2025

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi

Date : May 27, 2025



STANDALONE STATEMENT CASH FLOWS

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,117.47	1,356.94
<u>Adjustments for:</u>		
Depreciation and amortization expense	371.17	350.61
(Profit) /loss on Sale of property, plant and equipment	2.15	3.02
(Profit) /loss on Sale of investments	(9.07)	(104.51)
Interest receivable on investment	-	(14.12)
Loss Allowance	4.28	8.32
Amortisation of Lease prepayments	(10.86)	(10.17)
Other Adjustments/ Release of deferred income	(14.53)	(27.36)
Finance costs	185.62	106.11
Interest income	(35.75)	(24.91)
Dividend income	(0.00)	(0.58)
Unrealised exchange (gain)/loss	19.79	(21.51)
Provision for MTM (gain)/loss on forward contracts	16.63	(26.63)
Provision for Employee Stock Option Scheme(ESOP)	3.66	-
Operating profits before working capital changes	1,650.56	1,595.21
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(740.79)	222.64
Trade receivables	(211.91)	(421.61)
Loans and advances/Current assets	(143.38)	(149.70)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables/Other current liabilities/Provisions	130.52	65.96
Cash Generated from Operations	685.00	1,312.50
Net income tax (paid) / refunds	(251.85)	(334.95)
Net cash flow from / (used in) operating activities (A)	433.15	977.55
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, including capital advances	(765.44)	(523.80)
Proceeds from sale of property, plant and equipment	7.57	6.68
Loans /Advance to subsidiary	(151.92)	(170.00)
Advance towards acquisition of a company's business	-	(150.78)
Bank deposits not considered as cash equivalents	(3.26)	37.68
Investment in a subsidiary	(1,373.07)	-
Purchase of investments - Others	(380.05)	(960.00)
Proceeds from sale of investments - Others	810.54	1,693.29
Dividend received - Others	-	0.58
Interest received - Bank deposits	22.93	24.91
Net cash flow from / (used in) investing activities (B)	(1,832.70)	(41.44)



STANDALONE STATEMENT CASH FLOWS (CONTD.)

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) of long term borrowings	287.61	(121.83)
Repayment of finance lease liabilities	(54.03)	(53.95)
Net Increase/(decrease) of working capital borrowings	1,029.83	(453.10)
Payment towards Buy back of shares (including expenses)	-	0.05
Dividend Paid	-	(75.28)
Finance costs	(163.62)	(106.11)
Net cash flow from / (used in) financing activities (C)	1,099.79	(810.22)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(299.76)	125.89
Cash and cash equivalents at the beginning of the year	596.71	470.82
Effect of exchange differences on restatement of foreign currency Cash and Cash Equivalents	-	-
Cash and Cash Equivalents at the end of the year	296.95	596.71
Cash and Cash Equivalents at the end of the year comprises of		
(a) Cash on hand	46.41	43.87
(b) Balances with banks		
in current account	250.54	452.83
in deposit account	-	100.00
in EEFC account	-	0.01
	296.95	596.71

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Standalone Statement of Cash Flows

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants
Firm Reg. No.: 009571N/N500006

D K Giridharan

Partner, Membership No. : 028738

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Chennai
Date : May 27, 2025

Place : Avinashi
Date : May 27, 2025



About the Company and Material Accounting Policies

Forming part of the Standalone financial statements

A. Company Overview

S.P. Apparels Limited ('the Company') is a Company domiciled in India. The address of the Company's registered office is 39-A, Extension Street, Kaikattipudur, Avinashi - 641 654, Tirupur District, Tamilnadu, India. The Company is a leading Indian manufacturer and exporter of knitted garments for infants and children. The Company provides end-to-end garment manufacturing services from grey fabric to finished products.

The company was originally started as a partnership firm with seven partners in the year 1988 at Salem. Subsequently the firm was converted into public limited company under Part IX of the Companies Act 1956 in the year 2005. It has currently 22 manufacturing plants at Avinashi, Kovilpatti, Neelambur, Palangarai, Palladam, Perundurai, Valapady, Samichettipalayam, Sathyamangalam, Sulthanpet, Thekkalur, Netaji Apparel Park, Patlur, Sivakasi, Gobichettipalayam and Annur. The Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited.

B. Basis of Accounting and preparation of Standalone financial statements

The Standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act read together with relevant rules of Companies (Indian Accounting Standards) Rules 2015 and relevant amendments issued thereafter to the extent applicable, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in note C (21). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in

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

1. Statement of Compliance

The Standalone financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity, Cash Flow Statement, together with notes for the year ended March 31, 2025 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting held on May 27, 2025.

2. Basis of Measurement

The Standalone financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instruments are measured at fair value.
- Financial assets at fair value through other comprehensive income are measured at fair value.
- Financial instruments at fair value through profit or loss are measured at fair value.
- Financial instruments at fair value through other comprehensive income are measured at fair value.
- The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.
- In relation to lease prepayments, the initial fair value of the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a Right of Use Asset.

The above items have been measured at fair value and the methods used to measure fair values are discussed further in Note C (18).

3 New and amended standards

A. Issued and effective

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. During the year



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

B. Issued and not effective

On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

4. Functional and Presentation Currency

Items included in the Standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The Standalone financial statements are presented in Indian Rupees (₹) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest millions except where otherwise indicated.

5. Use of estimates and judgements

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of Standalone financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognized in the Standalone financial statements are:

- Valuation of financial instruments
- Useful lives of property, plant and equipment
- Useful lives of intangible assets
- Estimate of Lease term and measurement of Right of Use Assets and Lease Liabilities
- Measurement of defined employee benefit obligations
- Provisions
- Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition
- Expected Credit losses on Financial Assets
- Impairment testing

Significant judgments on applying Ind AS 115

The Company contracts with customer to transfer goods or services. The Company assess whether such arrangements in the contract has distinct goods or services (performance obligation). Identification of distinct performance obligation involves judgment to determine ability of customer to benefit independently from other promises in the contract.

The judgment is required to measure the transaction price for the contract. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration could be fixed amount or variable amount or could be both. Transaction price could also be adjusted for time value of money if contract includes a significant financing component.

C. MATERIAL ACCOUNTING POLICIES

1. Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the Standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

2. Financial Instruments

a. Financial Assets

(i) Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates and joint ventures. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes. Investments forming part of interest in associates and joint ventures are measured at cost.

(ii) Measurements:

At initial recognition, the Company measures a financial asset at its fair value plus, except for trade receivables which are initially measured at transaction price. In the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income.

- Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any in the standalone financial statements. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount.

- Equity instruments

The Company subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of financial assets:

A financial asset is derecognised only when

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

a) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective

interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. 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.

b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

b. Financial liabilities

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost
- at fair value through profit or loss

(i) Financial liabilities at amortised cost

The company is classifying the following under amortised cost.

- a) Borrowings from banks
- b) Borrowings from others
- c) Finance lease liabilities
- d) Trade payables
- e) Other financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss

A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

Derecognition of financial liabilities:

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

c. Derivative financial instruments

Derivatives are initially recognised at fair value on the date of contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates the derivatives as hedging of foreign exchange risk associated with the cash flows of associated with accounting receivables (Cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as non-current assets or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current assets or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liability.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the

cumulative changes in fair value of the hedged item on present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/ (losses).

When option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Company generally designates only the changes in fair value of the forward contract related to spot commitment as the hedging instrument. Gains or losses relating to the effective portion of the changes in the spot component of the forward contracts are recognised in other comprehensive income in the cash flow hedging reserve within equity. The changes in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full changes in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to effective portion of the changes in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are classified to profit or loss in the periods when the hedged item affects profit or loss (example, when the forecast sale that is hedged take place).

When the hedged forecast transaction results in the recognition of a non-financial assets (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the intrinsic value of the option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the assets. The deferred amounts are ultimately



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

- With respect to gain or loss relating to the effective portion of the spot component of the forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred cost of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/ (losses).

If the hedge ratio for risk management purpose is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedged ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of hedge relationship rebalancing.

d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

e. 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 categorised as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. 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 very infrequent. The

management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. 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.

3. Share capital

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from Equity, net of any tax effects.

4. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Amounts paid as advances towards the acquisition of Property, Plant and Equipment is disclosed separately under other non-current assets as capital advances and the cost of assets not put to use as on Balance Sheet date are disclosed under "Capital work-in-progress".

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within "other income / other expenses" in the Statement of Profit and Loss.

Subsequent costs



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

The cost of replacing part of an item of property, plant and equipment is recognized 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 carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Management's estimated useful lives for the years ended March 31, 2025 and 2024 were as follows:

	Estimated useful life (in years)	Useful life prescribed by Schedule II (in years)
Plant & Machinery	20 years	15 years
Computers & Servers	5 years	3 to 6 years
Buildings	30 years	30 years
Electrical Installations	10 years	10 years
Office & Lab Equipments	10 years	5 to 10 years
Furniture & Fittings	10 years	10 years
Vehicles - Car	10 years	8 years
Vehicles - Others	8 years	8 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

5. Intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous year are as follows:

Trademark	-10 years
Other Intangibles (Software)	- 3 - 5 years
Non-compete fees	- 10 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

6. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

7. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

The Company follows following method:

- Manufacturing inventories are valued at first-in-first-out (FIFO) basis,
- Trading inventories are valued at weighted average cost basis,

- Fabric waste is valued at net realizable value.

8. Impairment of non financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

Reversal of impairment loss

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

9. Employee benefits

Defined Contribution Plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in current and prior periods, discounting that amount and deducting any recognised past service cost and fair value of any plan assets.

Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

10. Share based payments

Stock options are granted to the employees under the Employee stock option scheme. The costs of stock options granted to the employees of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. That expense is recognised in the Statement

of Profit and Loss account over the requisite service period. Each part of the stock option that vests separately is treated as a separate award for accounting purposes. This cost is recognised, together with a corresponding increase in Share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

11. Provisions

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

12. Revenue Recognition

The Company earns revenue from export/domestic of manufactured garments, sale of traded garments, sale of products and services at spinning and processing division and right to receive export incentives from Government.

The Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services excluding the amount collected on behalf of third parties.

The revenue recognition in respect of the various streams of revenue is described as follows



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

Export/Domestic sale of garments:-

Revenue is earned from manufacture and export/domestic sale knitted garments for infants and children wear. Revenue is recognised upon completion of performance obligation of the Company.

Revenue is recognised at the transaction price agreed with the customer through a sale order received from the customers.

Sales of products and services at spinning and processing division:-

Revenue is earned from sale of products and services. Revenue is recognised upon completion of services or upon transfer of control over the product to the customer.

Right to receive export incentives from Government: -

The Company has right to receive export incentives under Duty Drawback Scheme, Scheme for Rebate for State and Central Taxes and Levies [RoSCTL] and Remission of Duties and Taxes on Export Products [RoDTEP] on export of garments and made ups.

The Company recognizes export incentive upon fulfilling the conditions established by respective regulations as applicable to the Company and as amended from time to time.

Income is recognised at the value or rate prescribed by respective regulations.

13. Interest Income and expense

Other income comprises of interest income on funds invested, dividend income, and fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in Statement of Profit and Loss on the date when the company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expense comprises of interest expense on loans and borrowings, bank charges, unwinding of discount on provision, fair value losses on financial assets at fair value through profit or loss that are recognized in Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in Statement of Profit and Loss.

14. Government grants, subsidies and export incentives

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which is intended to compensate. When the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

15. Borrowing Costs

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Interest expense is recognised using effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs 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 costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

16. Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year,



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

using tax rates enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

- (i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and
- (ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.
- (iii) Arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred taxation arising on investments in subsidiaries and associates is recognized except where the Company is able

to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the company's share of the income and expenses of the equity method accounted investee is recorded in the statement of income, after considering any taxes on dividend payable by the equity method accounted investee and no deferred tax is set up in the books as the tax liability is not with the company.

17. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

18. Fair value measurement

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

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 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, maximising 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 Standalone financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the Standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred

between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Derivatives

The fair value of forward exchange contracts is based on their quoted price, if available. If a quoted price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds). The fair value of foreign currency option contracts is determined based on the appropriate valuation techniques, considering the terms of the contract. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counter party when appropriate.

(iii) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

(iv) For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.



About the Company and Material Accounting Policies (CONTD.)

Forming part of the Standalone financial statements

19. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

20. Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents. Cash and cash equivalents consist of balances with banks and which are unrestricted for withdrawal and usage.

21. Current/ non-current classification

An asset is classified as current if:

(a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is 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 classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has 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.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31, 2025	Net Block As at March 31, 2024
(a) Land										
Freehold	211.90	55.39	-	267.29	-	-	-	-	267.29	211.90
As at April 1, 2016	(5.76)	(0.58)	-	(6.34)	-	-	-	-	(6.34)	(6.34)
(b) Buildings	2,681.15	142.50	-	2,823.65	914.68	86.58	-	1,001.26	1,822.39	1,766.47
As at April 1, 2016	(1,528.32)	(15.00)	-	(1,543.32)	(381.82)	(50.26)	-	(432.08)	(1,111.24)	(1,111.24)
(c) Plant & Machinery	3,470.79	111.35	31.43	3,550.71	1,795.28	155.29	24.29	1,926.28	1,624.43	1,675.51
As at April 1, 2016	(2,216.82)	(225.78)	(11.26)	(2,431.34)	(883.48)	(98.20)	(5.49)	(976.19)	(1,455.15)	(1,455.15)
(d) Electrical Installations	328.76	34.28	4.18	358.86	176.51	28.95	3.44	202.02	156.84	152.25
As at April 1, 2016	(95.36)	(49.49)	-	(144.85)	(41.49)	(12.05)	-	(53.54)	(91.31)	(91.31)
(e) Furniture & Fittings	181.11	13.20	5.57	188.74	93.28	13.34	5.18	101.44	87.30	87.83
As at April 1, 2016	(135.90)	(52.65)	(0.21)	(188.34)	(67.18)	(14.91)	(0.10)	(81.99)	(106.35)	(106.35)
(f) Vehicles	71.54	1.92	2.83	70.63	34.07	4.73	1.49	37.31	33.32	37.47
As at April 1, 2016	(42.73)	(15.48)	(0.84)	(57.37)	(26.13)	(3.69)	(0.78)	(29.04)	(28.33)	(28.33)
(g) Lab Equipments	42.52	2.70	0.03	45.19	24.18	3.29	0.03	27.44	17.75	18.34
As at April 1, 2016	(10.20)	(0.10)	-	(10.30)	(8.51)	(0.55)	-	(9.06)	(1.24)	(1.24)
(h) Office Equipments	238.21	25.72	3.64	260.29	147.22	15.88	3.38	159.72	100.57	90.99
As at April 1, 2016	(124.27)	(20.21)	(0.29)	(144.19)	(71.31)	(10.39)	(0.13)	(81.57)	(62.62)	(62.62)
(i) Computers	189.49	6.37	0.03	195.83	148.92	11.85	0.03	160.74	35.09	40.57
As at April 1, 2016	(121.71)	(32.29)	(2.98)	(151.02)	(97.83)	(9.13)	(2.84)	(104.12)	(46.90)	(46.90)
Total	7,415.47	393.43	47.71	7,761.19	3,334.14	319.91	37.84	3,616.21	4,144.98	4,081.33
As at April 1, 2016	(4,281.07)	(411.58)	(15.58)	(4,677.07)	(1,577.75)	(199.18)	(9.34)	(1,767.59)	(2,909.48)	(2,909.48)

Note:

- (1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.
- (2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.
- (3) Refer note on capital commitment and Security for the borrowings.
- (4) During financial year 24-25, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Deletions	As at March 31, 2025
Capital work in progress	187.47	290.69	172.52	305.64
Total	187.47	290.69	172.52	305.64



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Depreciation for the year	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31, 2025	Net Block As at March 31, 2024
(a) Land Lease Hold	13.53 (13.53)	-	-	13.53 (13.53)	2.19 (2.06)	0.13 (0.13)	2.32 (2.19)	11.21 (11.34)	11.34 (11.47)
(b) Vehicle Leasehold	34.46 (34.46)	-	-	34.46 (34.46)	24.82 (21.73)	3.09 (3.09)	27.91 (24.82)	6.55 (9.64)	9.64 (12.73)
(c) Building and Land	334.67 (334.67)	-	-	334.67 (334.67)	151.35 (121.08)	30.79 (30.27)	182.14 (151.35)	152.53 (183.32)	183.32 (213.59)
(d) Land - MD and ED	53.42 (53.42)	-	-	53.42 (53.42)	9.75 (7.80)	1.95 (1.95)	11.70 (9.75)	41.72 (43.67)	43.67 (45.62)
(e) Lease Prepayment	29.41 (29.41)	-	-	29.41 (29.41)	25.64 (21.21)	3.77 (4.43)	29.41 (25.64)	- (3.77)	3.77 (8.20)
Total	465.49 (465.49)	-	-	465.49 (465.49)	213.75 (173.88)	39.73 (39.87)	253.48 (213.75)	212.01 (251.74)	251.74 (291.61)
(Previous year)									

Note:

a) Company has adopted modified retrospective approach as per paraC8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	Accumulated Amortisation As at April 01, 2024	Amortisation for the year	Accumulated Amortisation As at March 31, 2025	Net Block As at March 31, 2025	Net Block As at March 31, 2024
(a) Goodwill	40.15 (40.15)	-	-	40.15 (40.15)	40.15 (33.36)	- (6.79)	40.15 (40.15)	- 0.00	- 0.00
(b) Brand / Trade Marks	7.52 (117.16)	-	-	7.52 (117.16)	4.16 (22.75)	- (18.39)	4.16 (41.14)	3.36 (76.02)	3.36 (76.02)
(c) Non-Compete Fees	-	144.60	-	144.60	-	11.53	11.53	133.07	-
(d) Software	-	-	-	-	-	-	-	-	-
As at April 1, 2016	-	(4.09)	-	(4.09)	-	(0.19)	(0.19)	(3.90)	(3.90)
Total	47.67 (157.31)	144.60 (4.09)	-	192.27 (161.40)	44.31 (56.11)	11.53 (25.37)	55.84 (81.48)	136.43 (79.92)	3.36 (79.92)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Disposals	As at March 31, 2024	Accumulated Depreciation As at April 01, 2023	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2024	Net Block As at March 31, 2024	Net Block As at March 31, 2023
(a) Land Freehold As at April 1, 2016	132.05 (5.76)	84.29 (0.58)	4.44 -	211.90 (6.34)	-	-	-	-	211.90 (6.34)	132.05 (6.34)
(b) Building As at April 1, 2016	2,584.35 (1,528.32)	97.20 (15.00)	0.40 -	2,681.15 (1,543.32)	832.04 (381.82)	82.64 (50.26)	-	914.68 (432.08)	1,766.47 (1,111.24)	1,752.31 (1,111.24)
(c) Plant & Machinery As at April 1, 2016	3,432.00 (2,216.82)	54.32 (225.78)	15.53 (11.26)	3,470.79 (2,431.34)	1,653.68 (883.48)	154.16 (98.20)	12.56 (5.49)	1,795.28 (976.19)	1,675.51 (1,455.15)	1,778.32 (1,455.15)
(d) Electrical Installations As at April 1, 2016	317.40 (95.36)	25.49 (49.49)	14.13 -	328.76 (144.85)	161.55 (41.49)	27.61 (12.05)	12.65 -	176.51 (53.54)	152.25 (91.31)	155.85 (91.31)
(e) Furniture & Fittings As at April 1, 2016	163.26 (135.90)	19.75 (52.65)	1.90 (0.21)	181.11 (188.34)	83.69 (67.18)	11.22 (14.91)	1.63 (0.10)	93.28 (81.99)	87.83 (106.35)	79.57 (106.35)
(f) Vehicles As at April 1, 2016	68.31 (42.73)	3.23 (15.48)	- (0.84)	71.54 (57.37)	29.37 (26.13)	4.70 (3.69)	- (0.78)	34.07 (29.04)	37.47 (28.33)	38.94 (28.33)
(g) Lab Equipments As at April 1, 2016	41.07 (10.20)	1.45 (0.10)	- -	42.52 (10.30)	21.19 (8.51)	2.99 (0.55)	- -	24.18 (9.06)	18.34 (1.24)	19.88 (1.24)
(h) Office Equipments As at April 1, 2016	231.41 (124.27)	13.40 (20.21)	6.60 (0.29)	238.21 (144.19)	138.11 (71.31)	15.02 (10.39)	5.91 (0.13)	147.22 (81.57)	90.99 (62.62)	93.30 (62.62)
(i) Computer As at April 1, 2016	180.89 (121.71)	9.19 (32.29)	0.59 (2.98)	189.49 (151.02)	137.03 (97.83)	12.40 (9.13)	0.51 (2.84)	148.92 (104.12)	40.57 (46.90)	43.86 (46.90)
Total	7,150.74	308.32	43.59	7,415.47	3,056.66	310.74	33.26	3,334.14	4,081.33	4,094.08
As at April 1, 2016	(4,281.07)	(411.58)	(15.58)	(4,677.07)	(1,577.75)	(199.18)	(9.34)	(1,767.59)	(2,909.48)	(2,909.48)

Note: Previous year figures are given in brackets.

- (1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.
- (2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.
- (3) Refer note on capital commitment and Security for the borrowings.
- (4) During financial year 23-24, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Deletions	As at March 31, 2024
Capital work in progress	98.67	196.06	107.26	187.47
Total	98.67	196.06	107.26	187.47



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Disposals	As at March 31, 2024	Accumulated Depreciation As at April 01, 2023	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2024	Net Block As at March 31, 2024	Net Block As at March 31, 2023
(a) Land Lease Hold	13.53 (13.53)	-	-	13.53 (13.53)	2.06 (1.93)	0.13 (0.13)	-	2.19 (2.06)	11.34 (11.47)	11.47 (11.60)
(b) Vehicle Leasehold	34.46 (34.46)	-	-	34.46 (34.46)	21.73 (18.39)	3.09 (3.34)	-	24.82 (21.73)	9.64 (12.73)	12.73 (16.06)
(c) Building and Land	334.67 (334.67)	-	-	334.67 (334.67)	121.08 (90.81)	30.27 (30.27)	-	151.35 (121.08)	183.32 (213.59)	213.59 (243.87)
(d) Land rent - MD and ED	53.42 (53.42)	-	-	53.42 (53.42)	7.80 (5.85)	1.95 (1.95)	-	9.75 (7.80)	43.67 (45.62)	45.62 (47.57)
(e) Lease Prepayment	29.41 (29.41)	-	-	29.41 (29.41)	21.21 (16.59)	4.43 (4.62)	-	25.64 (21.21)	3.77 (8.20)	8.20 (12.81)
Total	465.49 (465.49)	-	-	465.49 (465.49)	173.88 (133.57)	39.87 (40.31)	-	213.75 (173.88)	251.74 (291.61)	291.61 (331.91)

Note:

- a) Company has adopted modified retrospective approach as per paraC8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.
- b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Disposals	As at March 31, 2024	Accumulated Amortisation As at April 01, 2023	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2024	Net Block As at March 31, 2024	Net Block As at March 31, 2023
(a) Goodwill	40.15 (40.15)	-	-	40.15 (40.15)	40.15 (33.36)	- (6.79)	-	40.15 (40.15)	- 0.00	- 0.00
(b) Brand / Trade Marks	4.16 (117.16)	3.36	-	7.52 (117.16)	4.16 (22.75)	- (18.39)	-	4.16 (41.14)	3.36 (76.02)	0.00 (76.02)
(c) Software	-	(4.09)	-	- (4.09)	-	- (0.19)	-	- (0.19)	- (3.90)	- (3.90)
Total	44.31 (157.31)	3.36 (4.09)	-	47.67 (161.40)	44.31 (56.11)	- (25.37)	-	44.31 (81.48)	3.36 (79.92)	0.00 (79.92)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP & use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.

1.1. INTANGIBLE ASSETS UNDER DEVELOPMENT

The following table presents the changes in capital work in progress during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Deletions	As at March 31, 2024
Intangible Assets under developments	3.36	-	3.36	-
Total	3.36	-	3.36	-



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.2 NON-CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
a. Investment in Equity Instruments of Subsidiaries - (Unquoted) carried at amortised cost		
i. 65,160,606 shares (As at March 31, 2024 - 0 Shares) of Rs.10/- each fully paid up in Young Brand Apparels Private Limited (Refer Note 3.15)	1,523.01	-
ii. 266,000 shares (As at March 31, 2024 - 266,000 Shares) of Rs.100/- each fully paid up in Crocodile Products Private Limited	63.74	63.74
iii. 160,000 shares (As at March 31, 2024 - 160,000 Shares) of 1 GBP each fully paid up in S.P. Apparels UK (P) Limited	15.75	15.75
iv. 7,300,000 shares (As at March 31, 2024 - 100,000 Shares) of Rs.10/- each fully paid up in S.P. Retail Ventures Limited	541.00	1.00
v. 300,000 equity shares (As at March 31, 2024 - 0 shares) of LKR 10 /- each fully paid up in S.P.Apparels International (Private) Limited	0.84	-
b. Investment in Preference Shares of Subsidiaries - (Unquoted) carried at amortised cost		
i. 0 CCP shares (As at March 31, 2024 - 72,00,000 Shares) of Rs. 100/- each fully paid up in S.P. Retail Ventures Limited	-	540.00
c. Investments carried at amortised cost		
Investments in Bonds and Non Convertible Debentures (NCDs) -(quoted)	50.13	10.00
d. Investments carried at fair value through profit or loss		
Investment in Mutual funds (quoted)	40.04	-
e. Others - (unquoted) carried at amortised cost		
i. 1,775 shares (As at March 31, 2024 - 1,775 Shares) of Rs. 1000/- each fully paid up in Netaji Apparel Park.	1.78	1.78
ii. 636 shares (As at March 31, 2024 - 1,357 Shares) of Rs. 10/- each fully paid up in Babu Energy P Ltd, Kancheepuram.	0.01	0.01
iii. 140 shares (As at March 31, 2024 - 81 Shares) of Rs. 100/- each fully paid up in Aravind Green Infra P Ltd, Karur	0.01	0.01
iv. 508 shares (As at March 31, 2024 - 508 Shares) of Rs. 100 /-each fully paid up in Apsara power India P Ltd, Karur	0.05	0.05
v. 35 shares (As at March 31, 2024 - 199 Shares) of Rs. 100 /-each fully paid up in Amirthaa Green Infra P Ltd, Karur	-	0.02
Total	2,236.36	632.36
Less: Impairment in Value of Investments	-	-
Total	2,236.36	632.36
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	90.17	10.00
Aggregate market value of quoted investments	90.17	10.00
Aggregate value of unquoted investments	2,146.19	622.36
Aggregate value of impairment of investments	-	-



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.3 NON-CURRENT LOANS AND ADVANCES	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
Loans to Subsidiaries :		
- S.P. Retail Ventures Limited	165.00	170.00
(Loans and advances were given at rate of interest of 7.5% p.a for the period to S.P. Retail Ventures Limited)		
- S.P.Apparels International Private Limited - Sri Lanka	145.49	-
(loans and advances, repayable in 10 years, were given at the rate of interest of 6-month SFOR + 50 bps p.a to S.P.Apparels International Private Limited - Sri Lanka)		
- S.P. Apparels UK (P) Limited	65.27	52.33
(Loans and advances were given at rate of interest of 4% p.a to S.P. Apparels UK (P) Limited)		
Total	375.76	222.33
1.4 OTHER NON-CURRENT FINANCIAL ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
a. Security Deposits (Includes Rs. 80.00 Millions and Rs. 80.00 Millions paid to Poornam Enterprises Private Limited as at March 31, 2025 and March 31, 2024 respectively)	172.63	168.75
(Includes Rs. 50.00 Millions and Rs. 50.00 Millions paid to S.P Superfine Private Limited as at March 31, 2025 and March 31, 2024 respectively)		
b. Other Investments - Advance for Business Acquisition	-	150.78
c. Other Receivables		
- Crocodile Products Private Limited	71.30	71.30
d. Others		
EB Deposits	45.29	53.87
Others	0.35	0.34
	45.64	54.21
Total	289.57	445.04
1.5 OTHER NON-CURRENT ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
a. Capital Advance	303.26	175.00
b. Balance with government authorities (Unsecured, considered good unless otherwise stated)		
Sales Tax Deposits	0.01	0.01
c. Others - (Unsecured, considered good unless otherwise stated)		
Fringe Benefit Tax Receivables	0.04	0.04
Income Tax Receivables	2.45	2.50
Electricity Charges Receivables	7.58	7.58
	10.07	10.12
Total	313.34	185.13



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.6 INVENTORIES	As at March 31, 2025	As at March 31, 2024
a. Raw materials and Components	786.92	488.07
b. Work-in -progress	1,492.08	1,165.41
c. Finished goods	295.68	263.10
d. Stores, spares and consumable tools	313.71	231.01
Total	2,888.39	2,147.59
1.7 CURRENT INVESMENTS	As at March 31, 2025	As at March 31, 2024
a. Investments carried at amortized cost		
Investments in Bonds and Non-Convertible Debentures (NCDs) (unquoted)	-	292.78
b. Investments carried at fair value through profit or loss		
Mutual funds units (quoted)	-	210.00
Total	-	502.78
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	-	210.00
Aggregate market value of quoted investments	-	210.00
Aggregate value of unquoted investments	-	292.78
Aggregate value of impairment of investments	-	-
1.8 TRADE RECEIVABLES	As at March 31, 2025	As at March 31, 2024
a. Trade Receivables considered good - Unsecured	1,040.26	841.12
Trade Receivables - credit impaired	3.60	7.50
	1,043.86	848.62
Less: Loss Allowance	3.60	7.50
Total	1,040.26	841.12

Above receivables includes receivables from subsidiary companies: (Refer Note 3.16)

- a) S.P. Retail Ventures Limited - Rs 5.50 (as at March 31, 2024 Rs. 3.13)
- b) S.P. Apparels UK (P) Limited - Rs 10.46 (as at March 31, 2024 Rs. 0.00)
- c) Young Brand Apparels Private Limited - Rs 9.31 (as at March 31, 2024 Rs. 0.00)

Also includes receivables from enterprises owned by KMP: (Refer Note 3.16)

- a) S.P. Lifestyles - Rs 0.00 (as at March 31, 2024 Rs. 1.72)
- b) S.P. Superfine P Ltd - Rs 31.70 (as at March 31, 2024 Rs. 31.50)
- c) S.P. Retail Brand Ltd - Rs 0.02 (as at March 31, 2024 Rs. 0.00)
- d) Poornam Enterprises P Ltd - Rs 0.67 (as at March 31, 2024 Rs. 0.67)

D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

As at 31st March, 2025

[illegible]

As at 31st March, 2024

[illegible]



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.9A CASH AND CASH EQUIVALENTS	As at March 31, 2025	As at March 31, 2024
Balances with Banks in Current account	250.54	452.83
in Deposit account	-	100.00
in EEFC account	-	0.01
Cash and stamps on hand	46.41	43.87
Total	296.95	596.71
1.9 B. Bank Balances other than (1.9A) above	As at March 31, 2025	As at March 31, 2024
In Deposit accounts	7.77	4.51
In Dividend account	0.04	0.04
Total	7.81	4.55
Note: Cash and Cash Equivalents for the purpose of Cash Flow Statement	296.95	596.71
1.10 OTHER CURRENT FINANCIAL ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered good unless otherwise stated)		
a. Derivative Financial Instruments	-	12.84
Total	-	12.84
1.11 OTHER CURRENT ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good unless otherwise stated)		
a. Prepaid Expenses	20.85	18.86
b. Material advances	64.29	34.07
c. Balances with government authorities		
- Export Incentives Receivables	87.85	104.57
- GST Refund receivable	155.00	61.10
- GST Input Credit	80.09	52.89
- TUF receivable	20.67	21.25
- Interest subvention receivable	0.03	0.16
Subtotal	343.64	239.97
d. Deposit paid under protest	11.21	-
e. Advance Tax and Tax deducted at Source [net of provision for taxes (March 31, 2024 Rs.309.78 Millions)]	-	52.66
f. Others(Advance)	1.21	2.15
	441.20	347.71



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.12 EQUITY SHARE CAPITAL	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Rs in Millions	Number of shares	Rs in Millions
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	2,72,50,000	272.50	2,72,50,000	272.50
10% Redeemable cumulative preference shares of Rs.10/- each	2,00,00,000	200.00	2,00,00,000	200.00
Total	4,72,50,000	472.50	4,72,50,000	472.50
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	2,50,92,600	250.93	2,50,92,600	250.93
Total	2,50,92,600	250.93	2,50,92,600	250.93
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	2,50,92,600	250.93	2,50,92,600	250.93
Total	2,50,92,600	250.93	2,50,92,600	250.93

Notes

i) Terms & Condition of Equity shares

The Company has only one class of equity shares having a par face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
a) Equity Shares with voting rights				
Mr. P.Sundararajan	1,25,38,759	49.97%	1,25,38,758	49.97%
Ms. S.Latha	29,61,510	11.80%	29,61,505	11.80%
DSP Small Cap Fund	21,76,332	8.67%	21,76,332	8.67%

iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue of Shares/ (Buyback of Shares)	Closing Balance
Equity shares with voting rights			
Period ended March 31, 2025			
- Number of shares	2,50,92,600	-	2,50,92,600
- Amount (Rs. 10 each) (Rs. in Million)	250.93	-	250.93
Period ended March 31, 2024			
- Number of shares	2,50,92,600	-	2,50,92,600
- Amount (Rs. 10 each) (Rs. in Million)	250.93	-	250.93



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

iv) Details of shares held by promoters :

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.97%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.80%	0.00%
Mr. Sundararajan Chenduran	28,251	(500)	27,751	0.11%	-1.77%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	1,55,39,291	(500)	1,55,38,791	61.92%	-1.77%

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.97%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.80%	0.00%
Mr. Sundararajan Chenduran	28,251	-	28,251	0.11%	0.00%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	1,55,39,291	-	1,55,39,291	61.92%	0.00%

1.13 OTHER EQUITY

a. Securities Premium Account

Balance as at the beginning of the period

Less: Premium paid on buy back of equity shares

Balance as at the end of the year

The reserve has been created when equity shares have been issued at a premium. This reserve may be utilised to issue fully paid-up bonus shares, buy-back of equity shares or writing off expenses incurred on issue of equity shares.

b. Capital Redemption Reserve

Balance as at the beginning of the year

Add: Capital Redemption on buyback

Balance as at the end of the period

The reserve has been created as per section 55 (2) (c) of Companies Act, 2013 based on the proposal for redemption of preference shares during the board meeting held on March 15, 2018.

	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the period	2,174.94	2,174.94
Less: Premium paid on buy back of equity shares	-	-
Balance as at the end of the year	2,174.94	2,174.94
Balance as at the beginning of the year	206.00	206.00
Add: Capital Redemption on buyback	-	-
Balance as at the end of the period	206.00	206.00



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 OTHER EQUITY (CONTD.)	As at March 31, 2025	As at March 31, 2024
<p>The company has sought approval of the Shareholders of the Company by Postal Ballot process pursuant to the provisions of Section 108 & 110 of the Companies Act, 2013 read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Resolution(s) as set out in the Postal ballot Notice dated 15th March, 2018 for the following</p> <p>a. Variation of the terms of issue of the 10% Redeemable Cumulative Preference Shares and its redemption</p> <p>b. Issue of 5,28,000 Equity Shares to Promoter of the Company on preferential basis. The approval received from shareholders and concluded on April 23, 2018.</p> <p>The shares are proposed to be redeemed out of the profits of the company. Accordingly, out of accumulated profits, a sum equal to the nominal amount of the shares to be redeemed, has been transferred to a reserve, to be called the Capital Redemption Reserve Account.</p> <p>During the FY 22-23, the reserve has been created as per Section 69 of Companies Act, 2013 based on the buyback of equity shares. An amount equal to nominal value of share brought back has been transferred to Capital Redemption Reserve. The above reserve may be utilized by the company for the issue of fully paid up bonus shares</p>		
c. Additional Paid in Equity		
Balance as at the beginning of the year	90.36	90.36
Balance as at the end of the period	90.36	90.36
This has arisen because of the unsecured loan received and preference shares		
(i) As per Ind AS 109, financial liability which were received at concessional rate compared to market rate are valued at fair value from the date of its avilment and difference between the nominal value of unsecured loan and fair value has been treated as deferred loan and unwound during the term of loan. Further differences has been disclosed as additional paid in equity [with respect to unsecured loans related to equity holders].		
ii) As per Para 18 of Ind AS 32, a preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability. Further, the Company as at the date of issue has arrived the present value of the cash flow at market rate return of the preference shares and differences between nominal value of preference shares and present value of the cash flow has been disclosed as additional paid in equity [with respect to preference shares related to equity holders].		
d. Share Options Outstanding Account		
Balance as at the beginning of the year	-	-
Add: Employee stock compensation expense(Refer note 3.6.1)	3.66	-
Balance as at the end of the year	3.66	-
The Share options outstanding account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account will be transferred to securities premium upon exercise of stock options and will be transferred to general reserve on account of stock options not exercised by employees.		



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 OTHER EQUITY (CONTD.)	As at March 31, 2025	As at March 31, 2024
e. Retained Earnings (Surplus in Statement of Profit and Loss)		
Balance as at the beginning of the year	5,221.14	4,258.75
Add: Current year profit	835.32	1,037.62
Less: Dividend 2022-23	-	(75.28)
Expenses on Buy back	-	0.05
Balance as at the end of the year	6,056.46	5,221.14
Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.		
f. Other Comprehensive Income		
Balance as at the beginning of the year	(153.33)	(230.31)
Add: Current year transfer from statement of profit and loss	(31.49)	76.98
Balance as at the end of the year	(184.82)	(153.33)
Other comprehensive income include remeasurement of net defined benefit liability / asset and changes in fair value of derivatives designated as cash flow hedges, net of taxes. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve.		
The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.		
Total Other Equity	8,346.60	7,539.11
1.14 NON-CURRENT BORROWINGS	As at March 31, 2025	As at March 31, 2024
a. Secured Borrowings at Amortised Cost		
Term Loan from banks	287.61	-
Total	287.61	-

Security and Terms: The company has been sanctioned term loan of INR 600 Mn out of which, it has availed INR 287.61 Mn as of March 31, 2025. It is secured by exclusive Charge on all Immovable and movable assets being acquired from Bannari Amman under the MOU ie.1) Garment unit located at Palladam Hi-Tech Weaving Park, Palladam, Tamil Nadu and 2) 6.43 Acres of Land with Building situated at Site No. R-44, SIPCOT, Perundurai. Personal Guarantee - of MR.P.Sundararajan and Mrs. S Latha.

- Loan amounting to Rs. 287.61 Million (Previous year Rs. 0.00 Million)
- Loan amounting to Rs. 0.00 Million (Previous year Rs. 9.18 Million)
- Interest rate relating to term loans from banks is 8.50%(Previous Year:8.60% to 10.05 %)
- Tenure of 6 Years including 12 months of Moratorium repayable in equal monthly instalments.
- The Company has not defaulted in repayment of principal and interest during the year.
- Refer Note 1.18(b) for Current Maturities of Long Term Borrowings.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.15 NON-CURRENT LEASE LIABILITIES	As at March 31, 2025	As at March 31, 2024
a. Long term maturity of lease liabilities	223.69	255.73
Total	223.69	255.73

The lease liability is initially measured at amortized cost at the present value of the future lease payments. All operating lease arrangements has been evaluated for IND AS 116 evaluations and applicable arrangements are considered for accounting after discounting of lease rental payments at the rate of 10% per annum.

The movement in lease liabilities during the Year ended March 31, 2025 and March 31, 2024 are given below

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	255.73	284.93
Additions during the year	-	-
Finance cost accrued during the year	22.00	25.03
Payment of lease liabilities during the year	(54.04)	(54.23)
Balance at the end of the year	223.69	255.73

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	54.21	54.03
One to five years	169.22	217.03
More than five years	52.52	58.92
Total	275.95	329.98

Amounts recognised in profit or loss for the year ended March 31, 2025 and March 31, 2024 are given below

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on lease liabilities	22.00	25.03
Expenses relating to leases of low-value assets, including short-term leases of low value assets	53.29	49.44
Total	75.29	74.47

1.16 OTHER NON-CURRENT FINANCIAL LIABILITIES	As at March 31, 2025	As at March 31, 2024
a. Deferred Govt Grant Receivables	45.40	59.93
Total	45.40	59.93



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.17 DEFERRED TAX LIABILITIES (NET)	As at March 31, 2025	As at March 31, 2024
a. Deferred tax liabilities	348.82	383.06
b. Deferred tax (assets)	-	-
Total Deferred tax (assets)/ liabilities	348.82	383.06
Deferred tax liability / (assets) in relation to:		
- Property, plant and equipment (including Intangible assets) [Refer Note 3.1]	371.95	364.01
- Other temporary differences (income tax disallowance and other adjustments.) [Refer Note 3.1]	(23.13)	19.05
Total	348.82	383.06

1.18 CURRENT FINANCIAL LIABILITIES - BORROWINGS	As at March 31, 2025	As at March 31, 2024
a. Secured Borrowings at amortised cost		
Loans from Banks (Includes Cash Credit, Working capital demand loans, Packing credit, etc)	2,058.94	1,014.98
b. Current maturities of Long-term debts at amortised cost (Refer Note 1.14)	-	9.18
Total	2,058.94	1,024.16

Note: With respect to Cash Credit, Working Capital Demand Loan, Packing Credit from Banks, the first charge on entire current assets including stock of Raw Material, Work in Progress, Finished Goods, Stores, Spares & Consumable and receivables of the Company is given to respective banks. Second charge on the entire fixed assets of the Company (other than exclusively charged to term loans) has been extended to the banks where ever possible. Promoters guarantee and security has also been provided to banks.

1.19 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	As at March 31, 2025	As at March 31, 2024
Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 3.14)	259.50	82.17
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	431.54	529.83
includes payables to enterprises owned by key managerial personnel (Refer Note 3.16)		
S.P.Lifestyles Rs.1.04 (as at March 31, 2024 Rs. 0.00)		
S.P.Superfine Cotton Mills Pvt Ltd Rs. 5.27 (as at March 31, 2024 Rs. 11.39)		
Total	691.04	612.00

As at 31 March, 2025

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	
Dues to micro enterprises and small enterprises	199.23	60.27	-	-	-	259.50
Dues to other than micro enterprises and small enterprises	221.46	107.27	0.34	0.01	0.18	329.26
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	102.28	-	-	-	-	102.28
Total	522.97	167.54	0.34	0.01	0.18	691.04



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

As at 31 March, 2024

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	
Dues to micro enterprises and small enterprises	65.25	16.92	-	-	-	82.17
Dues to other than micro enterprises and small enterprises	328.23	127.84	0.27	0.76	0.01	457.11
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	72.72	-	-	-	-	72.72
Total	466.20	144.76	0.27	0.76	0.01	612.00

1.20 CURRENT FINANCIAL LIABILITIES - Others

	As at March 31, 2025	As at March 31, 2024
a. Proposed dividend on cumulative preference shares including DDT	0.05	0.05
b. Capital Creditors	37.35	18.31
c. Employee Benefits includes payables to Key Managerial Personnel P. Sundararajan [Managing Director Rs. 1.63 (as at March 31, 2024 Rs. 4.22)] S. Shantha [Joint Managing Director Rs. 0.07 (as at March 31, 2024 Rs. 0.07)] S. Chenduran [Joint Managing Director Rs. 0.10 (as at March 31, 2024 Rs. 0.18)]	194.79	178.31
d. Derivative financial liability	28.38	-
e. Trade Deposit from customers	2.15	2.00
Total	262.72	198.67

1.21 OTHER CURRENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
a. Statutory Liabilities	71.54	51.52
b. Advances from customer	2.13	-
Total	73.67	51.52

1.22 CURRENT PROVISIONS

	As at March 31, 2025	As at March 31, 2024
a. Provision for Income Tax (Net of Advance Tax of Rs. 260.00 Millions)	1.29	-
a. Provision for employee benefits Compensated absences	15.56	20.46
Gratuity (Net of funds)(Refer Note 3.6)	82.43	66.49
Total	99.28	86.95



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.1 REVENUE FROM OPERATIONS		For the year ended March 31, 2025	For the year ended March 31, 2024
a. Sale of Products			
Manufactured goods			
Garments - Export		8,474.65	8,182.42
Garments - Local		45.31	36.69
Yarn		179.77	318.91
Fabric		272.01	141.10
Cotton Waste		216.91	201.55
	Sub Total	9,188.65	8,880.67
b. Revenue From Services			
Dyeing charges		27.20	42.97
Embroidery charges		4.49	4.22
Printing charges		1.66	0.13
Others		0.63	2.29
	Sub Total	33.98	49.61
c. Other Operating revenue			
Duty Draw Back and other Export Incentives		577.84	523.93
Sale of Scrap		1.23	1.63
Release of Deferred Income(Refer Note below)		14.53	27.36
	Sub Total	593.60	552.92
Total		9,816.23	9,483.20

Note - Release of deferred income is relating to incentive from Technology Upgradation Fund (TUF) Scheme loan and Export Promotion Capital Goods (EPCG) Scheme which was accounted during the transition to Ind AS, now taken to statement of profit and loss.

2.2 OTHER INCOME		For the year ended March 31, 2025	For the year ended March 31, 2024
a. Interest Income from			
Deposits & NCDS		10.76	27.49
Lease Deposits		10.86	10.17
Loan to SP Retail Ventures Limited (Refer Note 3.16)		12.17	9.68
Loan to SP Apparels UK (P) Limited (Refer Note 3.16)		1.96	1.86
	Sub Total	35.75	49.20
b. Dividend Income from			
Non Current Investments		-	0.58
	Sub Total	-	0.58



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.2 OTHER INCOME (Contd)	For the year ended March 31, 2025	For the year ended March 31, 2024
c. Other Non-operating Income		
Profit on Sale of Investments	9.07	104.51
Foreign Exchange Gain/(Loss) (Net)	28.40	-
Gain on fair valuation of investments carried at fair value through profit or loss	-	2.10
Others	0.61	0.25
Sub Total	38.08	106.86
Total	73.83	156.64
2.3 COST OF MATERIALS CONSUMED	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Stock	719.08	734.01
Purchases	3,871.66	3,212.98
	4,590.74	3,946.99
Less: Closing Stock	1,100.63	719.08
Total	3,490.11	3,227.91
2.4 PURCHASE OF STOCK-IN-TRADE - TRADED GOODS	For the year ended March 31, 2025	For the year ended March 31, 2024
Garments	58.03	9.69
Total	58.03	9.69
2.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	For the year ended March 31, 2025	For the year ended March 31, 2024
a. Inventory at the beginning of the year		
Finished goods	263.10	290.99
Work-in-progress	1,165.41	1,345.23
(A)	1,428.51	1,636.22
b. Inventory at the end of the year		
Finished goods	295.68	263.10
Work-in-progress	1,492.08	1,165.41
(B)	1,787.76	1,428.51
Total(A-B)	(359.25)	207.71
2.6 EMPLOYEE BENEFIT EXPENSES	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	2,205.96	1,901.16
Contribution to provident, gratuity and other funds(Refer Note 3.6)	206.66	207.85
Expenses on Employee Stock Option Scheme (ESOP)(Refer Note 3.6.1)	3.66	-
Staff welfare expenses	336.35	311.86
Total	2,752.63	2,420.87



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.7 FINANCE COST	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on bank borrowings	111.36	84.46
Interest expenses on lease liability	22.00	25.03
Other borrowing costs	52.26	37.08
Exchange loss/(gain) on foreign currency	14.14	(15.43)
Total	199.76	131.14
2.8 DEPRECIATION AND AMORTISATION EXPENSES	For the year ended March 31, 2025	For the year ended March 31, 2024
a. Tangible Assets		
Buildings	86.58	82.64
Plant and Machinery	155.29	151.53
Electrical Installations	28.95	27.70
Furniture and Fittings	13.34	11.22
Office Equipment	15.88	15.05
Lab Equipment	3.29	2.99
Computers	11.85	12.39
Vehicles	4.73	4.72
Solar plant	-	2.50
Right of Use Asset		
Land	0.13	0.13
Vehicles	3.09	3.09
Others	36.51	36.65
Tangible assets (Including Right of Use assets)	359.64	350.61
b. Intangible Assets		
Non Compete Fees on Business Acquisition	11.53	-
Intangible Assets	11.53	-
Total	371.17	350.61
2.9 OTHER EXPENSES	For the year ended March 31, 2025	For the year ended March 31, 2024
Power & Fuel	447.40	406.23
Repairs & Maintenance - Buildings	14.89	15.05
Repairs & Maintenance - Plant and Equipment	102.54	96.58
Repairs & Maintenance - Others	76.72	70.06
Fabrication Charges	146.10	133.97
Other Manufacturing Expenses	968.72	704.06
Payments to Auditors [Refer Note 2.9 (i)]	3.27	2.30
Insurance	14.61	13.73



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.9 OTHER EXPENSES (Contd)	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal & Professional Charges	22.55	29.68
Loss on Sale of Property, Plant and Equipment	2.15	3.02
Printing and stationery	11.87	10.82
Communication	2.32	2.21
Travelling and conveyance	38.40	40.71
Factory lease rent	25.09	22.45
Rent	28.20	26.99
Rates and taxes	22.72	21.55
Donation	0.08	0.53
Expenditure on Corporate Social Responsibility (Refer Note 3.4)	24.90	28.59
Director sitting fees(Refer Note 3.2)	1.28	1.28
Commission	0.83	1.32
Freight and forwarding	189.75	151.02
Business promotion	7.42	5.25
Loss Allowance on receivables / advances	4.28	8.32
Provisions for MTM (Gain)/Loss on forward contracts	16.63	(26.63)
Loss on Foreign Exchange	5.66	99.52
Miscellaneous expenses	81.76	66.36
Total	2,260.14	1,934.97
(i) Payment to auditors comprises:		
As auditors - statutory audit	2.00	1.90
For taxation	0.12	-
For Reimbursement of out of expenses	0.29	0.31
For other services	0.86	0.09
Total	3.27	2.30



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.1 Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax liabilities and a description of the items that created these differences is given below :

Recognised deferred tax assets/liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Tax effect of items constituting deferred tax liabilities		
Property, Plant and Equipment	(371.95)	(364.01)
Derivative Adjustments	10.60	(25.89)
Others	12.53	6.84
Net deferred tax (liabilities)/assets recognised in Balance Sheet	(348.82)	(383.06)

Movement in temporary differences during current and previous year

Particulars	Property, Plant and Equipment	Derivative Adjustments	Others
Balance as at April 1, 2023	(369.59)	22.21	6.56
Recognised in income statement	5.58	-	0.28
Recognised in Equity	-	(48.10)	-
Balance as at March 31, 2024	(364.01)	(25.89)	6.84
Recognised in income statement	(7.94)	25.89	5.69
Recognised in Equity	-	10.60	-
Balance as at March 31, 2025	(371.95)	10.60	12.53

Income tax expense recognized in profit or loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Tax expense/ (reversal)	281.24	309.78
Deferred Tax expense	(23.64)	16.34
Short / (Excess) provision for earlier year's tax	24.55	(6.80)
	282.15	319.32

Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year before tax	1,117.47	1,356.94
Tax rate	25.17%	25.17%
Expected tax expense/(benefit)	281.25	341.51
Short / (Excess) provision for earlier year's tax	24.55	(6.80)
Due to timing differences	(23.64)	16.34
Permanent Differences	(0.01)	(31.73)
Income Tax expenses recognised in Statement of Profit and Loss	282.15	319.32



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.2 Payments to independent directors - Sitting fees	Year ended March 31, 2025	Year ended March 31, 2024
Mr. Anand Kumar AS	0.36	0.36
Ms. Lakshmi Priya	0.16	0.16
Mr. Rajagopal CR	0.36	0.36
Mr. Ravishankar B	0.04	-
Mr. V Sakthivel	0.36	0.40
Total	1.28	1.28

3.3 Earnings Per Share	Year ended March 31, 2025	Year ended March 31, 2024
Net Profit after Tax for the year	835.32	1,037.62
Weighted average number of equity shares outstanding - Basic(Refer Note (i) below)	2,50,92,600	2,50,92,600
Weighted average number of equity shares outstanding - Diluted(Refer Note (i) below)	2,50,94,540	2,50,92,600
Earnings Per Share - Basic	33.29	41.35
Earnings Per Share - Diluted	33.29	41.35

(i) Weighted average number of shares - Basic & Diluted

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Paid-up equity share capital (face value Rs. 10/-)	250.93	250.93
Face Value per share [Amount]	10.00	10.00
Weighted average number of equity shares outstanding - Basic	2,50,92,600	2,50,92,600
Add: Weighted average number of potential equity shares on account of employee stock options	1,940	-
Weighted average number of equity shares outstanding - Diluted	2,50,94,540	2,50,92,600

3.4 Contribution towards Corporate Social Responsibility

Section 135 of the Companies Act, 2013, requires Company to spend towards Corporate Social Responsibility (CSR). The Company is expected to spend Rs. 24.80 Millions during the year ended March 31, 2025 towards CSR in compliance of this requirement. A sum of Rs. 24.90 Millions has been spent during the current year towards CSR activities as per details given below.

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Amount required to be spent by the Company during the year	24.80	19.39
Amount of expenditure incurred*	24.90	28.59
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Education, skill development, rural development and health care	

*Out of the above expenditure incurred during FY 24-25, ₹ 15.00 millions is towards contribution to SP Charitable Trust which supports skill development activities.

*Amount of expenditure incurred during FY 23-24 includes ₹ 8.91 million relating to Financial year ending March 31, 2020.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.5 Foreign currency exposure

The details of foreign currency exposure as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	USD	0.00	0.13
	GBP	0.01	0.68
	EUR	0.00	0.03
	SGD	0.00	0.00
	HKD	0.00	0.01
	LKR	0.01	0.00
		0.02	0.85
EEFC A/c	GBP	0.00	0.00
	EUR	0.00	0.00
		0.00	0.00
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	4.51	385.80
	GBP	2.86	316.39
	EUR	2.52	232.61
		9.89	934.80
Loans and Advances	USD	1.70	145.49
	GBP	0.59	65.28
	SEK	-	-
		2.29	210.77
Amounts payable in foreign currency on account of:			
Trade Payables	USD	0.28	23.91
	EUR	0.21	19.38
		0.49	43.29
PCFC account	USD	5.42	463.42
	GBP	0.24	26.78
	EUR	1.73	159.35
		7.39	649.55



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The details of foreign currency exposure as at March 31, 2024 are as follows:

Particulars	As at March 31, 2024		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	GBP	0.01	0.77
	EUR	0.00	0.19
	HKD	0.00	0.01
	LKR	0.04	0.01
		0.05	1.18
EEFC A/c	GBP	0.00	0.01
		0.00	0.01
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	3.46	288.77
	GBP	3.17	333.95
	EUR	1.15	103.85
	RUB	-	-
		7.78	726.57
Loans and Advances	USD	0.02	1.75
	GBP	0.50	52.59
	EUR	-	-
	SEK	0.30	2.32
	CHF	-	-
		0.82	56.66
Amounts payable in foreign currency on account of:			
Trade Payables	USD	0.03	2.77
	EUR	0.20	18.30
		0.23	21.07
PCFC account	USD	2.05	171.27
	GBP	0.04	3.81
	EUR	2.69	242.92
		4.78	418.00



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.6 Employee benefits

a. Defined benefit plans (Gratuity)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Gratuity)

Particulars	As at March 31, 2025	As at March 31, 2024
Projected benefit obligation at the beginning of the year	120.27	103.10
Service cost	8.34	26.03
Interest cost	5.96	8.09
Remeasurement (gain)/losses	14.13	(7.73)
Benefits paid	(14.01)	(9.22)
Projected benefit obligation at the end of the year	134.69	120.27

Change in the fair value of plan assets

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	53.78	51.59
Interest income	3.72	3.39
Employer contributions	9.52	9.58
Benefits paid	(14.01)	(9.22)
Return on plan assets, excluding amount recognised in net interest expense	(0.75)	(1.56)
Fair value of plan assets at the end of the year	52.26	53.78

Amount recognised in the Balance Sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of projected benefit obligation at the end of the year	134.69	120.27
Fair value of plan assets at the end of the year	(52.26)	(53.78)
Funded status amount of liability recognised in the Balance Sheet	82.43	66.49

Expense recognised in the Statement of Profit and Loss

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Service cost	8.34	26.03
Interest cost	5.96	8.09
Interest income	(3.72)	(3.39)
Net gratuity costs	10.58	30.73



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Summary of actuarial assumptions

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Discount rate	6.89%	7.22%
Expected rate of return on plan assets	7.22%	7.43%
Salary escalation rate	2.00%	2.00%
Attrition rate	6.00%	10.00%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Contributions: The Company expects to contribute Rs. 55.98 Millions to its gratuity fund during the year ending March 31, 2026. (Previous year : Rs. 11.94 Millions)

The expected cash flows over the next few years are as follows:

Year	Discounted Amount	Undiscounted Amount
1 year	12.41	12.58
2 to 5 years	25.85	31.56
6 to 10 years	26.05	42.19
More than 10 years	70.21	192.40

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2025 and March 31, 2024, by asset category is as follows:

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Funds managed by insurers	100%	100%

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	For the Year Ended March 31 2025		For the Year Ended March 31 2024	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	12.05	(10.70)	9.39	(8.24)
(% change compared to base due to sensitivity)	8.95%	-7.95%	7.81%	-6.85%
Salary Growth rate (-/+ 1%)	(11.02)	12.29	(8.35)	9.43
(% change compared to base due to sensitivity)	-8.18%	9.13%	-6.94%	7.84%



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

b. Contributions to defined contribution plans

i. Provident Fund

In accordance with Indian law, all employees receive benefits from a provident fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The company contributed Rs.55.44 Millions and Rs. 46.79 Millions during the year ended March 31, 2025 and March 31, 2024 respectively.

ii. Employee State Insurance

In accordance with Indian law, all employees receive benefits from a employee state insurance, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's salary. The Company has no further obligations under the plan beyond its monthly contributions. The company contributed Rs. 55.01 Millions and Rs. 47.34 Millions during the year ended March 31, 2025 and March 31, 2024 respectively.

3.6.1 Share based payments

a) Scheme details:-

On 26.09.2024, the shareholders of the Company approved a scheme for allotment of equity shares to employees i.e. Employee Stock Option Plan 2024. 250,000 equity shares are reserved for this plan. Consequently, 186,030 options were granted to the employees on January 27, 2025. Details of number of options outstanding have been tabulated below:

Category	No. of options	Vesting pattern
Category I	46,508.00	At the end of 12 months from the date of grant
Category II	46,508.00	At the end of 24 months from the date of grant
Category III	46,507.00	At the end of 36 months from the date of grant
Category IV	46,507.00	At the end of 48 months from the date of grant

b) Fair value on the grant date:-

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares and the risk free interest rate for the term of the option. Expected volatility of the option is based on the daily closing share prices of last 5 years(Standard deviation of the natural algorithm of returns over the period). The risk-free rate is based on the 10-year Government Bonds yield as on the Grant date. The stock price is the fair market value of equity share as on January 27, 2025 (Average of opening and closing Market price on NSE)

The model inputs for options granted during the year ended March 31, 2025 are mentioned below:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4
a) Exercise price(In Rs.)	250	250	250	250
b) Grant date	27-01-2025	27-01-2025	27-01-2025	27-01-2025
c) Vesting year	2025-26	2026-27	2027-28	2028-29
d) Share price at Grant date(In Rs.)	813.23	813.23	813.23	813.23
e) Expected price volatility of company's share	52.72%	52.72%	52.72%	52.72%
f) Risk free interest rate	6.68%	6.68%	6.68%	6.68%



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

C) Movement in share options during the year:-

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Balance at the beginning of the year	-	-	-	-
Granted during the year	1,86,030	250	-	-
Exercised during the year	-	-	-	-
Balance at the end of the year	1,86,030	250	-	-

3.7 Segment Reporting

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the Consolidated Financial Statements.

3.8 Financial instruments

a. Derivative financial instruments

i. Forward and option contracts

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts are initially recognized at fair value on the date the contract is entered into and subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value of the derivative contracts are recognized immediately in profit or loss. The counterparties for these contracts are generally banks or financial institutions. The details of outstanding forward contracts as at March 31, 2025 and March 31, 2024 are given below:

Particulars	Currency	As at	As at
		March 31, 2025	March 31, 2024
Forward contracts (Sell)	USD	25.20	17.26
	EUR	6.70	12.25
	GBP	14.45	11.92
(Gain) / loss on mark to market in respect of forward contracts outstanding	INR	28.38	(12.84)

The Company recognized a net gain/(loss) on the forward contracts of Rs. (41.22) Millions (Previous year : Rs. 123.33 Millions) for the year ended March 31, 2025.

The forward exchange contracts and option contracts mature between one and twelve months. The table below summarizes the notional amounts of derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	USD	USD	EUR	EUR	GBP	GBP
Not later than one month	1.55	0.86	0.00	-	-	2.02
Later than one month and not later than three months	8.40	1.75	2.45	2.40	3.65	2.25
Later than three months and not later than six months	10.50	10.15	3.05	5.30	6.70	3.65
Later than six months and not later than one year	4.75	4.50	1.20	4.55	4.10	4.00
Total	25.20	17.26	6.70	12.25	14.45	11.92

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	2,196.32	40.04	-	2,236.36	2,236.36
Trade receivables	1,040.26	-	-	1,040.26	1,040.26
Cash and cash equivalents	296.95	-	-	296.95	296.95
Other bank balances	7.81	-	-	7.81	7.81
Loans and Advances	375.76	-	-	375.76	375.76
Other financial assets	289.57	-	-	289.57	289.57
Liabilities					
Borrowings from banks	2,346.55	-	-	2,346.55	2,346.55
Finance lease liabilities	223.69	-	-	223.69	223.69
Trade payables	691.04	-	-	691.04	691.04
Other financial liabilities	279.74	-	-	279.74	279.74
Derivative financial instruments	-	0.43	27.95	28.38	28.38



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The carrying value and fair value of financial instruments by each category as at March 31, 2024 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	925.14	210.00	-	1,135.14	1,135.14
Trade receivables	841.12	-	-	841.12	841.12
Cash and cash equivalents	596.71	-	-	596.71	596.71
Other bank balances	4.55	-	-	4.55	4.55
Loans and Advances	222.33	-	-	222.33	222.33
Other financial assets	445.04	-	-	445.04	445.04
Derivative financial instruments	-	16.21	(3.36)	12.84	12.84
Liabilities					
Borrowings from banks	1,024.16	-	-	1,024.16	1,024.16
Finance lease liabilities	255.73	-	-	255.73	255.73
Trade payables	612.00	-	-	612.00	612.00
Other financial liabilities	258.60	-	-	258.60	258.60

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2025 and 2024 that the Company has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Inventories	1,040.26	841.12
Cash and cash equivalents	296.95	596.71
Total	1,337.21	1,437.83

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

Particulars	Fair value as of March 31, 2025			Fair value as of March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments	40.04	-	-	210.00	-	-
Derivative financial assets - gain on outstanding option/forward contracts	-	-	-	-	12.84	-
Liabilities						
Derivative financial liabilities - loss on outstanding option/forward contracts	-	28.38	-	-	-	-

- Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 - Inputs 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 - unobservable inputs for the asset or liability



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

d. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Financial assets at amortised cost		
Interest income on bank deposits and NCDS	10.76	27.49
Interest income on other financial assets	24.99	21.71
(b) Financial assets at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	(16.63)	26.63
(c) Financial assets at fair value through profit or loss (FVTOCI)		
Net gains/(losses) on fair valuation of derivative financial instruments	(24.59)	96.70
(d) Financial liabilities at amortised cost		
Interest expenses on lease liability	(22.00)	(25.03)
Interest expenses on borrowings from banks, others and overdrafts	(111.36)	(84.46)

3.9 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Company is not exposed to concentration of credit risk to any one single customer since the services are provided to and products are sold to customers who are spread over to number of customers and hence, the concentration of risk with respect to trade receivables is low. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of the business.

Cash and cash equivalents and other investments

In the area of treasury operations, the Company is presently exposed to counter-party risks relating to short term and medium term deposits placed with public-sector banks, and also to investments made in mutual funds.

The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2024 and 2025 was as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Investments	2,236.36	1,135.14
Trade receivables	1,040.26	841.12
Cash and cash equivalents	296.95	596.71
Other bank balances	7.81	4.55
Loans and Advances	375.76	222.33
Other financial assets	289.57	457.88
	4,246.71	3,257.74

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The ageing of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at March 31, 2025	As at March 31, 2024
Past due 0 - 180 days	1,029.25	828.23
More than 181 days	11.01	12.89
	1,040.26	841.12

Note:

Other financial assets and Loans of Rs.3,206.45 Millions as at March 31, 2025 (Rs.2,416.62 Millions as at March 31, 2024) has not been impaired.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need. The Company is also in the process of negotiating additional facilities with Banks for funding its requirements.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

As at March 31, 2025	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	2,346.55	2,413.02	2,109.26	145.84	128.50	29.42
Finance lease liabilities	223.69	275.95	54.21	108.42	60.80	52.52
Trade payables	691.04	691.04	691.04	-	-	-
Other financial liabilities	279.74	279.74	279.74	-	-	-
Total	3,541.02	3,659.75	3,134.25	254.26	189.30	81.94

As at March 31, 2024	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	1,024.16	1,024.16	1,024.16	-	-	-
Finance lease liabilities	255.73	329.98	54.03	108.42	108.61	58.92
Trade payables	612.00	612.00	612.00	-	-	-
Other financial liabilities	258.60	258.60	258.60	-	-	-
Total	2,150.49	2,224.74	1,948.79	108.42	108.61	58.92

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk:

The Company's exposure in USD, GBP, Euro and other foreign currency denominated transactions gives rise to Exchange rate fluctuation risk. Company's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in USD, GBP and EUR for a twelve-month period
- Estimating the net-exposure in foreign currency, in terms of timing and amount.
- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.
- Carrying out a variance analysis between estimate and actual on an ongoing basis, subject to review by Audit Committee.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

All amounts in respective currencies as mentioned (in millions)

The Company's exposure to foreign currency risk as at March 31, 2025 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit and Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.00	4.51	(5.42)	(0.28)	1.70	0.51
GBP	0.01	2.86	(0.24)	-	0.59	3.22
EUR	0.00	2.52	(1.73)	(0.21)	-	0.58
SGD	0.00	-	-	-	-	0.00
HKD	0.00	-	-	-	-	0.00
LKR	0.01	-	-	-	-	0.01

The Company's exposure to foreign currency risk as at March 31, 2024 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit and Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.00	3.46	(2.05)	(0.03)	0.02	1.40
GBP	0.01	3.17	(0.04)	-	0.50	3.64
EUR	0.00	1.15	(2.69)	(0.20)	-	(1.74)
SGD	0.00	-	-	-	-	0.00
HKD	0.00	-	-	-	-	0.00
SEK	-	-	-	-	0.30	0.30
LKR	0.04	-	-	-	-	0.04

A 10% weakening of the rupee against the respective currencies as at March 31, 2025 and 2024 would have increased / (decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2024.

Particulars	Other comprehensive income	Profit/(loss)
For the year ended March 31, 2025	-	45.37
For the year ended March 31, 2024	-	34.55

A 10% strengthening of the rupee against the above currencies as at March 31, 2025 and 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

Profile

At the reporting date the interest rate profile of the Company's interest - bearing financial instruments were as follows:



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Carrying amount	
	March 31, 2025	March 31, 2024
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	7.77	4.51
Financial liabilities		
- Borrowings from banks	-	9.18
Variable rate instruments		
Financial liabilities		
- Borrowings from banks	2,346.55	1,014.98

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis has been performed on the same basis for 2024.

Particulars	Equity	Profit or (loss)
For the year ended March 31, 2025	-	(23.47)
For the year ended March 31, 2024	-	(10.15)

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

Impact of Hedging Activities

a) Disclosure of effects of hedge accounting on financial positions

Cash flow Hedge - Foreign Exchange forward Contracts - March 2025

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
934.80	4,377.84	April 1, 2025 to March 31, 2026	1:1	Euro- 92.85 GBP- 109.86 USD- 86.18	28.38	28.38



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Cash flow Hedge - Foreign Exchange forward Contracts - March 2024

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
726.57	3,819.13	April 1, 2024 to March 31, 2025	1:1	Euro- 90.92 GBP- 105.74 USD- 83.84	(12.84)	(12.84)

*The forward contract are denominated in the same currency as like underlying sales arrangement, therefore the Hedge ratio is 1:1

b) Disclosure of effects of hedge accounting on financial performance

As at March 31, 2025

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	24.59	16.63	(96.70)	Revenue

As at March 31, 2024

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	(96.70)	(26.63)	110.85	Revenue

The Companies hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic retrospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Company enters into hedge relationships where the critical terms of hedging instruments match exactly with the terms of the hedged item and so qualitative assessment of effectiveness is performed.

Ineffectiveness is recognised on cash flow hedges where the cumulative changes in the designated component value of the hedging instruments exceeds on an absolute basis the changes in value of the hedged item attributable to the hedged risk.

The ineffectiveness is recognised in statement of profit loss during March 2025 and March 2024 refer note 2.9



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Movement in cash flow hedging reserve

Derivative instrument	Foreign exchange forward contracts	Derivative instrument	Foreign exchange forward contracts
Cash flow hedge reserve as at April 1, 2023	(82.95)	Cash flow hedge reserve as of April 1, 2024	72.36
Less: Amount transferred to statement of profit & loss	110.85	Less: Amount transferred to statement of profit & loss	(96.70)
Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the year	96.70	Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the year	(24.59)
Less: Deferred tax on the above movement	(52.24)	Less: Deferred tax on the above movement	30.53
As at March 31, 2024	72.36	As of March 31, 2025	(18.40)

3.10 Capital management

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to shareholders. The total equity as at March 31, 2025 is Rs. 8,597.53 Millions (Previous Year: Rs. 7,790.04 Millions)

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises of long term and short term borrowings less cash and cash equivalent (Including bank balances). Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of the reporting period was as follows:

Particulars		As at March 31, 2025	As at March 31, 2024
Debt		2,570.24	1,279.89
Less: cash and cash equivalent (Including bank balances)		(304.76)	(601.26)
Net debt	A	2,265.48	678.63
Equity	B	8,597.53	7,790.04
Net debt to Equity ratio	A/B	26%	9%

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.11 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Contingent liabilities		
a. Employee State Insurance (ESI) demand	12.70	10.37
The company has received the demand from ESI for an amount of Rs. 6.38 million and interest of Rs. 6.32 million. The company has deposited Rs. 12.70 million and has filed an appeal against the demand before the labour court.		
b. Outstanding export obligations for EPCG license	172.94	52.31
c. GST Demand(April 2019 to March 2023)	9.44	-
(ii) a. Capital Commitments		
Estimated amount of Contracts remaining to be executed on the Capital Accounts (Tangible) and not provided for (Net of Advances) as confirmed by the management.	173.21	107.74
b. Other Commitments		
The Company has given corporate guarantees to Banks on behalf of S.P. Apparels UK (P) Ltd and S.P. Retail Ventures Limited.	450.00	415.29

3.12 Details of leasing arrangements

Operating lease arrangements

The rental expenses amounting to Rs. 53.29 Millions (for the year ended March 31, 2024 Rs. 49.44 Millions) towards operating lease is charged to statement of profit & loss. Some of the lease agreements have escalation clause ranging from 5 % to 15%. There are no exceptional / restrictive covenants in the lease agreements.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.13 Reconciliation of liabilities from financing activities for the year ended March 31, 2025

Long term borrowings*

Particulars	As at April 1, 2024	Accepted	Repayment	Fair Value Changes	As at March 31, 2025
Borrowings from banks	9.18	278.43	-	-	287.61
Finance lease liabilities	255.73	-	(54.04)	22.00	223.69
Total	264.91	278.43	(54.04)	22.00	511.30

*Including current maturities of long term borrowings

Short term borrowings

Particulars	As at April 1, 2024	Cash Flows	Forex exchange movement	As at March 31, 2025
Working capital facilities	1,014.98	1,029.83	14.13	2,058.94
Total	1,014.98	1,029.83	14.13	2,058.94

Reconciliation of liabilities from financing activities for the year ended March 31, 2024

Long term borrowings*

Particulars	As at April 1, 2023	Accepted	Repayment	Fair Value Changes	As at March 31, 2024
Borrowings from banks	130.72	-	(121.54)	-	9.18
Finance lease liabilities	284.93	-	(54.23)	25.03	255.73
Total	415.65	-	(175.77)	25.03	264.91

*Including current maturities of long term borrowings

Short term borrowings

Particulars	As at April 1, 2023	Cash Flows	Forex exchange movement	As at March 31, 2024
Working capital facilities	1,484.80	(453.10)	(16.72)	1,014.98
Total	1,484.80	(453.10)	(16.72)	1,014.98



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.14 Dues to micro and small enterprises

As per the Office memorandum issued by the Ministry of Micro, Small and Medium Enterprises dated August 26, 2008 recommends that the Micro and Small Enterprises should mention in their correspondence with its customer the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro ,Small and Medium Enterprises Development Act,2006'('the Act').Accordingly, disclosure in respect of amounts payable to such enterprises as at March 31, 2025 and March 31, 2024 has been made in financial statements based on the information received and available with the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
a. The principal amount and interest due thereon remaining unpaid at the end of the accounting year	259.50	82.17
b. The amount of interest paid by the buyer beyond the appointed day during the accounting year	-	-
c. Principal amounts and interest due thereon unpaid beyond the appointed day at the end of the accounting year.	0.39	0.19
d. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
e. The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

3.15 Acquisition of Young Brand Apparel Private Limited, the subsidiary of Bannari Amman Spinning Mills Limited

Pursuant to the approval of the board of directors of the company at its meeting held on December 9, 2023, a Share Purchase Agreement ("SPA") was entered on June 6, 2025 amongst the Company and Young Brand Apparels Private Limited(YBAPL), its erstwhile Promoters and members of the erstwhile Promoter group of YBAPL for the purchase of 100% of the issued and paid-up equity share capital of the YBAPL. The Company has completed the 100% acquisition of the issued and paid-up equity share capital of Young Brand Apparels Private Limited (YBAPL) and became its promoter and holding company with effect from June 21, 2024. A total purchase consideration of ₹1,523.01 million was paid for the acquisition of 65,160,606 equity shares of YBAPL, which has been recognised as part of the cost of investments.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.16 Related party transaction

Name of Related Party	Nature of Relationship
Key Managerial Personnel	
Mr. P.Sundararajan	Managing Director
Ms. S.Latha	Executive Director (Wife of Mr.P.Sundararajan)
Mr. S.Chenduran	Joint Managing Director (Son of Mr.P.Sundararajan)
Ms. S.Shantha	Joint Managing Director (daughter of Mr.P.Sundararajan)
Ms. P.Jeeva	Chief Executive Officer (Garment Division)
Mr. V.Balaji	Chief Financial Officer
Ms. K.Vinodhini	Company Secretary
Subsidiary	
Crocodile Products Private Limited	Subsidiary Company
S.P. Apparels (UK) (P) Limited	Subsidiary Company
S.P.Retail Ventures Limited	Subsidiary Company
Young Brand Apparel Private Limited	Subsidiary Company
S.P.Apparels International (Private) Limited	Subsidiary Company
Young Brand Global Private Limited	Step-down Subsidiary Company
Enterprises owned by key Managerial Personnel	
S.P.Retail Brand limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
Poornam Enterprises Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
S.P.Lifestyles	Enterprise over which Key Managerial Personnel are able to exercise significant influence
SP Superfine Cotton Mills Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence

Note:

Related party relationships are as identified by the Management.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31, 2025 and Balances outstanding at March 31, 2025

Nature	Particulars	Subsidiary Companies										Key Managerial Personnel *								
		Crocodile Products Pvt Ltd		S.P. Apparels UK (P) Ltd		S.P.Retail Ventures Limited		Young Brand Apparel Pvt Limited		S.P.Apparels International (Private) Limited		Mr.P.Sundararajan		Ms. S.Latha		Mr.S.Chenduran		Ms. S.Shantha		
		31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025
Trans-action Details	Sale of Goods & Service	-	-	10.46	-	0.12	0.27	25.68	-	-	-	-	-	-	-	-	-	-	-	-
	Interest Income	-	-	1.96	1.86	12.17	9.68	-	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Goods & services	-	-	-	-	1.86	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	-	-	-	-	-	-	40.60	21.00	-	-	-	-	-	-	-
	Sale of Assets	-	-	-	-	-	-	3.40	-	-	-	-	-	-	-	-	-	-	-	-
	Reimbursement of expenses	-	-	-	-	1.73	-	0.14	-	-	-	-	-	-	-	-	-	-	-	-
	Remuneration	-	-	-	-	-	-	-	-	-	-	24.00	24.00	19.20	19.20	15.00	15.00	1.20	1.20	
	Lease Rent Paid	-	-	-	-	-	-	-	-	-	-	21.78	19.58	3.31	2.88	-	-	-	-	
	Investment made	-	-	-	-	-	-	1,523.01	-	0.84	-	-	-	-	-	-	-	-	-	-
	Loans & Advances	-	-	32.37	31.82	50.50	170.00	-	-	-	-	-	28.71	-	-	-	-	-	-	-
Out-standing Balances	Received	-	-	24.28	31.82	55.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Remuneration payable	-	-	-	-	-	-	-	-	-	-	1.63	4.22	-	-	0.10	0.18	0.07	0.07	
	Lease Rent payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Lease Rent security deposit	-	-	-	-	-	-	-	-	-	74.32	74.32	0.78	0.78	-	-	-	-	-	
	Trade Payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Trade Receivables	71.30	71.30	10.46	-	5.50	3.13	9.31	-	-	-	-	-	-	-	-	-	-	-	-
	Investment in Equity Shares	63.74	63.74	15.75	15.75	541.00	1.00	1,523.01	-	0.84	-	-	-	-	-	-	-	-	-	-
	Investment in preference Shares	-	-	-	-	-	540.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	65.27	52.33	165.00	170.00	-	-	145.49	-	-	-	-	-	-	-	-	-	-
	Advances Paid -Land purchase	-	-	-	-	-	-	-	-	-	-	28.71	-	-	-	-	-	-	-	-

* Note: As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the Directors are not included above.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31, 2025 and Balances outstanding at March 31, 2025

Nature	Particulars	Subsidiary Companies						Key Managerial Personnel *					
		Poornam Enterprises Private Limited		S.P.Lifestyles		S.P.Retail Brand Limited		S.P.Superfine Cotton Mills Private Limited		Ms. P.V.Jeeva		Mr.V.Balaji	
		31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Transaction Details	Sale of Goods & Service	-	-	-	4.65	-	-	31.50	31.50	-	-	-	-
	Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Goods & services	-	-	11.70	6.21	-	-	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	-	-	-	-	-	-	-	-
	Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-
	Reimbursement of expenses	-	-	-	-	0.02	-	0.65	-	-	-	-	-
	Remuneration	-	-	-	-	-	-	-	-	6.84	6.46	3.52	1.64
	Lease Rent Paid	-	-	-	-	-	-	55.20	55.20	-	-	3.66	-
	Investment made	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding Balances	Received	-	-	-	-	-	-	20.97	36.51	-	-	-	-
	Remuneration payable	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent payable	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent security deposit	80.00	80.00	-	-	-	-	50.00	50.00	-	-	-	-
	Trade Payables	-	-	1.04	-	-	-	5.27	11.39	-	-	-	-
	Trade Receivables	0.67	0.67	-	1.72	0.02	-	31.70	31.50	-	-	-	-
	Investment in Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-
	Investment in preference Shares	-	-	-	-	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	-	-	-	-	-	-	-	-	-	-
	Advances Paid - Land purchase	-	-	-	-	-	-	-	-	-	-	-	-

* Note: As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the Directors are not included above.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.17 Additional Regulatory Information:

(i) Title deeds of Immovable Properties not held in name of the Company:

The company does not have the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) of which title deeds not held in the name of the company.

(ii) The Company does not have the investment property to disclose as to whether the fair value of such investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(iii) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)

(iv) The Company has not revalued its Intangible assets.

(v) The Company does not made any loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined in the Companies Act, 2013), either severally or jointly with any other person.

(vi) Capital-Work-in Progress (CWIP) aging schedule:

As at March 31, 2025					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	269.94	35.70	-	-	305.64
As at March 31, 2024					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	162.59	24.88	-	-	187.47

Note: The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable

(vii) Details of Benami Property held:

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

(viii) Where the Company has borrowings from bank or financial institutions on the basis of current assets:

During the year, the Company has been sanctioned working capital limits in excess of Rs. 50 million, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than as set out below.

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/ Statement	Amount of Differences	Reasons for Discrepancies
State Bank of India, IDBI Bank, HSBC and HDFC Bank	Q3 2024-25	2,851.27	2,932.11	(80.84)	Provisions, Regrouping, Final Entries are not part of data submitted to Banks. The etails get shared with intial Reports.
	Q4 2024-25	2,883.62	2,853.53	30.09	



D. NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

(ix) Willful Defaulter:

The company is not declared as willful defaulter by any bank or financial institution other lender.

(x) Relationship with Struck off Companies:

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(xi) Registration of Charges or satisfaction with Registrar of Companies (ROC):

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.

(xii) Compliance with number of layers of companies:

The Company has no layers as stipulated under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(xiii) Compliance with approved Scheme(s) of Arrangements:

The Company has not entered into any arrangements which requires approval from the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

(xiv) Utilisation of Borrowed funds and share premium:

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

(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.

(B) The Company have 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.



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

(xv) Key Ratios

Ratio	Explanation - Numerator	Explanation-Denominator	FY 2024-25	FY 2023-24	% Variance	Remarks
Current Ratio	Current assets	Current Liabilities	1.47	2.26	-35.0%	Due to increase in working capital loans
Debt Equity Ratio	Total Debt = Total of current and non-current term loans and lease liabilities	Shareholder's funds	0.30	0.16	82.0%	Due to increase in long term borrowings and working capital loans
Debt service coverage ratio	Earning for Debt Service= Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets	Debt service = Interest & Lease Payments + Principal Repayments	6.66	6.00	11.0%	Due to increase in net operating income during the year
Return on equity ratio	Net Profits after taxes - Preference dividend	Average Shareholder's Equity ((Opening+Closing)/2)	3.33	4.14	-19.5%	
Inventory Turnover ratio	COGS = Purchase of stock-in-trade+ Change in Inventory	Average inventory is ((Opening + Closing balance) / 2)	1.27	1.53	-17.0%	
Trade receivables turnover ratio	Sales (Considered inclusive of GST since debtors includes GST)	Average receivables is ((Opening + Closing balance) / 2)	10.44	15.00	-30.4%	
Trade payables turnover ratio	Net Credit Purchases=Cost of services rendered+Purchase of stock-in-trade+Changes in inventories+Employee benefits expense - ESOP expenses	Average payables is ((Opening + Closing balance) / 2)	9.12	10.00	-8.8%	



D.NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Ratio	Explanation - Numerator	Explanation- Denominator	FY 2024-25	FY 2023-24	% Variance	Remarks
Net capital turnover ratio	Net Sales	Average Working capital = ((Opening + Closing balance) / 2)	1.09	1.18	-7.9%	
Net profit ratio	Net Profit after tax	Net sales	0.09	0.11	-22.2%	
Return on capital employed	Net profit before Interest and taxes	Capital Employed = Shareholder funds + Total Debt + Deferred Tax Liability	0.14	0.18	-20.9%	
Return on Investment	Investment Income	Total Investments	0.02	0.25	-91.8%	Due to liquidation of investments in FY 2024-25.

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

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

As per our report of even date attached

For ASA & Associates LLP
Chartered Accountants
Firm Reg. No.: 009571N/N500006

D K Giridharan
Partner, Membership No. : 028738

Place : Chennai
Date : May 27, 2025

For and on behalf of the Board of Directors

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Avinashi
Date : May 27, 2025



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Members of S.P.Apparels Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of S.P.Apparels Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2025, and the consolidated statement of profit and loss (including other comprehensive income), and the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Sr No	Key Audit Matter	Auditor's Response
1.	Revenue Recognition The Group's revenue is derived primarily from sale of goods (Exports of Garments). Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations as per the terms agreed with the customer by the Group.	We have performed the following procedures: <ul style="list-style-type: none"> Assessed the appropriateness of accounting policies of the Group with relevant accounting standards. Evaluated the design, implementation and tested the operating effectiveness of the internal controls in relation to timing of revenue recognition. We performed detailed transaction testing by selecting samples of revenue transactions recorded during the year and around the year end date. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, evidence of delivery, FCR's (customer acceptances), shipping documents and subsequent receipts.
2.	Inventories The total value of inventory as of March 31, 2025, amounted to INR 3,707.18 Million. representing 25% of the total assets. We considered this as a Key Audit Matter considering the significance of the balance, and the valuation involved.	<ul style="list-style-type: none"> Assessed the appropriateness of accounting policies of the Group with relevant accounting standards. Evaluated the design, implementation and tested the operating effectiveness of the Key internal controls over the valuation of inventories being considered by the management. Observed the physical verification of inventories on a sample basis across locations. Verified the valuation of Raw materials, WIP and Finished Goods on sample basis and ensured the valuations/assumptions are reasonable and in line with the accounting policies/generally accepted accounting principles.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance report, but does not include the consolidated financial statements, and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

When we read the additional information, as mentioned above, that would be included in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe appropriate actions as applicable under the relevant laws and regulations.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

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

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

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

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

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



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

- Conclude on the appropriateness of the management and Board of Directors 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatement in the consolidated financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 misstatement in the consolidated financial statements.
- Obtain sufficient appropriate audit evidence regarding the financial statements/ financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/ financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matter" in this audit report.

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

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

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

Other Matters

- a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidated adjustments) of Rs.1,056.89 Million as at March 31, 2025, total revenue (before consolidated adjustments) of Rs. 821.51 Million, total net loss before tax of INR 144.14 Million and net cash outflows (before consolidated adjustments) amounting to Rs. 2.96 Million for the year then ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

b) The financial statements/ financial information of two subsidiary, whose financial statements/ financial information reflect total assets (before consolidated adjustments) of Rs. 799.75 Million as at March 31, 2025, total revenue (before consolidated adjustments) of Rs. 750.90 Million, total net loss before tax of INR 78.76 Million and net cash outflows (before consolidated adjustments) amounting to Rs. 183.58 Million for the year then ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. This unaudited financial statements/ financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the this subsidiary and our report in term of sub-section (3) of section 143 of the Act, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statement/ financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. According to the information and explanations given to us and copies of audited financial statements of companies incorporated in India and included in the consolidated financial statements as made available to us by the management and relied upon by us, there are no qualifications or adverse remarks made by the respective component auditors in their report under the Companies (Auditor's Report) Order (CARO).
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of its Group Companies incorporated in India, 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- (g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanation give to us and based on the reports of the statutory auditors of such subsidiary companies,



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of section 197 read with Schedule V 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2025 on the consolidated financial position of the Group. Refer Note No. 3.10 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India.
 - iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding

Company or its subsidiary companies, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries respectively, that, to the best of their knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- v. The Holding Company and its subsidiaries which are companies incorporated in India has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, the Holding company and its subsidiaries which are incorporated in India have 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 except for the following instance.

In case of one subsidiary company incorporated India, the Company has used accounting software for maintaining its books and such accounting software does not have a feature of recording audit trail (edit log) facility and the same has not operated throughout the year for all relevant transactions recorded in the software.

During the course of performing our audit procedures and that performed by the respective auditor of a subsidiaries which are incorporated in India, except for the aforesaid instance of

audit trail not maintained where the question of our commenting on whether the audit trail has been tampered with does not arise, we and the respective auditor of a aforesaid subsidiary, did not come across any instance of audit trail feature being tampered with.

Audit trail has been preserved by the Holding Company and its subsidiaries which are incorporated in India as per the statutory requirements for record retention in accordance with the requirements of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 except for the aforesaid instance of audit trail not maintained where the question of our commenting on whether the audit trail has been preserved with does not arise.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

D K Giridharan

Partner

Membership No: 028738

UDIN: 25028738BMIZFD4021

Place : Chennai

Date : May 27, 2025



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 (f) of the Independent Auditors' Report of even date to the members of S.P. Apparels Limited on the Consolidated Financial Statements for the year ended March 31, 2025

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of S.P. Apparels Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are the companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting

(the "Guidance Note") issued by ICAI and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statement was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

that(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements, in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

D K Giridharan
Partner
Membership No: 028738
UDIN: 25028738BMIZFD4021

Place : Chennai
Date : May 27, 2025



CONSOLIDATED BALANCE SHEET

As at March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No." D	As at March 31, 2025	As at March 31, 2024
ASSETS			
1 Non Current Assets			
a. Property, Plant and Equipment	1.1	5,353.10	4,212.30
b. Capital Work-In-Progress	1.1	305.64	187.47
c. Right of Use Assets	1.1	223.95	264.74
d. Intangible Assets	1.1	138.11	3.40
e. Goodwill	1.1	237.42	58.68
		6,258.22	4,726.59
f. Financial Assets			
- Investments	1.2	98.02	11.87
- Loans and Advances	1.3	160.37	4.95
- Other Financial Assets	1.4	318.81	476.23
g. Other Non Current Assets	1.5	313.34	185.13
Total Non Current Assets		7,148.76	5,404.77
2 Current Assets			
a. Inventories	1.6	3,707.18	2,649.95
b. Financial Assets			
- Investments	1.7	-	502.78
- Trade Receivables	1.8	2,507.46	1,651.77
- Cash and Cash Equivalents	1.9A	352.75	787.98
- Bank Balances other than (1.9A) above	1.9B	60.15	4.55
- Other Financial Assets	1.10	2.25	12.84
c. Other current assets	1.11	782.88	401.77
Total Current Assets		7,412.67	6,011.64
Total Assets		14,561.43	11,416.41
EQUITY AND LIABILITIES			
Equity			
a. Equity Share capital	1.12	250.93	250.93
b. Other Equity	1.13	8,312.50	7,385.49
Equity attributable to owners of the Company		8,563.43	7,636.42
c. Non-controlling Interest		(63.92)	(64.38)
		8,499.51	7,572.04
Liabilities			
1 Non-current liabilities			
a. Financial Liabilities			
- Borrowings	1.14	422.43	55.54
- Lease Liabilities	1.15	223.69	255.73
- Other Financial liabilities	1.16	75.99	86.06
b. Deferred Tax Liabilities (net)	1.17	249.82	294.42
c. Other Non Current Liabilities	1.18	0.39	0.54
Total Non Current Liabilities		972.32	692.29



CONSOLIDATED BALANCE SHEET

As at March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	As at March 31, 2025	As at March 31, 2024
2 Current liabilities			
a. Financial Liabilities			
- Borrowings	1.19	3,162.14	1,722.91
- Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	1.20	302.48	163.29
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1,019.26	824.07
- Other Financial liabilities	1.21	351.78	235.00
b. Other current liabilities	1.22	107.28	113.79
c. Provisions	1.23	146.66	93.02
Total Current Liabilities		5,089.60	3,152.08
Total Equity and Liabilities		14,561.43	11,416.41

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Consolidated Balance Sheet

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Reg. No.: 009571N/N500006

P.Sundararajan

Managing Director

DIN : 00003380

S. Latha

Executive Director

DIN : 00003388

D K Giridharan

Partner, Membership No. : 028738

V.Balaji

Chief Financial Officer

K. Vinodhini

Company Secretary

Place : Chennai

Date : May 27, 2025

Place : Avinashi

Date : May 27, 2025



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	"Note No" D	For the year ended March 31, 2025	For the year ended March 31, 2024
INCOME			
1 Revenue from operations	2.1	13,951.34	10,873.55
2 Other Income	2.2	121.92	163.17
3 Total Income(1+2)		14,073.26	11,036.72
4 EXPENSES			
Cost of materials consumed	2.3	4,852.12	3,227.91
Purchases of Stock-in-Trade - Traded goods	2.4	1,001.24	980.41
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.5	(64.31)	304.26
		5,789.05	4,512.58
Employee benefits expense	2.6	3,462.12	2,607.78
Finance costs	2.7	334.85	186.99
Depreciation and amortisation expense	2.8	432.96	377.54
Other expenses	2.9	2,822.07	2,175.43
Total Expenses		12,841.05	9,860.32
5 Net Profit for the year before tax (3-4)		1,232.21	1,176.40
6 Tax Expense:			
a. Current tax expense		359.38	309.78
b. Short / (Excess) provision for tax relating to prior years		23.62	(6.80)
c. Deferred tax	3.1	(101.81)	(22.83)
Total Tax Expenses		281.19	280.15
7 Net Profit for the year after tax (5-6)		951.02	896.25
8 OTHER COMPREHENSIVE INCOME			
A. (i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plans		(13.57)	6.17
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		3.42	(1.55)



Particulars	"Note No" D	For the year ended March 31, 2025	For the year ended March 31, 2024
B (i) Items that will be reclassified to Profit or Loss			
The effective portion of gains and loss on hedging instruments in a cash flow hedge - Translation difference		(24.59)	96.70
(ii) Income tax relating to items that will be reclassified to Profit or Loss		6.19	(24.34)
Total Other Comprehensive Income (A+B)		(28.55)	76.98
9 TOTAL COMPREHENSIVE INCOME BEFORE MINORITY INTEREST (7+8)		922.47	973.23
10 Minority Interest		(0.46)	(0.59)
11 TOTAL OTHER COMPREHENSIVE INCOME AFTER MINORITY INTEREST (9+10)		922.01	972.64
Weighted average number of equity shares		25.09	25.09
Earnings Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]	3.3	37.90	35.72

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the Consolidated Statement of Profit & Loss

For and on behalf of the Board of Directors

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

D K Giridharan

Partner, Membership No. : 028738

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Chennai

Date : May 27, 2025

Place : Avinashi

Date : May 27, 2025



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

A. Equity Share Capital

Balance as at April 1, 2023	Change in Equity Share Capital during the year	Balance as at March 31, 2024	Change in Equity Share Capital during the year	Balance as at March 31, 2025
250.93	-	250.93	-	250.93

B. Other Equity

	Reserves and surplus				Other Components of Equity				Equity attributable to owners of the Company Non-controlling Interest	Non-controlling Interest	Total
	Securities Premium	Capital Redemption Reserve	Retained earnings	Share Options Outstanding Account	Additional Paid in Equity	Exchange differences on translation of foreign operation	Defined Benefit Plan	Effective portion of cash flow hedges			
2023-24											
Opening balance as at April 1, 2023 - (A)	2,174.94	206.00	4,238.68	-	90.36	5.50	(101.89)	(128.42)	6,485.17	(64.97)	6,420.20
Profit for the year	-	-	895.66	-	-	-	-	-	895.66	0.59	896.25
Other comprehensive income	-	-	-	-	-	2.91	4.62	72.36	79.89	-	79.89
Total comprehensive income for the year 2023-24 - (B)	-	-	895.66	-	-	2.91	4.62	72.36	975.55	0.59	976.14
Premium on issue of equity shares	-	-	-	-	-	-	-	-	-	-	-
Capital redemption on buyback	-	-	-	-	-	-	-	-	-	-	-
Dividend paid for 2022-23	-	-	(75.28)	-	-	-	-	-	(75.28)	-	(75.28)
Others Adjustments	-	-	0.05	-	-	-	-	-	0.05	-	0.05
Balance as at March 31, 2024 - (C)	2,174.94	206.00	5,059.11	-	90.36	8.41	(97.27)	(56.06)	7,385.49	(64.38)	7,321.11
2024-25											
Opening balance as at April 1, 2024 - (A)	2,174.94	206.00	5,059.11	-	90.36	8.41	(97.27)	(56.06)	7,385.49	(64.38)	7,321.11
Profit for the year	-	-	950.56	-	-	-	-	-	950.56	0.46	951.02
Other comprehensive income	-	-	-	-	-	1.34	(10.15)	(18.40)	(27.21)	-	(27.21)
Total comprehensive income for the year 2024-25 - (B)	-	-	950.56	-	-	1.34	(10.15)	(18.40)	923.35	0.46	923.81
Share Option Outstanding Account (Refer No 3.5.1)	-	-	-	3.66	-	-	-	-	3.66	-	3.66
Balance as at March 31, 2025 - (C)	2,174.94	206.00	6,009.67	3.66	90.36	9.75	(107.42)	(74.46)	8,312.50	(63.92)	8,248.58

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The notes referred to above form an integral part of the Consolidated Statement of Changes in Equity

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Reg. No.: 009571N/N500006

D K Giridharan

Partner, Membership No. : 028738

Place: Chennai

Date: May 27, 2025

For and on behalf of the Board of Directors

P.Sundararajan

Managing Director

DIN : 00003380

V.Balaji

Chief Financial Officer

Place: Avinashi

Date: May 27, 2025

S. Latha

Executive Director

DIN : 00003388

K. Vinodhini

Company Secretary



CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,232.21	1,176.40
<u>Adjustments for:</u>		
Depreciation and amortization expense	432.96	377.54
(Profit) /loss on Sale of property, plant and equipment	2.83	3.02
(Profit) /loss on Sale of investment	(9.07)	(104.51)
Interest receivable on investment	-	(14.12)
Amortisation of lease prepayments	(10.82)	(12.63)
Loss Allowance	4.28	8.32
Other Adjustments - Release of deferred Income	(14.53)	(27.36)
Finance costs	329.18	171.62
Interest income	(40.29)	(24.83)
Dividend income	(0.00)	(0.58)
Unrealised exchange (gain)/loss	20.48	(21.51)
Provision for MTM (gain)/loss on forward contracts	16.63	(26.63)
Provision for Employee Stock Option Scheme (ESOP)	3.66	
Operating profits before working capital changes	1,967.52	1,504.73
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(481.18)	319.19
Trade receivables	(499.58)	(608.13)
Loans and advances/Current assets	(382.89)	(156.24)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables/Other current liabilities/Provisions	181.48	67.44
Cash Generated from Operations	785.35	1,126.99
Net income tax (paid) / refunds	(341.17)	(334.95)
Net cash flow from / (used in) operating activities (A)	444.18	792.04
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, including capital advances	(822.43)	(549.79)
Proceeds from sale of property, plant and equipment	9.68	7.07
Loans / Advance to subsidiary	(1.96)	-
Advance towards acquisition of a company's business	-	(150.78)
Bank deposits not considered as cash and cash equivalents	(35.23)	(3.07)
Investment in a subsidiary	(1,373.07)	
Purchase of investments - Others	(380.05)	(960.00)
Proceeds from sale of investments - Others	810.54	1,693.29
Dividend received - Others	0.00	0.58
Interest received - Bank deposits	25.21	24.83
Net cash flow from / (used in) investing activities	(1,767.31)	62.13



CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

For the year ended March 31, 2025

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share capital	0.87	-
Proceeds/(repayment) of long term borrowings	67.76	(122.27)
Repayment of finance lease liabilities	(54.03)	(53.95)
Net Increase/(decrease) of working capital borrowings	1,116.51	(244.76)
Payment towards Buy back of shares (including Expenses)	-	0.05
Dividend Paid	-	(75.28)
Finance costs	(306.12)	(171.62)
Net cash flow from / (used in) financing activities (C)	824.99	(667.83)
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(498.14)	186.34
Cash and Cash Equivalents at the beginning of the year	787.98	601.64
Cash and Cash Equivalents acquired through business acquisition	62.95	
Effect of exchange differences on restatement of foreign currency Cash and Cash Equivalents	(0.04)	-
Cash and Cash Equivalents at the end of the year	352.75	787.98
Cash and Cash Equivalents at the end of the year comprises of		
(a) Cash on hand	47.53	44.88
(b) Balances with banks		
in current account	304.18	642.75
in deposit account	1.04	100.34
in EEFC account	-	0.01
	352.75	787.98

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D).

The accompanying notes referred to above form an integral part of the Consolidated Statement of Cash Flows

As per our report of even date attached

For and on behalf of the Board of Directors

For ASA & Associates LLP

Chartered Accountants
Firm Reg. No.: 009571N/N500006

P.Sundararajan
Managing Director
DIN : 00003380

S. Latha
Executive Director
DIN : 00003388

D K Giridharan

Partner, Membership No. : 028738

V.Balaji
Chief Financial Officer

K. Vinodhini
Company Secretary

Place : Chennai
Date : May 27, 2025

Place : Avinashi
Date : May 27, 2025



Basis of Consolidation and Material Accounting Policies

Forming part of the consolidated financial statements

A. Group Overview

S.P. Apparels Limited ('the Holding Company') is a Company domiciled in India. The address of the Holding Company's registered office is 39-A, Extension Street, Kaikattipudur, Avinashi - 641 654, Tirupur District, Tamilnadu, India. The Holding Company, its subsidiaries (Crocodile Products Private Limited [70% holding], S.P. Retail Ventures Limited [100% holding], S.P. Apparels (UK) (P) Limited [100% holding], Young Brand Apparel Private Limited [99.99% holding] and S.P. Apparels International (Private) Limited [100% holding]) and its step-down subsidiary (Young Brand Global Private Limited [100% holding]) are together referred to as 'the Group' and individually as 'Group entities'. The Group is a leading Indian manufacturer and exporter of knitted garments for infants and children. The Group provides end-to-end garment manufacturing services from grey fabric to finished products.

The Holding Company was originally started as a partnership firm with seven partners in the year 1988 at Salem. Subsequently the firm was converted into public limited company under Part IX of the Companies Act 1956 in the year 2005. It has currently 25 manufacturing plants at Avinashi, Kovilpatti, Neelambur, Palangarai, Palladam, Perundurai, Valapady, Samichettipalayam, Sathyamangalam, Sulthanpet, Thekkalur, Netaji Apparel Park, Patlur, Sivakasi, Gobichettipalayam and Annur. The Consolidated Financial Statements are for the Group consisting of S.P. Apparels Limited ('the Holding Company') and its subsidiaries.

B. Basis of Accounting and preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act read together with relevant rules of Companies (Indian Accounting Standards) Rules 2015 and relevant amendments issued thereafter to the extent applicable, pronouncements of regulatory bodies applicable to the Group and other

provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set-out in note C (22). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1. Statement of Compliance

The Consolidated Financial Statements comprising Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of changes in Equity, Consolidated Cash Flow Statement, together with notes for the year ended March 31, 2025 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting held on May 27, 2025.

2. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instruments are measured at fair value.
- Financial assets at fair value through other comprehensive income are measured at fair value.
- Financial instruments at fair value through profit or loss are measured at fair value.
- Financial instruments at fair value through other comprehensive income are measured at fair value.
- The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.
- In relation to lease prepayments, the initial fair value of



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment.

The above items have been measured at fair value and the methods used to measure fair values are discussed further in Note C (19).

3. New and amended Standards

A. Issued and effective

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. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 - Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Group has assessed that there is no significant impact on its financial statements.

B. Issued and not effective

On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Group is currently assessing the probable impact of these amendments on its financial statements.

4. Functional and Presentation Currency

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). Indian rupee (₹) is the functional currency of S.P. Apparels Limited, Indian subsidiary Crocodile Products Private Limited, Young Brand Apparel Private Limited and S.P. Retail Ventures Limited. The functional currencies of the foreign subsidiaries, S.P. Apparels (UK) (P) Limited and S.P. Apparels International (Private) Limited, located in the U.K. and Sri Lanka respectively, are the GBP Pound Sterling (£)

and the Sri Lankan Rupee (LKR).

The consolidated financial statements are presented in Indian Rupees (₹) which is the Group’s presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest millions except where otherwise indicated.

5. Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognized in the financial statements are:

- Valuation of financial instruments
- Useful lives of property, plant and equipment
- Useful lives of intangible assets
- Estimate of Lease term and measurement of Right of Use Assets and Lease Liabilities
- Measurement of defined employee benefit obligations
- Provisions
- Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition
- Expected Credit losses on Financial Assets
- Impairment testing



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

Significant judgments on applying Ind AS 115

The Group contracts with customer to transfer goods or services. The Group assess whether such arrangements in the contract has distinct goods or services (performance obligation). Identification of distinct performance obligation involves judgment to determine ability of customer to benefit independently from other promises in the contract.

The judgment is required to measure the transaction price for the contract. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration could be fixed amount or variable amount or could be both. Transaction price could also be adjusted for time value of money if contract includes a significant financing component.

C. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Consolidated Financial Statements

Basis of consolidation

The financial statements of the Group companies are consolidated on a line-by-line basis. Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions, are eliminated.

These financial statements are prepared by applying uniform accounting policies in use at the Group.

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if the Company has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee; and
- (c) the ability to use its power over the investee to affect the amount of the Company's returns.

Generally, there is a presumption that majority of voting rights results in control. To support this presumption and when the Group has less than a majority of similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The financial statements of subsidiaries are consolidated from the date of control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				March 31, 2025	March 31, 2024
Crocodile Products Private Limited	Subsidiary	India	S.P. Apparels Limited	70%	70%
S.P. Retail Ventures Limited	Subsidiary	India	S.P. Apparels Limited	100%	99.99%



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				March 31, 2025	March 31, 2024
S.P. Apparels (UK) (P) Limited	Subsidiary	UK	S.P. Apparels Limited	100%	100%
Young Brand Apparel Private Limited	Subsidiary	India	S.P. Apparels Limited	99.99%	0%
Young Brand Global Private Limited	Step-down Subsidiary	India	Young Brand Apparel Limited	100%	100%
S.P. Apparels International (Private) Limited	Subsidiary	Sri Lanka	S.P. Apparels Limited	100%	0%

1. Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Statement of Profit and Loss for determination of net profit or loss during the period.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations and cash flows are translated to using average exchange rates during the period. Any differences arising on such translation are recognized in other comprehensive income. Such differences are included in the foreign currency

translation reserve “FCTR” within other components of equity. When a foreign operation is disposed off, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

2. Financial Instruments

a. Financial Assets

(i) Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets, the contractual terms of the cash flows and whether the investment meets the definition of interest in associates and joint ventures. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

investments when and only when its business model for managing those assets changes. Investments forming part of interest in associates and joint ventures are measured at cost.

(ii) Measurements:

At initial recognition, the Group measures a financial asset at its fair value plus except for trade receivables which are initially measured at transaction price. In the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- a) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- b) **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income

- Equity instruments

The Group subsequently measures all equity investments other than investments forming part of interest in associates and joint ventures at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at cost and amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer notes to accounts for the details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets:

A financial asset is derecognised only when

- a) The Group has transferred the rights to receive cash flows from the financial asset or
- b) retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

a) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group 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.

b) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

b. Financial liabilities

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost
- at fair value through profit or loss

(i) Financial liabilities at amortised cost

The Group is classifying the following under amortised cost;

- a) Borrowings from banks
- b) Borrowings from others
- c) Finance lease liabilities
- d) Trade payables
- e) Other financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss

A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss.

Derecognition of financial liabilities:

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

c. Derivative financial instruments

Derivatives are initially recognised at fair value on the date of contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates the derivatives as hedging of foreign exchange risk associated with the cash flows of associated with accounting receivables (Cash flow hedges).



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as non-current assets or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current assets or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liability.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative changes in fair value of the hedged item on present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/ (losses).

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the changes in fair value of the forward contract related to spot commitment as the hedging instrument. Gains or losses relating to the effective portion of the changes in the spot component of the forward contracts are recognised in other comprehensive income in the cash flow hedging reserve

within equity. The changes in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full changes in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to effective portion of the changes in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are classified to profit or loss in the periods when the hedged item affects profit or loss (example, when the forecast sale that is hedged take place).

When the hedged forecast transaction results in the recognition of a non-financial assets (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

- With respect to gain or loss relating to the effective portion of the intrinsic value of the option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).
- With respect to gain or loss relating to the effective portion of the spot component of the forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are include within the initial cost of the assets. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred cost of hedging that were reported in equity are immediately reclassified to profit or loss within



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

other gains/ (losses).

If the hedge ratio for risk management purpose is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedged ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of hedge relationship rebalancing.

d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Group has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

e. Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. 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 very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3. Share capital

Ordinary shares are classified as Equity. Incremental costs

directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from Equity, net of any tax effects.

4. Business Combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Holding Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date. Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible Assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment.

5. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Amounts paid as advances towards the acquisition of Property, Plant and Equipment is disclosed separately under other non-current assets as capital advances and the cost of assets not put to use as on Balance Sheet date are disclosed under "Capital work-in-progress".

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within "other income / other expenses" in the Statement of Profit and Loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Management's estimated useful lives for the years ended March 31, 2025 and 2024 were as follows:

	Estimated useful life (in years)	Useful life prescribed by Schedule II (in years)
Plant & Machinery	20 years	15 years
Computers & Servers	5 years	3 to 6 years

	Estimated useful life (in years)	Useful life prescribed by Schedule II (in years)
Buildings	30 years	30 years
Electrical Installations	10 years	10 years
Office & Lab Equipments	10 years	5 to 10 years
Vehicles Car	10 years	10 years
Furniture & Fittings	10 years	10 years
Vehicles Car	10 years	8 years
Vehicles Others	8 years	8 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

6. Intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous year are as follows:

Trademark	-	10 years
Non-Compete Fees	-	10 years
Other Intangibles(Software)	-	3 - 5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

7. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual

asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

8. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

The Group follows following method:

- Manufacturing inventories are valued at first-in-first-out (FIFO) basis,
- Trading inventories are valued at weighted average cost basis,
- Fabric waste is valued at net realizable value.

9. Impairment of non financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and (b)
- an intangible asset that is amortised over a period exceeding



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

Reversal of impairment loss

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

10. Employee benefits

Defined Contribution Plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in current and prior periods, discounting that amount

and deducting any recognised past service cost and fair value of any plan assets.

Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

11. Share Based Payments

Stock options are granted to the employees under the Employee stock option scheme. The costs of stock options granted to the employees of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. That expense is recognised in the Statement of Profit and Loss account over the requisite service period. Each part of the stock option that vests separately is treated as a separate award for accounting purposes. This cost is recognised, together with a corresponding increase in Share



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

12. Provisions

Provisions are recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

13. Revenue Recognition

The Group earns revenue from export/domestic of manufactured garments, sale of traded garments, sale of products and services at spinning and processing division and right to receive export incentives from Government.

The Group recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services excluding the amount collected on behalf of third parties.

The revenue recognition in respect of the various streams of revenue is described as follows

Export/Domestic sale of garments:-

Revenue is earned from manufacture and export/domestic sale knitted garments for infants and child wear. Revenue is recognised upon completion of obligation of the Group.

Revenue is recognised at the transaction price agreed with the customer through a sale order received from the customers.

Sale of traded garments:-

Revenue is earned from retail sale of menswear garments in India under the brand "Crocodile". Revenue is recognised as per the obligation terms agreed with its different type of customers as given below:-

- Large format stores [LFS] - Arrangement is on sale or return basis with the customer.
- Distributor - It is on outright purchase model with the customer.
- Franchise owned and Franchise operated [FOFO] - Arrangement is on sale or return basis with FOFO.
- Company owned and Company operated [COCO] - Sale is on cash and carry basis.

In respect of LFS & FOFO, identifying the completion of performance obligation by the Group is dependent on completion of sale by LFS & FOFO to the third party, which involves careful collection of information from the customers by the Group.

Sales of products and services at spinning and processing division:-

Revenue is earned from sale of products and services. Revenue is recognised upon completion of services or upon transfer of risk and reward of products to the customer.

Right to receive export incentives from Government:-

The Group has right to receive export incentives under Duty Drawback Scheme, Rebate of State and Central Taxes and Levis [RoSCTL] Scheme and Remission of Duties and Taxes on Exported Products [RoDTEP] Scheme on export of garments and made ups.



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

The Group recognizes export incentive upon fulfilling the conditions established by respective regulations as applicable to the Group and as amended from time to time.

Income is recognised at the value or rate prescribed by respective regulations.

14. Interest Income and Finance Cost

Finance income comprises of interest income on funds invested, dividend income, and fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in Statement of Profit and Loss on the date when the group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expense comprises of interest expense on loans and borrowings, bank charges, unwinding of discount on provision, fair value losses on financial assets at fair value through profit or loss that are recognized in Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in Statement of Profit and Loss.

15. Government grants, subsidies and export incentives

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which is intended to compensate. When the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

16. Borrowing Costs

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Interest expense is recognised using effective interest

method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Group capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

17. Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as current tax when the Group is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Group is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

- (i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

- (ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.
- (iii) Arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred taxation arising on investments in subsidiaries and associates is recognized except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the group's share of the income and expenses of the equity method accounted investee is recorded in the statement of income, after considering any taxes on dividend payable by the equity method accounted investee and no deferred tax is set up in the books as the tax liability is not with the group.

18. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

19. Fair value measurement

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

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 best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising 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 categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted

price, the fair value of the financial asset is measured using valuation techniques.

(ii) Derivatives

The fair value of forward exchange contracts is based on their quoted price, if available. If a quoted price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds). The fair value of foreign currency option contracts is determined based on the appropriate valuation techniques, considering the terms of the contract. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counter party when appropriate.

(iv) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

20. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

21. Cash flow Statements

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents. Cash and cash equivalents consist of balances with banks and which are unrestricted for withdrawal and usage.



Basis of Consolidation and Material Accounting Policies (Contd.)

Forming part of the consolidated financial statements

22. Current/ non-current classification

An asset is classified as current if:

- (a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realised within twelve months after the reporting period; or
- (d) it is cash or a cash equivalent unless it is 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 classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has 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.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the changes in property, plant and equipment during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31, 2025	Net Block As at March 31, 2024
(a) Land Freehold As at April 1, 2016	211.91 (5.77)	537.51	55.39 (0.58)	-	804.81 (6.35)	-	-	-	-	-	804.81 (6.35)	211.91 (6.35)
(b) Building As at April 1, 2016	2,683.03 (1,528.32)	339.06	159.82 (15.00)	-	3,181.91 (1,543.32)	914.87 (381.82)	104.80	94.96 (50.26)	-	1,114.63 (432.08)	2,067.28 (1,111.24)	1,768.16 (1,111.24)
(c) Plant & Machinery As at April 1, 2016	3,473.21 (2,217.47)	650.46	134.29 (225.78)	63.58 (11.26)	4,194.38 (2,431.99)	1,799.06 (884.73)	394.08	177.95 (97.39)	53.70 (5.49)	2,317.39 (976.63)	1,876.99 (1,455.36)	1,674.15 (1,455.36)
(d) Electrical Installations As at April 1, 2016	389.04 (100.82)	88.81	39.96 (49.49)	4.90	512.91 (150.31)	213.65 (43.47)	50.54	37.42 (12.18)	4.60	297.01 (55.65)	215.90 (94.66)	175.39 (94.66)
(e) Furniture & Fittings As at April 1, 2016	404.31 (145.93)	16.91	27.11 (52.65)	5.58 (0.21)	442.75 (198.37)	213.45 (72.22)	13.87	26.71 (15.74)	5.18 (0.10)	248.85 (87.86)	193.90 (110.51)	190.86 (110.51)
(f) Vehicles As at April 1, 2016	73.01 (43.65)	0.69	2.42 (15.48)	2.83 (0.84)	73.29 (58.29)	36.22 (26.36)	0.66	4.86 (4.37)	1.49	40.25 (30.73)	33.04 (27.56)	36.79 (27.56)
(g) Lab Equipments As at April 1, 2016	42.51 (10.19)	-	2.70 (0.10)	0.03	45.18 (10.29)	24.18 (8.50)	-	3.29 (0.55)	0.03	27.44 (9.05)	17.74 (1.24)	18.33 (1.24)
(h) Office Equipments As at April 1, 2016	244.88 (125.70)	9.47	27.06 (20.21)	3.64 (0.29)	277.77 (145.62)	151.63 (72.59)	8.45	16.14 (10.39)	3.38 (0.13)	172.84 (82.85)	104.93 (62.77)	93.25 (62.77)
(i) Computers As at April 1, 2016	240.38 (127.60)	26.58	8.96 (32.29)	0.03 (2.98)	275.89 (156.91)	196.92 (103.43)	22.79	17.70 (8.37)	0.03 (2.84)	237.38 (108.96)	38.51 (47.95)	43.46 (47.95)
Total	7,762.28 (4,305.45)	1,669.49	457.71 (411.58)	80.59 (15.58)	9,808.89 (4,701.45)	3,549.98 (1,593.12)	595.19	379.03 (199.25)	68.41 (8.56)	4,455.79 (1,783.81)	5,353.10 (2,917.64)	4,212.30 (2,917.64)

Note:

- (1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.
- (2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.
- (3) Refer note on capital commitment and Security for the borrowings.
- (4) During financial year 24-25, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Deletions	As at March 31, 2025
Capital work in progress	187.47	7.66	292.49	181.98	305.64
Total	187.47	7.66	292.49	181.98	305.64



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Land Lease Hold	13.53 (13.53)	-	-	-	13.53 (13.53)	2.19 (2.06)	-	0.13 (0.13)	-	2.32 (2.19)	11.21 (11.34)	11.34 (11.47)
(b) Vehicle Leasehold	34.46 (34.46)	-	-	-	34.46 (34.46)	24.82 (21.73)	-	3.09 (3.09)	-	27.91 (24.82)	6.55 (9.64)	9.64 (12.73)
(c) Building and Land	334.67 (334.67)	-	-	-	334.67 (334.67)	151.35 (121.08)	-	30.79 (30.27)	-	182.14 (151.35)	152.53 (183.32)	183.32 (213.59)
(d) Land - MD and ED	53.42 (53.42)	-	-	-	53.42 (53.42)	9.75 (7.80)	-	1.95 (1.95)	-	11.70 (9.75)	41.72 (43.67)	43.67 (45.62)
(e) Lease Prepayment	46.25 (45.21)	-	2.20 (2.96)	0.75 (1.92)	47.70 (46.25)	29.48 (24.20)	-	6.28 (6.84)	-	35.76 (29.48)	11.94 (16.77)	16.77 (21.01)
Total	482.33 (481.29)	-	2.20 (2.96)	0.75 (1.92)	483.78 (482.33)	217.59 (176.87)	-	42.24 (42.28)	-	259.83 (217.59)	223.95 (264.74)	264.74 (304.42)

Note:

a) Company has adopted modified retrospective approach as per para C8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2025

Particulars	As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Additions	Disposals	As at March 31, 2025	Accumulated Depreciation As at April 01, 2024	Acquired from Business combination (Refer Note 3.14)	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Goodwill	40.16 (40.16)	-	-	-	40.16 (40.16)	40.16 (33.36)	-	- (6.80)	-	40.16 (40.16)	-	-
(b) Brand / Trade Marks	19.22 (17.26)	-	-	-	19.22 (17.26)	17.13 (14.50)	-	0.03 (1.25)	-	17.16 (15.75)	2.06 (1.51)	2.09 (1.51)
(c) Softwares	5.29 (5.29)	25.42 (25.42)	-	-	30.71 (4.09)	3.98 (4.09)	23.62 (23.62)	0.13 (0.19)	-	27.73 (0.19)	2.98 (3.90)	1.31 (3.90)
(d) Non Compete Fees	-	-	144.60 (144.60)	-	144.60 (144.60)	-	-	11.53 (11.53)	-	11.53 (11.53)	133.07 (133.07)	-
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-
Total	64.67 (57.42)	25.42 (25.42)	144.60 (144.60)	-	234.69 (61.51)	61.27 (47.86)	23.62 (23.62)	11.69 (8.24)	-	96.58 (56.10)	138.11 (5.41)	3.40 (5.41)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.

1.1 GOODWILL ON CONSOLIDATION

The following table presents the movement in goodwill on consolidation during the year ended March 31, 2025

Particulars	As at April 01, 2024	Additions (Refer Note 3.14)	Disposals	As at March 31, 2025	Accumulated Amortisation As at April 01, 2024	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2025	Net Block As at March 31 2025	Net Block As at March 31 2024
(a) Goodwill	58.68 (58.68)	178.74 (178.74)	-	237.42 (58.68)	-	-	-	-	237.42 (58.68)	58.68 (58.68)
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-
Total	58.68 (58.68)	178.74 (178.74)	-	237.42 (58.68)	-	-	-	-	237.42 (58.68)	58.68 (58.68)

Note:

The company has elected to continue with the carrying amount of goodwill on consolidation measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those goodwill on consolidation are given in brackets.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1 PROPERTY, PLANT AND EQUIPMENTS

The following table presents the movement in property, plant and equipment during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Disposals	As at March 31, 2024	Accumulated Depreciation As at April 01, 2023	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2024	Net Block As at March 31, 2024	Net Block As at March 31, 2023
(a) Land Freehold As at April 1, 2016	132.06 (5.77)	84.29 (0.58)	4.44	211.91 (6.35)	-	-	-	-	211.91 (6.35)	132.06 (6.35)
(b) Buildings As at April 1, 2016	2,586.23 (1,528.32)	97.20 (15.00)	0.40	2,683.03 (1,543.32)	832.24 (381.82)	82.63 (50.26)	-	914.87 (432.08)	1,768.16 (1,111.24)	1,753.99 (1,111.24)
(c) Plant & Machinery As at April 1, 2016	3,434.42 (2,217.47)	54.38 (225.78)	15.59 (11.26)	3,473.21 (2,431.99)	1,655.95 (884.73)	155.67 (97.39)	12.56 (5.49)	1,799.06 (976.63)	1,674.15 (1,455.36)	1,778.47 (1,455.36)
(d) Electrical Installations As at April 1, 2016	374.69 (100.82)	28.80 (49.49)	14.45	389.04 (150.31)	192.95 (43.47)	33.53 (12.18)	12.83	213.65 (55.65)	175.39 (94.66)	181.74 (94.66)
(e) Furniture & Fittings As at April 1, 2016	366.08 (145.93)	40.13 (52.65)	1.90 (0.21)	404.31 (198.37)	192.05 (72.22)	23.21 (15.74)	1.81 (0.10)	213.45 (87.86)	190.86 (110.51)	174.03 (110.51)
(f) Vehicles As at April 1, 2016	69.81 (43.65)	3.20 (15.48)	-	73.01 (58.29)	31.41 (26.36)	4.81 (4.37)	-	36.22 (30.73)	36.79 (27.56)	38.40 (27.56)
(g) Lab Equipments As at April 1, 2016	41.06 (10.19)	1.45 (0.10)	-	42.51 (10.29)	21.19 (8.50)	2.99 (0.55)	-	24.18 (9.05)	18.33 (1.24)	19.87 (1.24)
(h) Office Equipments As at April 1, 2016	238.08 (125.70)	13.40 (20.21)	6.60 (0.29)	244.88 (145.62)	142.52 (72.59)	15.02 (10.39)	5.91 (0.13)	151.63 (82.85)	93.25 (62.77)	95.56 (62.77)
(i) Computers As at April 1, 2016	229.78 (127.60)	11.19 (32.29)	0.59 (2.98)	240.38 (156.91)	180.20 (103.43)	17.23 (8.37)	0.51 (2.84)	196.92 (108.96)	43.46 (47.95)	49.58 (47.95)
Total	7,472.21	334.04	43.97	7,762.28	3,248.51	335.09	33.62	3,549.98	4,212.30	4,223.70
As at April 1, 2016	(4,305.45)	(411.58)	(15.58)	(4,701.45)	(1,593.12)	(199.25)	(8.56)	(1,783.81)	(2,917.64)	(2,917.64)

Note:

- (1) Leasehold land and vehicles transferred to right of use asset as per IND AS 116 with effect from April 1, 2019.
- (2) The company has elected to continue with the carrying amount of property, plant and equipment measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those Property, Plant and Equipment are given in brackets.
- (3) Refer note on capital commitment and Security for the borrowings.
- (4) During financial year 23-24, the company has tested for impairment and no impairment loss is recognised as the estimated recoverable amount of the cash generating unit is greater than the carrying value.

1.1. CAPITAL WORK IN PROGRESS

The following table presents the changes in capital work in progress during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Deletions	As at March 31, 2024
Capital work in progress	98.67	196.06	107.26	187.47
Total	98.67	196.06	107.26	187.47



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.1. RIGHT OF USE ASSETS

The following table presents the changes in right of use assets during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Disposals	As at March 31, 2024	Accumulated Depreciation As at April 01, 2023	Depreciation for the year	Eliminated on disposal of assets	Accumulated Depreciation As at March 31, 2024	Net Block As at March 31, 2024	Net Block As at March 31, 2023
(a) Land Lease Hold	13.53 (13.53)	-	-	13.53 (13.53)	2.06 (1.93)	0.13 (0.13)	-	2.19 (2.06)	11.34 (11.47)	11.47 (11.60)
(b) Vehicle Leasehold	34.46 (34.46)	-	-	34.46 (34.46)	21.73 (18.40)	3.09 (3.33)	-	24.82 (21.73)	9.64 (12.73)	12.73 (16.06)
(c) Building and Land	334.67 (334.67)	-	-	334.67 (334.67)	121.08 (90.81)	30.27 (30.27)	-	151.35 (121.08)	183.32 (213.59)	213.59 (243.86)
(d) Land rent - MD and ED	53.42 (53.42)	-	-	53.42 (53.42)	7.80 (5.85)	1.95 (1.95)	-	9.75 (7.80)	43.67 (45.62)	45.62 (47.57)
(e) Lease Prepayment	45.21 (45.21)	2.96	1.92	46.25 (45.21)	24.20 (16.59)	6.84 (7.61)	1.56	29.48 (24.20)	16.77 (21.01)	21.01 (12.82)
Total	481.29	2.96	1.92	482.33	176.87	42.28	1.56	217.59	264.74	304.42
(Previous year)	(481.29)	-	-	(481.29)	(133.58)	(43.29)	-	(176.87)	(304.42)	(331.91)

Note:

a) Company has adopted modified retrospective approach as per para C8(b)(ii) of IND AS 116 with effect from April 1, 2019. As per the standard the Company has recognised right of use asset measured at an amount equal to the lease liability adjusted by amount of any prepaid or accrued lease payments relating to the lease recognised in the balance sheet immediately before the date of initial application.

b) Company has amortised leased asset over the lease period.

1.1. INTANGIBLE ASSETS

The following table presents the changes in intangible assets during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Disposals	As at March 31, 2024	Accumulated Amortisation As at April 01, 2023	Amortisation for the year	Disposals	Accumulated Amortisation As at March 31, 2024	Net Block As at March 31, 2024	Net Block As at March 31, 2023
(a) Goodwill	40.16 (40.16)	-	-	40.16 (40.16)	40.16 (33.36)	- (6.80)	-	40.16 (40.16)	-	-
(b) Brand / Trade Marks	17.06 (17.26)	2.16	-	19.22 (17.26)	17.06 (14.50)	0.07 (1.25)	-	17.13 (15.75)	2.09 (1.51)	- (1.51)
(c) Software	4.09	1.20	-	5.29	3.98	-	-	3.98	1.31	0.11
As at April 1, 2016	-	(4.09)	-	(4.09)	-	(0.19)	-	(0.19)	(3.90)	(3.90)
Total	61.31	3.36	-	64.67	61.20	0.07	-	61.27	3.40	0.11
As at April 1, 2016	(57.42)	(4.09)	-	(61.51)	(47.86)	(8.24)	-	(56.10)	(5.41)	(5.41)

Note: The company has elected to continue with the carrying amount of intangible assets measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those intangible assets are given in brackets.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 GOODWILL ON CONSOLIDATION

The following table presents the movement in goodwill on consolidation during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions (Refer Note 3.14)	Disposals	As at March 31, 2024	Accumulated Amortisation As at April 01, 2023	Amortisation for the year	Eliminated on disposal of assets	Accumulated Amortisation As at March 31, 2024	Net Block As at March 31 2024	Net Block As at March 31 2023
(a) Goodwill	58.68	-	-	58.68	-	-	-	-	58.68	58.68
As at April 1, 2016	(58.68)	-	-	(58.68)	-	-	-	-	(58.68)	(58.68)
Total	58.68	-	-	58.68	-	-	-	-	58.68	58.68
As at April 1, 2016	(58.68)	-	-	(58.68)	-	-	-	-	(58.68)	(58.68)

Note:

The company has elected to continue with the carrying amount of goodwill on consolidation measured as per previous GAAP and use that as its deemed cost as at the date of transition to IND AS [i.e., April 1, 2016]. The deemed cost as on April 1, 2016 of those goodwill on consolidation are given in brackets.

1.1. INTANGIBLE ASSETS UNDER DEVELOPMENT

The following table presents the changes in capital work in progress during the year ended March 31, 2024

Particulars	As at April 01, 2023	Additions	Deletions	As at March 31, 2024
Intangible Assets under developments	3.36	-	3.36	-
Total	3.36	-	3.36	-



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.2 NON-CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
a. Investments carried at amortised cost		
Investments in Bonds and Non Convertible Debentures (NCDs) -(quoted)	50.13	10.00
b. Investments carried at fair value through profit or loss		
Investment in Mutual funds (quoted)	40.04	-
c. Others - (unquoted) carried at amortised cost		
i. 1,775 shares (As at March 31, 2024 - 1,775 Shares) of Rs. 1000/- each fully paid up in Netaji Apparel Park.	1.78	1.78
ii. 636 shares (As at March 31, 2024 - 1,357 Shares) of Rs. 10/- each fully paid up in Babu Energy P Ltd, Kancheepuram.	0.01	0.01
iii. 140 shares (As at March 31, 2024 - 81 Shares) of Rs. 100/- each fully paid up in Aravind Green Infra P Ltd, Karur	0.01	0.01
iv. 508 shares (As at March 31, 2024 - 508 Shares) of Rs. 100/- each fully paid up in Apsara power India P Ltd, Karur	0.05	0.05
v. 35 shares (As at March 31, 2024 - 199 Shares) of Rs. 100 /-each fully paid up in Amirthaa Green Infra P Ltd, Karur	-	0.02
vi. 1,36,842 equity shares (As at 31st March 2024 - 0 shares) of Rs. 10/- each fully paid up in Nellai Renewables Private Limited	6.00	-
Sub total	98.02	11.87
Less: Impairment in Value of Investments	-	-
Total	98.02	11.87
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	90.17	10.00
Aggregate market value of quoted investments	90.17	10.00
Aggregate value of unquoted investments	7.85	1.87
Aggregate value of impairment of investments	-	-
1.3 NON-CURRENT LOANS	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
a. Advances to Related Parties:		
Urban Stitch Private Limited [refer note 3.15] (loans and advances, repayable in 10 years, were given at the rate of interest of 6-month SIFR + 50 bps p.a)	144.93	-
b. Other Advance	15.44	4.95
Total	160.37	4.95



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.4 OTHER NON-CURRENT FINANCIAL ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
a. Security Deposits includes security deposits from enterprises owned by key managerial personnel [refer note 3.15] (Includes Rs. 80.00 Millions and Rs. 80.00 Millions paid to Poornam Enterprises Private Limited as at March 31, 2025 and March 31, 2024 respectively) (Includes Rs. 50.00 Millions and Rs. 50.00 Millions paid to S.P.Superfine Private Limited as at March 31, 2025 and March 31, 2024 respectively)	258.71	270.95
b. Other Investments - Advance for Business Acquisition	-	150.78
c. EB Deposits	56.69	54.16
d. Others	3.41	0.34
Total	318.81	476.23
1.5 OTHER NON-CURRENT ASSETS	As at March 31, 2025	As at March 31, 2024
a. Capital Advance	303.26	175.00
b. Balance with government authorities (Unsecured, considered good) Sales Tax Deposits	0.01	0.01
c. Others - (Unsecured, considered good unless otherwise stated) Fringe Benefit Tax Receivables Income Tax Receivables Electricity Charges Receivables	0.04 2.45 7.58	0.04 2.50 7.58
Total	313.34	185.13
1.6 INVENTORIES	As at March 31, 2025	As at March 31, 2024
a. Raw materials and Components	1,066.42	488.07
b. Work-in -progress	1,516.77	1,165.41
c. Finished goods	441.04	263.10
d. Stock-in-trade - Traded goods - Garments	361.06	502.36
d. Stores, spares and consumable tools	321.89	231.01
Total	3,707.18	2,649.95



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.7 CURRENT INVESMENTS	As at March 31, 2025	As at March 31, 2024
a. Investments carried at amortized cost		
Investments in Bonds and Non-Convertible Debentures (NCDs) (unquoted)	-	292.78
b. Investments carried at fair value through profit or loss		
Investments in mutual funds (quoted)	-	210.00
Total	-	502.78
Aggregate value of quoted and unquoted investments is as follows:		
Aggregate value of quoted investments	-	210.00
Aggregate market value of quoted investments	-	210.00
Aggregate value of unquoted investments	-	292.78
Aggregate value of impairment of investments	-	-
1.8 TRADE RECEIVABLES	As at March 31, 2025	As at March 31, 2024
Trade Receivables considered good - Unsecured		
includes receivables from enterprises owned by key managerial personnel [refer note 3.15]	2,507.46	1,651.77
Poornam Enterprises Private Limited Rs.6.89 Millions (as at March 31, 2024 Rs. 6.89 Millions)		
S.P. Lifestyles Rs.0.00 Millions (as at March 31, 2024 Rs. 1.72 Millions)		
S.P.Retail Brand Limited Rs.160.41 Millions (as at March 31, 2024 Rs. 82.15 Millions)		
S.P. Superfine Private Limited Rs. 31.70 Millions (as at March 31, 2024 Rs.31.50 Millions)		
Trade Receivables - credit impaired	3.60	7.50
	2,511.06	1,659.27
Less: Loss Allowance	(3.60)	(7.50)
Total	2,507.46	1,651.77

D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Ageing of trade receivables as at March 31, 2025

[illegible]

Ageing of trade receivables as at March 31, 2024

[illegible]



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.9A CASH AND CASH EQUIVALENTS	As at March 31, 2025	As at March 31, 2024
Balances with Banks in Current account	304.18	642.75
in Deposit account	1.04	100.34
in EEFC account	-	0.01
Cash and stamps on hand	47.53	44.88
Total	352.75	787.98
1.9B. Bank Balances other than (a) above	As at March 31, 2025	As at March 31, 2024
In Deposit accounts & lien against letter of credit and buyers credit	60.11	4.51
In Dividend account	0.04	0.04
Total	60.15	4.55
1.10 OTHER CURRENT FINANCIAL ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good unless otherwise stated)		
a. Derivative Financial Instruments	-	12.84
b. Interest accrued on deposits	2.25	-
Total	2.25	12.84
1.11 OTHER CURRENT ASSETS	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good unless otherwise stated)		
a. Prepaid Expenses	29.74	20.69
b. Material advances	107.45	46.79
c. Balances with government authorities		
- Export Incentives Receivables	133.81	104.57
- GST/VAT Refund receivable	213.53	69.94
- GST Input	253.05	52.89
- Royalty Receivables	5.71	24.92
- TUF receivable	20.67	21.25
- Interest subvention receivable	0.03	0.16
	626.80	273.73
d. Deposit paid under protest	11.21	-
e. Advance Tax net of provisions	1.18	54.76
f. Others - Advance	6.50	5.80
Total	782.88	401.77



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.12 SHARE CAPITAL	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Rs in Millions	Number of shares	Rs in Millions
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	2,72,50,000	272.50	2,72,50,000	272.50
10% Redeemable cumulative preference shares of Rs. 10/-each	2,00,00,000	200.00	2,00,00,000	200.00
	4,72,50,000	472.50	4,72,50,000	472.50
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	2,50,92,600	250.93	2,50,92,600	250.93
	2,50,92,600	250.93	2,50,92,600	250.93
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	2,50,92,600	250.93	2,50,92,600	250.93
Total	2,50,92,600	250.93	2,50,92,600	250.93

Notes

i) Terms & Condition of Equity shares

The Company has only one class of equity shares having a par face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
a) Equity Shares with voting rights				
Mr. P.Sundararajan	1,25,38,759	49.97%	1,25,38,759	49.97%
Ms. S.Latha	29,61,510	11.80%	29,61,510	11.80%
DSP Small Cap Fund	21,76,332	8.67%	21,76,332	8.67%

iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue of Shares/ (Buyback of Shares)	Closing Balance
Equity shares with voting rights			
Period ended March 31, 2025			
- Number of shares	2,50,92,600	-	2,50,92,600
- Amount (Rs. 10 each) (Rs. in Million)	250.93	-	250.93
Period ended March 31, 2024			
- Number of shares	2,50,92,600	-	2,50,92,600
- Amount (Rs. 10 each) (Rs. in Million)	250.93	-	250.93



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

iv) Details of shares held by promoters :

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.97%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.80%	0.00%
Mr. Sundararajan Chenduran	28,251	(500)	27,751	0.11%	-1.77%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	1,55,39,291	(500)	1,55,38,791	61.92%	-1.77%

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid up					
Mr. P.Sundararajan	1,25,38,759	-	1,25,38,759	49.97%	0.00%
Ms. S.Latha	29,61,510	-	29,61,510	11.80%	0.00%
Mr. Sundararajan Chenduran	28,251	-	28,251	0.11%	0.00%
Ms. Shantha Senthil	10,771	-	10,771	0.04%	0.00%
Total	1,55,39,291	-	1,55,39,291	61.92%	0.00%

1.13 OTHER EQUITY

a. Securities Premium Account

Balance as at the beginning of the period

Less: Premium paid on buy back of shares

Balance as at the end of the period

The reserve has been created when equity shares have been issued at a premium. This reserve may be utilised to issue fully paid-up bonus shares, buy-back of equity shares or writing off expenses incurred on issue of equity shares.

As at
March 31, 2025

As at
March 31, 2024

2,174.94

2,174.94

-

-

2,174.94

2,174.94

b. Capital Redemption Reserve

Balance as at the beginning of the year

Add: Capital Redemption on buyback

Utilised During the year

Balance as at the end of the period

The reserve has been created as per section 55 (2) (c) of Companies Act, 2013 based on the redemption of preference shares during the financial year 2018-19.

The shares are redeemed out of the profits of the company. Accordingly, out of accumulated profits, a sum equal to the nominal amount of the shares to be redeemed, has been transferred to Capital Redemption Reserve.

206.00

206.00

-

-

-

-

206.00

206.00



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 OTHER EQUITY (CONTD.)	As at March 31, 2025	As at March 31, 2024
During the FY 22-23, the reserve has been created as per section 69 of Companies Act, 2013 based on the buy back of equity shares. An amount equal to the nominal value of share bought back has been transferred to Capital Redemption Reserve.		
The above reserve may be utilised by the Company for issuing fully paid bonus shares.		
c. Additional Paid in Equity		
Balance as at the beginning of the year	90.36	90.36
Balance as at the end of the period	90.36	90.36
This has arisen because of the unsecured loan received and preference shares.		
i) As per Ind AS 109 financial liability which were received at concessional rate compared to market rate are valued at fair value from the date of its availment and difference between the nominal value of unsecured loan and fair value has been treated as deferred loan and unwound during the term of loan. Further differences has been disclosed as additional paid in equity [with respect to unsecured loans related to equity holders].		
ii) As per Para 18 of Ind AS 32 a preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability. Further, the Company as at the date of issue has arrived the present value of the cash flow at market rate return of the preference shares and differences between nominal value of preference shares and present value of the cash flow has been disclosed as additional paid in equity [with respect to preference shares related to equity holders].		
d. Share Options Outstanding Account		
Balance as at the beginning of the year	-	-
Add: Employee stock compensation expense(Refer note 3.5.1)	3.66	-
Balance as at the end of the year	3.66	-
The Share options outstanding account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account will be transferred to securities premium upon exercise of stock options and will be transferred to general reserve on account of stock options not exercised by employees.		
e. Retained Earnings (Surplus in Statement of Profit and Loss)		
Balance as at the beginning of the year	5,059.11	4,238.69
Add: Current year profit	950.56	895.65
Less: Dividend for 2022-23	-	(75.28)
Expenses on Buy back	-	0.05
Balance as at the end of the year	6,009.67	5,059.11
Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.		



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.13 OTHER EQUITY (CONTD.)	As at March 31, 2025	As at March 31, 2024
f. Exchange difference on translation of foreign operations		
Balance as at the beginning of the year	8.41	5.50
Add: Current year gain/(loss)	1.34	2.91
Balance as at the end of the year	9.75	8.41
The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.		
g. Other Comprehensive Income		
Balance as at the beginning of the year	(153.33)	(230.31)
Add: Current year transfer from statement of profit & loss	(28.55)	76.98
Balance as at the end of the year	(181.88)	(153.33)
Other comprehensive income include remeasurement of net defined benefit liability / asset and changes in fair value of derivatives designated as cash flow hedges, net of taxes.		
When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.		
Total	8,312.50	7,385.49
1.14 NON-CURRENT BORROWINGS	As at March 31, 2025	As at March 31, 2024
a. Secured Borrowings at Amortised Cost		
Term Loan from banks	401.09	32.50
b. Unsecured Borrowings at Amortised Cost		
Loans and Advances from related parties	21.34	23.04
Total	422.43	55.54

Security and Terms: The Holding Company has been sanctioned term loan of Rs. 600 Million out of which, it has availed Rs. 287.61 Million as of March 31, 2025. It is secured by exclusive Charge on all Immovable and movable assets being acquired from Bannari Amman under the MOU ie.1) Garment unit located at Palladam Hi-Tech Weaving Park, Palladam, Tamil Nadu and 2) 6.43 Acres of Land with Building situated at Site No. R-44, SIPCOT, Perundurai. Personal Guarantee - of MR.P.Sundararajan and Mrs. S Latha. The Term Loan is payable in 6 years including 12 months of Moratorium repayable in equal monthly installments at a rate of interest of 8.50% p.a.

The subsidiary company (S.P. Retail Ventures Limited) term loan is secured by exclusive charge on the assets acquired out of term loan, Collateral : Land measuring 30.25 cents in the name of Mr.Sundarrajan at Avinashi, Personal Guarantee : Mr. P. Sundarrajan and Corporate Guarantee : S.P.Apparels Limited (Holding Company). Loan amounting to Rs. 32.50 Million (Previous year Rs. 42.50 Million) is repayable in 13 quarterly instalments at a rate of interest of 10.45% p.a.

The subsidiary company (Young Brand Apparel Private Limited) term loan is secured by first charge on entire current assets including stock of Raw Material, Work in Progress, Finished Goods, Stores, Spares & Consumable and receivables of the Company is given to respective banks. Second charge on the entire fixed assets of the Company (other than exclusively charged to term loans) has been extended to the banks where ever possible.

TL-1 loan amounting to 110.46 Million (2024: Rs. 145.33 Million) is repayable in 82 monthly installments at a rate of interest of 10.35% p.a

TL-2 loan amounting to 27.93 Millions (2024: Rs. 55.86 Millions) is repayable in 35 monthly installments at a rate of interest of 9.25% p.a

TL-3 Loan amounting to Rs. 39.96 Millions (2024: Rs. 98.30 Millions) is repayable in 48 monthly installments at a rate of interest of 9.25% p.a

- Unsecured loan from promoters are repayable after one year.
- The Company has not defaulted in repayment of principles and interest during the year.
- Refer Note 1.19(b) for Current Maturities of Long Term Borrowings.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.15 NON-CURRENT LEASE LIABILITIES	As at March 31, 2025	As at March 31, 2024
a. Long term maturity of lease liabilities	223.69	255.73
Total	223.69	255.73

The lease liability is initially measured at amortized cost at the present value of the future lease payments. All operating lease arrangements has been evaluated for IND AS 116 evaluations and applicable arrangements are considered for accounting after discounting of lease rental payments at the rate of 10% per annum.

The movement in lease liabilities during the Year ended March 31, 2025 and March 31, 2024 are given below

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	255.73	284.93
Additions	-	-
Finance cost accrued during the year	22.00	25.03
Deletions	-	-
Payment of lease liabilities	(54.04)	(54.23)
Balance at the end of the year	223.69	255.73

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	54.21	54.03
One to five years	169.22	217.03
More than five years	52.52	58.92
Total	275.95	329.98

Amounts recognised in profit or loss for the year ended March 31, 2025 and March 31, 2024 are given below

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on lease liabilities	22.00	25.03
Expenses relating to leases of low-value assets, including short-term leases of low value assets	134.75	121.19
Total	156.75	146.22

1.16 OTHER NON-CURRENT FINANCIAL LIABILITIES	As at March 31, 2025	As at March 31, 2024
a. Other Trade Deposits	26.37	26.13
b. Deferred Govt Grant Receivables	49.62	59.93
Total	75.99	86.06



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.17 DEFERRED TAX LIABILITIES (NET)	As at March 31, 2025	As at March 31, 2024
a. Deferred tax liabilities	378.23	383.06
b. Deferred tax (assets)	(110.63)	(70.86)
Total Deferred tax (assets)/ liabilities before Minimum Alternate Tax [MAT] Credit entitlement as per Income Tax Act, 1961	267.60	312.20
c. MAT Credit entitlement	(17.78)	(17.78)
Total Deferred tax (assets)/ liabilities	249.82	294.42
Deferred tax liability / (assets) in relation to: (Refer Note 3.1)		
- Property, plant and equipment (including Intangible assets)	293.22	282.52
- Other temporary differences (income tax disallowance and other adjustments)	(43.40)	11.90
Total	249.82	294.42

1.18 OTHER NON-CURRENT LIABILITIES	As at March 31, 2025	As at March 31, 2024
Lease Income Deferral	0.39	0.54
Total	0.39	0.54

1.19 CURRENT FINANCIAL LIABILITIES - BORROWINGS	As at March 31, 2025	As at March 31, 2024
a. Secured Borrowings at amortised cost		
Loans from Banks [Refer note below]	3,064.76	1,703.73
(Includes Cash Credit, Working capital demand loans, Packing credit, etc)		
b. Current maturities of Long-term debts at amortised cost [Refer Note 1.14]	97.38	19.18
Total	3,162.14	1,722.91

Note : With respect to Cash Credit, Working Capital Demand Loan, Packing Credit from Banks, the first charge on entire current assets including stock of Raw Material, Work in Progress, Finished Goods, Stores, Spares & Consumable and receivables of the Company is given to respective banks. Second charge on the entire fixed assets of the Company (other than exclusively charged to term loans) has been extended to the banks where ever possible. Promoters guarantee and security has also been provided to banks.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.20 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	As at March 31, 2025	As at March 31, 2024
Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 3.14)	302.48	163.29
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,019.26	824.07
includes payables to enterprises owned by key managerial personnel [refer note 3.15]		
Crocodile International Pte Ltd Rs. 14.39 Millions (as at March 31, 2024 Rs. 15.68 Millions)		
S.P.Lifestyles Rs. 1.04 Millions (as at March 31, 2024 Rs. 4.00 Millions)		
Poornam Enterprises Private Limited Rs. 2.14 Millions (as at March 31, 2024 Rs. 2.14 Millions)		
S.P. Superfine Private Limited Rs. 5.27 Millions (as at March 31, 2024 Rs.11.39 Millions)		
includes payables to key managerial personnel [refer note 3.15]		
Mr.S.Chenduran Rs. 1.46 Millions (as at March 31, 2024 Rs. 3.54 Millions)		
Total	1,321.74	987.36

Ageing of trade payables as at March 31, 2025

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	
Dues to micro enterprises and small enterprises	199.23	96.25	6.82	0.18	-	302.48
Dues to other than micro enterprises and small enterprises	224.38	660.48	1.66	7.09	7.43	901.04
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	118.22	-	-	-	-	118.22
Total	541.83	756.73	8.48	7.27	7.43	1,321.74

Ageing of trade payables as at March 31, 2024

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	
Dues to micro enterprises and small enterprises	80.30	79.81	3.18	-	-	163.29
Dues to other than micro enterprises and small enterprises	328.23	397.49	14.12	10.09	1.42	751.35
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	72.72	-	-	-	-	72.72
Total	481.25	477.30	17.30	10.09	1.42	987.36



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

1.21 CURRENT FINANCIAL LIABILITIES - Others	As at March 31, 2025	As at March 31, 2024
a. Proposed dividend on cumulative preference shares including DDT	0.05	0.05
b. Capital Creditors	37.35	18.31
c. Employee Benefits	257.49	186.72
Includes payables to Key Managerial Personnel (Refer Note 3.15)		
P. Sundararajan [Managing Director Rs. 1.63 (as at March 31, 2024 Rs. 4.22)]		
S. Shantha [Joint Managing Director Rs. 0.07 (as at March 31, 2024 Rs. 0.07)]		
S. Chenduran [Joint Managing Director Rs. 0.10 (as at March 31, 2024 Rs. 0.18)]		
d. Derivative Financial Liabilities	29.48	-
e. Trade Deposit from customers	25.72	29.92
f. Other Financial Liabilities	1.69	-
	351.78	235.00
1.22 OTHER CURRENT LIABILITIES	As at March 31, 2025	As at March 31, 2024
a. Statutory Liabilities	87.60	61.90
b. Other liabilities	19.68	51.89
Total	107.28	113.79
1.23 CURRENT PROVISIONS	As at March 31, 2025	As at March 31, 2024
a. Provision for employee benefits		
Gratuity (Net of funds) (Refer Note 3.6)	23.85	20.46
Compensated absences	122.81	72.56
Total	146.66	93.02



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.1 REVENUE FROM OPERATIONS		Year ended March 31, 2025	Year ended March 31, 2024
a. Sale of Products			
Manufactured goods			
Garments - export		10,917.86	8,182.27
Garments - Local		84.48	36.69
Yarn		179.77	318.91
Fabric		246.33	141.10
Cotton Waste		216.91	201.55
Traded Goods			
Garments		1,534.41	1,384.45
	Subtotal	13,179.76	10,264.97
b. Revenue From Services			
Dyeing charges		27.20	42.97
Embroidery charges		4.49	4.22
Printing charges		1.66	0.13
Others		0.63	2.29
	Subtotal	33.98	49.61
c. Other Operating revenue			
Duty Draw Back and other Export Incentives		708.36	523.93
Sale of Scrap		14.71	1.63
Others (Refer note below)		14.53	33.41
	Subtotal	737.60	558.97
	Total	13,951.34	10,873.55

Note: It includes release of deferred income of Rs. 14.53 Million (27.36 Million in 2023-24) relating to incentive from Technology Upgradation Fund (TUF) Scheme loan and Export Promotion Capital Goods (EPCG) Scheme which was accounted during the transition to Ind AS, now taken to statement of profit and loss.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.2 OTHER INCOME		Year ended March 31, 2025	Year ended March 31, 2024
a. Interest Income from			
Deposits and NCDs		17.20	29.76
Lease Deposits		10.86	10.17
Interest on Income Tax Refund		-	0.08
Others		1.96	1.86
	Subtotal	30.02	41.87
b. Dividend Income from			
Current Investments		-	0.58
	Subtotal	-	0.58
c. Other Non-operating Income			
Profit on Sale of Investments		9.07	104.51
Foreign Exchange Gain (Net)		72.87	-
Gain on fair valuation of investments carried at fair value through profit or loss		-	2.10
Others		9.96	14.11
	Subtotal	91.90	120.72
	Total	121.92	163.17
2.3 COST OF MATERIALS CONSUMED		Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock		719.08	734.01
Acquired from business combination [refer note 3.14]		349.90	-
Purchases		5,171.45	3,212.98
		6,240.43	3,946.99
Less:			
Closing Stock		1,388.31	719.08
	Total	4,852.12	3,227.91
2.4 PURCHASE OF STOCK-IN-TRADE - TRADED GOODS		Year ended March 31, 2025	Year ended March 31, 2024
Garments		1,001.24	980.41
	Total	1,001.24	980.41



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended March 31, 2025	Year ended March 31, 2024
a. Inventory at the beginning of the year		
Work-in-progress	263.10	290.99
Finished goods	1,165.41	1,345.23
Stock in trade	599.91	598.91
Acquired from business combination [refer note 3.14]		
Finished goods	185.93	-
Work-in-progress	40.21	-
	2,254.56	2,235.13
b. Inventory at the end of the year		
Finished goods	441.04	263.10
Work-in-progress	1,516.77	1,165.41
Stock in trade	361.06	502.36
	2,318.87	1,930.87
Total	(64.31)	304.26
2.6 EMPLOYEE BENEFITS EXPENSE	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	2,798.47	2,074.81
Contribution to provident, gratuity and other funds (Refer Note 3.5)	251.33	219.44
Expenses on Employee Stock Option Scheme (ESOP) (Refer Note 3.5.1)	3.66	-
Staff welfare expenses	408.66	313.53
Total	3,462.12	2,607.78
2.7 FINANCE COST	Year ended March 31, 2025	Year ended March 31, 2024
Interest Expense on Bank Borrowings	197.84	112.07
Interest Expense on Trade Deposits	1.36	1.18
Interest Expense on Lease Liabilities	22.00	25.03
Interest Expense on Unsecured Loan	0.00	(0.06)
Other Borrowing Costs	99.51	64.20
Exchange (gain) / loss on foreign currency borrowings	14.14	(15.43)
Total	334.85	186.99



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.8 DEPRECIATION AND AMORTISATION EXPENSES	Year ended March 31, 2025	Year ended March 31, 2024
a. Tangible assets		
Buildings	94.96	82.64
Plant and Machinery	177.95	153.03
Electrical Installations	37.42	33.63
Furniture and Fittings	26.71	23.22
Office Equipments	16.14	15.05
Lab Equipments	3.29	2.99
Computers	17.70	17.22
Vehicles	4.86	4.83
Solar Plant	-	2.50
Right of Use Asset		
- Land	0.13	0.21
- Vehicles	3.09	3.09
- Others	39.02	39.06
Tangible assets (Including Right of Use assets)	421.27	377.47
b. Intangible Assets	11.69	0.07
Total	432.96	377.54
2.9 OTHER EXPENSES	Year ended March 31, 2025	Year ended March 31, 2024
Power & Fuel	486.44	415.47
Repairs & Maintenance - Building	15.11	15.30
Repairs & Maintenance - Machinery	114.39	96.58
Repairs & Maintenance - Others	82.68	75.20
Fabrication Charges	146.10	133.97
Other Manufacturing Expenses	1,116.96	730.20
Payments to Auditors	4.70	2.47
Insurance	20.81	14.76
Legal & Professional Charges	47.97	46.58
Loss on sale of property, plant and equipment	2.83	3.02
Printing and stationery	18.87	12.94
Communication	11.07	4.74
Travelling and conveyance	77.53	54.74



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

2.9 OTHER EXPENSES (CONTD.)	Year ended March 31, 2025	Year ended March 31, 2024
Factory lease rent	28.84	22.45
Rent	105.91	98.74
Rates and taxes	24.22	22.16
Donation	0.08	0.53
Expenditure on Corporate Social Responsibility	27.54	28.59
Director sitting fees (Refer Note No 3.2)	1.39	1.28
Commission	12.18	11.78
Freight and forwarding	284.50	169.66
Business promotion	42.50	32.69
Royalty	22.17	29.33
Loss Allowance on receivables / advances	4.28	8.50
Provisions for MTM (Gain) / Loss on forward contracts	17.73	(26.63)
Loss on Foreign Exchange	9.61	102.83
Miscellaneous expenses	95.66	67.55
Total	2,822.07	2,175.43



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.1 Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and a description of the items that created these differences is given below:

Recognised deferred tax assets/liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Tax effect of items constituting deferred tax liabilities		
Property, Plant and Equipment	(293.22)	(282.52)
Derivative Adjustments	8.80	(25.89)
Others	16.82	(3.79)
Minimum Alternate Tax [MAT] credit entitlement as per Income Tax Act, 1961	17.78	17.78
Net deferred tax (liabilities)/assets recognised in Balance Sheet	(249.82)	(294.42)

Movement in temporary differences during current and previous year

Particulars	MAT	Property, Plant and Equipment	Derivative Adjustments	Others
Balance as at April 1, 2023	17.78	(337.91)	22.21	6.56
Recognised in income statement	-	55.39	-	(10.35)
Recognised in Equity	-	-	(48.10)	-
Balance as at March 31, 2024	17.78	(282.52)	(25.89)	(3.79)
Add: Acquired From Business Combination (Refer Note 3.14)		(71.80)	(0.81)	5.79
DTA/(DTL) Balance after Business Combination	17.78	(354.32)	(26.70)	2.00
Recognised in income statement	-	61.10	25.89	14.82
Recognised in Equity	-	-	9.61	-
Balance as at March 31, 2025	17.78	(293.22)	8.80	16.82

Income tax expense recognized in profit or loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Tax expense/ (reversal)	359.38	309.78
Deferred Tax expense	(101.81)	(22.83)
Short / (Excess) provision for earlier year's tax	23.62	(6.80)
	281.19	280.15

Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxes	1,232.21	1,176.40
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	310.12	296.08
Short / (Excess) provision for earlier year's tax	23.62	(6.80)
Due to temporary differences	(101.81)	(22.83)
Permanent differences	49.26	13.70
Income Tax expenses recognised in Statement of Profit and Loss	281.19	280.15

3.2 Payments to independent directors - Sitting fees

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Mr. Anand Kumar AS	0.36	0.36
Ms. Lakshmi Priya	0.16	0.16
Mr. Rajagopal CR	0.47	0.36
Mr. Ravishankar B	0.04	-
Mr. V Sakthivel	0.36	0.40
	1.39	1.28

3.3 Earnings Per Share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net Profit after Tax for the year	951.02	896.25
Weighted average number of equity shares outstanding - Basic (Refer Note (a) below)	2,50,92,600	2,50,92,600
Weighted average number of equity shares outstanding - Diluted (Refer Note (a) below)	2,50,94,540	2,50,92,600
Earnings Per Share - Basic	37.90	35.72
Earnings Per Share - Diluted	37.90	35.72
(a) Weighted average number of shares - Basic & Diluted		
Paid-up equity share capital (face value Rs. 10/-) [Amount]	250.93	250.93
Face Value per share [Amount]	10.00	10.00
Weighted average number of equity shares outstanding - Basic	2,50,92,600	2,50,92,600
Add: Weighted average number of potential equity shares on account of employee stock options	1,940	-
Weighted average number of equity shares outstanding - Diluted	2,50,94,540	2,50,92,600



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.4 Foreign currency exposure

The details of foreign currency exposure as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent			
Cash in hand	USD	0.00	0.31
	GBP	0.01	0.68
	EUR	0.00	0.03
	SGD	0.00	0.00
	HKD	0.00	0.01
	BDT	0.01	0.01
	LKR	0.01	0.00
		0.03	1.04
EEFC A/c	GBP	0.00	0.00
	EUR	0.00	0.00
		0.00	0.00
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	9.06	775.25
	GBP	2.86	316.85
	MYR	0.20	3.79
	EUR	2.52	232.61
		14.64	1,328.50
Loans and Advances	USD	0.00	0.00
	GBP	0.14	15.44
	SEK	0.00	0.00
		0.14	15.44
Amounts payable in foreign currency on account of:			
Trade Payable	USD	0.39	33.53
	SGD	0.01	0.56
	EUR	0.21	19.38
		0.61	53.47
PCFC account	USD	5.42	463.42
	GBP	0.24	26.78
	EUR	1.73	159.35
		7.39	649.55



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The details of foreign currency exposure as at March 31, 2024 are as follows:

Particulars	As at March 31, 2024		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Cash and cash equivalent	USD	0.00	0.20
	GBP	0.01	0.77
	EUR	0.00	0.19
	SGD	0.00	0.00
	HKD	0.00	0.01
	LKR	0.04	0.01
		0.05	1.18
EEFC A/c	GBP	0.00	0.01
	EUR	0.00	0.00
		0.00	0.01
Amounts receivable in foreign currency on account of:			
Trade Receivables	USD	3.46	288.77
	GBP	3.17	334.41
	MYR	0.23	4.06
	SGD	0.00	0.01
	EUR	1.15	103.85
		8.01	731.10
Loans and Advances	USD	0.02	1.75
	GBP	0.50	52.59
	SEK	0.30	2.32
		0.82	56.66
Amounts payable in foreign currency on account of:			
Trade Payable	USD	0.04	3.64
	EUR	0.20	18.30
		0.24	21.94
PCFC account	USD	2.05	171.27
		0.04	3.81
	EUR	2.69	242.92
		4.78	418.00



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.5 Employee benefits

a. Defined benefit plans (Gratuity)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Gratuity)

Particulars	As at March 31, 2025	As at March 31, 2024
Projected benefit obligation at the beginning of the year	126.34	103.10
Add: Acquired from Business Combination (Refer Note 3.14)	40.73	-
Projected benefit obligation after Business Combination	167.07	-
Service cost	10.97	32.10
Interest cost	8.45	8.09
Remeasurement (gain)/losses	10.19	(7.73)
Benefits paid	(21.61)	(9.22)
Projected benefit obligation at the end of the year	175.07	126.34

Change in the fair value of plan assets

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	53.78	51.59
Interest income	3.71	3.39
Employer contributions	9.53	9.58
Benefits paid	(14.01)	(9.22)
Return on plan assets, excluding amount recognised in net interest expense	(0.75)	(1.56)
Fair value of plan assets at the end of the year	52.26	53.78

Amount recognised in the Balance Sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of projected benefit obligation at the end of the year	175.07	126.34
Fair value of plan assets at the end of the year	(52.26)	(53.78)
Funded status amount of liability recognised in the Balance Sheet	122.81	72.56

Expense recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Service cost	10.97	32.10
Interest cost	8.45	8.09
Interest income	(3.72)	(3.39)
Net gratuity costs	15.70	36.80



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Summary of actuarial assumptions

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.55%-6.89%	7.19%-7.22%
Expected rate of return on plan assets	7.22%	7.43%
Salary escalation rate	2.00%	2.00%
Attrition rate	6%-50%	10%-50%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Contributions: The Company expects to contribute Rs. 67.92 Millions to its gratuity fund during the year ending March 31, 2026. (Previous year : Rs. 11.94 Millions)

The expected cash flows over the next few years are as follows:

Year	Discounted Amount	Undiscounted Amount
1 year	14.97	15.26
2 to 5 years	34.06	41.67
6 to 10 years	31.03	50.22
More than 10 years	88.33	241.27

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2025 and March 31, 2024, by asset category is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Funds managed by insurers	100%	100%

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31 2025		March 31 2024	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	12.05	(10.70)	9.39	(8.24)
(% change compared to base due to sensitivity)	8.95%	-7.95%	7.81%	-6.85%
Salary Growth rate (-/+ 1%)	(11.02)	12.29	(8.35)	9.43
(% change compared to base due to sensitivity)	-8.18%	9.13%	-6.94%	7.84%



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

b. Contributions to defined contribution plans

i. Provident Fund

In accordance with Indian law, all employees receive benefits from a provident fund, which is defined contribution plan. Both the employee and employer make 'monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Holding Company and its subsidiary companies which are incorporated in India has no further obligations under the plan beyond 'its monthly contributions. The Holding Company and its subsidiary companies which are incorporated in India contributed Rs.86.71 Millions and Rs. 56.29 Millions during the year ended March 31, 2025 and March 31, 2024 respectively.

ii. Employee State Insurance

In accordance with Indian law, all employees receive benefits from a employee state insurance, which is defined contribution plan. Both the employee and 'employer make monthly contributions to the plan, each equal to a specified percentage of employee's salary. The Holding Company and its subsidiary companies which are incorporated in India has no further obligations under the'plan beyond its monthly contributions. The Holding Company and its subsidiary companies which are incorporated in India contributed Rs. 65.72 Millions and Rs. 49.28 Millions during the year ended March 31, 2025 and March 31, 2024 respectively.

Note: The provisions of the Gratuity Act, the Employees' Provident Funds and Miscellaneous Provisions Act, and the Employees' State Insurance Act are not applicable to S.P. Apparels UK (P) Limited and S.P. Apparels International (Private) Limited, as these companies are incorporated outside India. These Acts are also not applicable to Crocodile Products Private Limited and Young Brand Global Private Limited, as they currently do not have any employees.

3.5.1 Share based payments

a) Scheme details:-

On 26.09.2024, the shareholders of the Holding Company approved a scheme for allotment of equity shares to employees i.e. Employee Stock Option Plan 2024. 250,000 equity shares are reserved for this plan. Consequently, 186,030 options were granted to the employees on January 27, 2025. Details of number of options outstanding have been tabulated below:

Category	No. of options	Vesting pattern
Category I	46,508	At the end of 12 months from the date of grant
Category II	46,508	At the end of 24 months from the date of grant
Category III	46,507	At the end of 36 months from the date of grant
Category IV	46,507	At the end of 48 months from the date of grant

b) Fair value on the grant date:-

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares and the risk free interest rate for the term of the option. Expected volatility of the option is based on the daily closing share prices of last 5 years(Standard deviation of the natural algorithm of returns over the period). The risk-free rate is based on the 10-year Government Bonds yield as on the Grant date. The stock price is the fair market value of equity share as on January 27, 2025 (Average of opening and closing Market price on NSE)

The model inputs for options granted during the year ended March 31, 2025 are mentioned below:



Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4
a) Exercise price(In Rs.)	250	250	250	250
b) Grant date	1/27/2025	1/27/2025	1/27/2025	1/27/2025
c) Vesting year	2025-26	2026-27	2027-28	2028-29
d) Share price at Grant date(In Rs.)	813.23	813.23	813.23	813.23
e) Expected price volatility of holding company's share	52.72%	52.72%	52.72%	52.72%
f) Risk free interest rate	6.68%	6.68%	6.68%	6.68%

C) Movement in share options during the year:-

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Balance at the beginning of the year	-	-	-	-
Granted during the year	1,86,030	250	-	-
Exercised during the year	-	-	-	-
Balance at the end of the year	1,86,030	250	-	-

3.6 Segment Reporting

The Chief Operating Decision Maker ("CODM"), the Board of Directors and the senior management, evaluate the Company's performance as a whole. The Company is in manufacturing of knitted garment. Accordingly revenue represented by geography is considered for segment information.

Segment Revenue	March 31, 2025	March 31, 2024
Outside India	11,661.10	8,753.88
Within India	2,290.24	2,119.67
Total	13,951.34	10,873.55

3.7 Financial instruments

a. Derivative financial instruments

Forward and option contracts

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts are initially recognized at fair value on the date the contract is entered into and subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value of the derivative contracts are recognized immediately in profit or loss. The counterparties for these contracts are generally banks or financial institutions. The details of outstanding forward contracts as at March 31, 2025 and March 31, 2024 are given below:

Particulars	Currency	As at March 31, 2025	As at March 31, 2024
Forward contracts (Sell)	USD	27.20	17.26
	EUR	6.70	12.25
	GBP	14.45	11.92
(Gain) / loss on mark to market in respect of forward contracts outstanding	INR	29.48	(12.84)

The Group recognized a net gain/(loss) on the forward contracts of Rs. (42.32) Millions (Previous year : Rs. 123.33 Millions) for the year ended March 31, 2025.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The forward exchange contracts and option contracts mature between one and twelve months. The table below summarizes the notional amounts of derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	USD	USD	EUR	EUR	GBP	GBP
Not later than one month	1.55	0.86	0.00	-	-	2.02
Later than one month and not later than three months	8.40	1.75	2.45	2.40	3.65	2.25
Later than three months and not later than six months	10.50	10.15	3.05	5.30	6.70	3.65
Later than six months and not later than one year	6.75	4.50	1.20	4.55	4.10	4.00
Total	27.20	17.26	6.70	12.25	14.45	11.92

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	57.98	40.04	-	98.02	98.02
Trade receivables	2,507.46	-	-	2,507.46	2,507.46
Cash and cash equivalents	352.75	-	-	352.75	352.75
Other bank balances	60.15	-	-	60.15	60.15
Loans and Advances	160.37	-	-	160.37	160.37
Other financial assets	321.06	-	-	321.06	321.06
Liabilities					
Borrowings from banks	3,563.23	-	-	3,563.23	3,563.23
Borrowings from others	21.34	-	-	21.34	21.34
Finance lease liabilities	223.69	-	-	223.69	223.69
Trade payables	1,321.73	-	-	1,321.73	1,321.73
Other financial liabilities	398.29	-	-	398.29	398.29
Derivative financial instruments		1.53	27.95	29.48	29.48



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

The carrying value and fair value of financial instruments by each category as at March 31, 2024 were as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	304.65	210.00	-	514.65	514.65
Trade receivables	1,651.77	-	-	1,651.77	1,651.77
Cash and cash equivalents	787.98	-	-	787.98	787.98
Other bank balances	4.55	-	-	4.55	4.55
Loans and Advances	4.95	-	-	4.95	4.95
Other financial assets	476.23	-	-	476.23	476.23
Derivative financial instruments		16.20	(3.36)	12.84	12.84
Liabilities					
Borrowings from banks	1,755.41	-	-	1,755.41	1,755.41
Borrowings from others	23.04	-	-	23.04	23.04
Finance lease liabilities	255.73	-	-	255.73	255.73
Trade payables	987.36	-	-	987.36	987.36
Other financial liabilities	321.06	-	-	321.06	321.06

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2025 and 2024 that the Group has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	2,507.46	1,651.77
Cash and cash equivalents	352.75	787.98
Other bank balances	60.15	4.55
Total	2,920.36	2,444.30



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

Particulars	Fair value as of March 31, 2025			Fair value as of March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments	40.04	-	-	210.00	-	-
Derivative financial assets - gain on outstanding option/forward contracts	-	-	-	-	12.84	-
Liabilities						
Derivative financial liabilities - loss on outstanding option/forward contracts	-	29.48	-	-	-	-

- Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 - Inputs 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 - unobservable inputs for the asset or liability .

d. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Recognised deferred tax assets/liabilities	Year ended March 31, 2025	Year ended March 31, 2024
(a) Financial assets at amortised cost		
Interest income on bank deposits	17.20	29.76
Interest income on other financial assets	12.82	12.03
(b) Financial assets at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	(17.73)	26.63
(c) Financial assets at fair value through profit or loss (FVTOCI)		
Net gains/(losses) on fair valuation of derivative financial instruments	(24.59)	96.70
(d) Financial liabilities at amortised cost		
Interest expenses on lease obligations	(22.00)	(25.03)
Interest expenses on borrowings from banks, others and overdrafts	(199.20)	(113.25)

3.8 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Credit risk:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Company is not exposed to concentration of credit risk to any one single customer since the services are provided to and products are sold to customers who are spread over a number of customers and hence, the concentration of risk with respect to trade receivables is low. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of the business.

Cash and cash equivalents and other investments

In the area of treasury operations, the Company is presently exposed to counter-party risks relating to short term and medium term deposits placed with public-sector banks, and also to investments made in mutual funds.

The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit. The maximum exposure to credit risk as at March 31, 2024 and 2023 was as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Investments	98.02	514.65
Trade receivables	2,507.46	1,651.77
Cash and cash equivalents	352.75	787.98
Other bank balances	60.15	4.55
Loans and Advances	160.37	4.95
Other financial assets	321.06	476.23
Derivative Financial Assets	-	12.84
	3,499.81	3,452.97

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The ageing of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at March 31, 2025	As at March 31, 2024
Past due 0 - 180 days	2,324.43	1,267.54
More than 181 days	183.03	384.23
	2,507.46	1,651.77

Note:

Other financial assets and Loans of Rs.992.35 Millions as at March 31, 2025 (Rs.1,801.20 Millions as at March 31, 2024) has not been impaired.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need. The Company is also in the process of negotiating additional facilities with Banks for funding its requirements.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

As at March 31, 2025

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	3,563.23	3,650.63	3,215.16	271.67	134.38	29.42
Borrowings from others	21.34	21.34	0.00	21.34	-	-
Finance lease liabilities	223.69	275.95	54.21	108.42	60.80	52.52
Trade payables	1,321.73	1,321.73	1,321.73	-	-	-
Other financial liabilities	398.29	398.29	371.91	-	26.38	-
	5,528.28	5,667.94	4,963.01	401.43	221.56	81.94

As at March 31, 2024

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 years
Non-derivative financial liabilities						
Borrowings from banks	1,755.41	1,755.41	1,731.97	23.44	0.00	0.00
Borrowings from others	23.04	23.04	23.04	-	-	-
Finance lease liabilities	255.73	329.98	54.03	108.42	108.61	58.92
Trade payables	987.36	986.32	986.32	-	-	-
Other financial liabilities	321.06	321.06	294.93	-	26.13	-
	3,342.60	3,415.81	3,090.29	131.86	134.74	58.92

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Currency risk:

The Company's exposure in USD, GBP, Euro and other foreign currency denominated transactions gives rise to Exchange rate fluctuation risk. Company's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in USD, GBP and EUR for a twelve-month period
- Estimating the net-exposure in foreign currency, in terms of timing and amount.
- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.
- Carrying out a variance analysis between estimate and actual on an ongoing basis, subject to review by Audit Committee.

The Company's exposure to foreign currency risk as at March 31, 2025 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit & Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.00	9.06	(5.42)	(0.39)		3.25
GBP	0.01	2.86	(0.24)	-	0.14	2.76
EUR	0.00	2.52	(1.73)	(0.21)	-	0.58
SGD	0.00	-	-	(0.01)	-	(0.01)
HKD	0.00	-	-	-	-	0.00
LKR	0.01	-	-	-	-	0.01
BDT	0.01	-	-	-	-	0.01
MYR	-	0.20	-	-	-	0.20
SEK	-	-	-	-	-	-

The Company's exposure to foreign currency risk as at March 31, 2024 was as follows:

Particulars	Cash and cash equivalents	Trade receivables	PCFC Accounts	Buyers Credit & Trade Payables	Foreign currency loans and Advances	Net Balance Sheet exposure
USD	0.00	3.46	(2.05)	(0.04)	0.02	1.39
GBP	0.01	3.17	(0.04)	-	0.50	3.64
EUR	0.00	1.15	(2.69)	(0.20)	-	(1.74)
SGD	-	0.00	-	-	-	0.00
SEK	-	-	-	-	0.30	0.30
HKD	-	-	-	-	-	-
LKR	0.04	-	-	-	-	0.04
MYR	-	0.23	-	-	-	0.23
RUB	-	-	-	-	-	-

A 10% weakening of the rupee against the respective currencies as at March 31, 2025 and 2024 would have increased / (decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2024.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars	Other comprehensive income	Profit/(loss)
March 31, 2024	-	64.20
March 31, 2023	-	34.90

A 10% strengthening of the rupee against the above currencies as at March 31, 2025 and 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company

Profile

At the reporting date the interest rate profile of the Company's interest - bearing financial instruments were as follows:

Particulars	Carrying amount	
	March 31, 2025	March 31, 2024
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	61.15	104.85
Financial liabilities		
- Borrowings from banks	210.86	51.68
- Borrowings from others	21.34	23.04
Variable rate instruments		
Financial liabilities		
- Borrowings from Banks	3,352.37	1,703.73

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis has been performed on the same basis for 2024.

	Equity	Profit or (loss)
March 31, 2025	-	(33.52)
March 31, 2024	-	(17.04)

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

Impact of Hedging Activities

a) Disclosure of effects of hedge accounting on financial positions

Cash flow Hedge - Foreign Exchange forward Contracts - March 2025

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
1,334.70	4,549.74	April 2025 to March 2026	1:1	Euro- 92.85 GBP- 109.86 USD- 86.19	29.48	29.48



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Cash flow Hedge - Foreign Exchange forward Contracts - March 2024

Asset value	Carrying amount of hedging instrument	Maturity date	Hedge Ratio*	Weighted Average strike price/rate	Changes in fair value of hedging instrument	Changes in value of Hedged item used as the basis for recognising hedge reserve
726.57	3,819.13	April 2024 to March 2025	1:1	Euro- 90.92 GBP- 105.74 USD- 83.84	(12.84)	(12.84)

*The forward contract are denominated in the same currency as like underlying sales arrangement, therefore the Hedge ratio is 1:1

b) Disclosure of effects of hedge accounting on financial performance

As at March 31, 2025

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	24.59	17.73	(96.70)	Revenue

As at March 31, 2024

Type of Hedge	Changes in the value of Hedging instrument recognised in other comprehensive Income	Hedge Ineffectiveness recognised in statement of Profit and loss	Amount reclassified from cashflow hedging reserve to profit or loss	Line item affected in statement of profit and loss due to reclassification
Foreign currency risk	(96.70)	(26.63)	110.85	Revenue

The Group hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic retrospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of hedging instruments match exactly with the terms of the hedged item and so qualitative assessment of effectiveness is performed.

Ineffectiveness is recognised on cash flow hedges where the cumulative changes in the designated component value of the hedging instruments exceeds on an absolute basis the changes in value of the hedged item attributable to the hedged risk.

The ineffectiveness is recognised in statement of profit & loss during March 2025 and March 2024 (Refer note 2.9)

Derivative instrument	Foreign exchange forward contracts	Derivative instrument	Foreign exchange forward contracts
Cash flow hedge reserve as of April 1, 2023	(82.95)	Cash flow hedge reserve as of April 1, 2024	72.36
Less: Amount transferred to statement of profit & loss	110.85	Less: Amount transferred to statement of profit & loss	(96.70)
Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the period	96.70	Add: Changes in discounted spot element of foreign exchange contracts/ new contracts entered during the period	(24.59)
Less: Deferred tax on the above movement	(52.24)	Less: Deferred tax on the above movement	30.53
As of March 2024	72.36	As of March 2025	(18.40)



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.9 Capital management

The Group's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Group's capital management is to maximise shareholders value. The Group manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Group does so by adjusting dividend paid to shareholders. The total equity as on March 31, 2025 is Rs. 8,563.43 Millions (Previous Year: Rs. 7,636.42 Millions).

The Group monitors capital using gearing ratio, which is net debt divided by equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

		As at March 31, 2025	As at March 31, 2024
Debt		3,808.26	2,034.18
Less: cash and bank balances		(412.90)	(792.53)
Net debt	A	3,395.36	1,241.65
Equity	B	8,499.51	7,572.04
Net debt to Equity ratio	A/B	40%	16%

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

3.10 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Contingent liabilities		
a. Employee State Insurance (ESI) demand	12.70	10.37
The Group has received the demand from ESI for an amount of Rs. 6.38 million and interest of Rs. 6.32 million. The Group has deposited Rs. 12.70 million and has filed an appeal against the demand before the labour court.		
b. Outstanding export obligations for EPCG license	172.94	53.31
c. GST Demand(April 2019 to March 2023)	10.88	-
d. Service Tax	6.65	-
e. Town Planning Authority	7.96	-
f. Employee Provident Fund	7.79	-
(ii) Capital Commitments		
a. Capital Commitments	179.13	107.74
Estimated amount of Contracts remaining to be executed on the Capital Accounts (Tangible) and not provided for (Net of Advances) as confirmed by the management.		
b. Other Commitments	1.87	-
The Group has given corporate guarantees to banks on behalf of Nellai Renewables Private Limited		



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.11 Details of leasing arrangements

Operating lease arrangements

The rental expenses towards operating lease is charged to statement of profit & loss amount of Rs.134.75 Millions (for the year ended 31st March 2024 Rs. 121.19 Millions). Some of the lease agreements have escalation clause ranging from 5 % to 15%. There are no exceptional / restrictive covenants in the lease agreements.

3.12 Reconciliation of liabilities from financing activities for the year ended March 31, 2025

Long term borrowings*

Particulars	As at April 1, 2024	Accepted	Repayment	Fair Value Changes	As at March 31, 2025
Borrowings from banks	51.68				
Add: Acquired from business combination (Refer note 3.14)	299.13				
Borrowings from Bank	350.81	278.44	(130.78)	-	498.47
Borrowings from others	23.04	-	(1.70)	-	21.34
Finance lease liabilities	255.73	-	(54.04)	22.00	223.69
Total	629.58	278.44	(186.52)	22.00	743.50

*Including current maturities

Short term borrowings

Particulars	As at April 1, 2024	Cash Flows	Forex exchange movement	As at March 31, 2025
Working capital facilities	1,703.73			
Add: Acquired from business combination (Refer note 3.14)	309.43			
Borrowings from Bank	2,013.16	1038.33	13.27	3,064.76
Total	2,013.16	1,038.33	13.27	3,064.76

Reconciliation of liabilities from financing activities for the year ended March 31, 2024

Long term borrowings*

Particulars	As at April 1, 2023	Accepted	Repayment	Fair Value Changes	As at March 31, 2024
Borrowings from banks	161.66	11.56	(121.54)	-	51.68
Borrowings from others	25.04	-	(2.00)	-	23.04
Finance lease liabilities	284.93	-	(54.23)	25.03	255.73
Total	471.63	11.56	(177.77)	25.03	330.45

*Including current maturities

Short term borrowings

Particulars	As at April 1, 2023	Cash Flows	Forex exchange movement	As at March 31, 2024
Working capital facilities	1,975.22	(254.77)	(16.72)	1,703.73
Total	1,975.22	(254.77)	(16.72)	1,703.73



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.13 Additional disclosure as per part III of Schedule III of the Companies Act, 2013

As at March 31, 2025

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Company				
S.P. Apparels Limited	101.15%	8597.53	87.83%	835.32
Indian Subsidiaries				
Crocodile Products Pvt Ltd	-0.71%	(60.66)	0.11%	1.07
S.P Retail Ventures Limited	2.70%	229.90	-11.10%	(105.54)
Young Brand Apparel Pvt Ltd	16.41%	1,394.66	31.39%	298.47
Foreign subsidiaries				
S.P Apparels (UK) (P) Ltd	-0.14%	(11.64)	-8.17%	(77.71)
S.P Apparels International (Private) Ltd	0.00%	(0.18)	-0.11%	(1.05)
Total Eliminations	-18.66%	(1,586.18)	0.00%	(0.00)
Non-controlling interest	-0.75%	(63.92)	0.05%	0.46
Total	100.00%	8,499.51	100.00%	951.02

As at March 31, 2024

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Company				
S.P. Apparels Limited	102.88%	7,790.04	115.77%	1,037.62
Indian Subsidiaries				
Crocodile Products Pvt Ltd	-0.82%	(62.19)	0.16%	1.39
S.P Retail Ventures Limited	4.42%	334.43	-11.79%	(105.63)
Foreign subsidiaries				
S.P Apparels (UK) (P) Ltd	0.86%	64.76	-4.21%	(37.72)
Total Eliminations	-6.48%	(490.62)	0.00%	-
Non-controlling interest	-0.86%	(64.38)	0.07%	0.59
Total	100.00%	7,572.04	100.00%	896.25



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.14 Acquisition of Young Brand Apparel Private Limited, the subsidiary of Bannari Amman Spinning Mills Limited

Pursuant to the approval of the board of directors of the Holding Company at its meeting held on December 9, 2023, a Share Purchase Agreement (“SPA”) was entered on June 6, 2024 amongst the Holding Company and Young Brand Apparel Private Limited (YBAPL), its erstwhile Promoters and members of the erstwhile Promoter group of YBAPL for the purchase of 100% of the issued and paid-up equity share capital of the YBAPL. The Holding Company has completed the 100% acquisition of the issued and paid-up equity share capital of Young Brand Apparel Private Limited (YBAPL) and became its promoter and holding company with effect from June 21, 2024. A total purchase consideration of ₹1,523.01 million was paid for the acquisition of 65,160,606 equity shares of YBAPL.

The fair value of indentifiable assets and liabilities acquired as at the date of acquisition (21st June, 2024) were:

Particulars	Fair Value as on June 21, 2024
Non Current Assets	
a. Property, Plant and Equipment	
- Land	537.51
- other Assets	544.45
b. Intangible Assets	1.80
c. Financial Assets	-
- Investments	6.00
- Other Financial Assets	11.33
d. Other Non Current Assets	9.43
Current Assets	
a. Inventories	576.04
b. Financial Assets	-
- Trade Receivables	396.96
- Cash and cash equivalents	62.95
- Other Financial Assets	2.06
d. Other Current Assets	207.99
Fair Value of Assets Taken over	2356.52
Non-current liabilities	
a. Financial Liabilities	
- Borrowings	299.13
b. Provisions	43.21
c. Deferred Tax Liabilities (Net)	66.82
d. Other non-current liabilities	4.21
Current Liabilities	
a. Financial Liabilities	
- Borrowings	309.43
- Trade payables	169.19
- Other Financial liabilities	91.86



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Particulars		Fair Value as on June 21, 2024
b. Other current liabilities		5.99
c. Provisions		22.41
Fair Value of Liabilities Taken Over	B	1012.25
Fair Value of Net Assets Take Over	C = A - B	1344.27
% of Equity Holding of the company in YBAPL	D	100%
Fair Value of Net Assets attributable to the Company	E = C * D	1344.27
Consideration Paid	F	1523.01
Goodwill	G = F - E	178.74
% of Non controlling Interest in YBAPL		0%
Share of Non controllig Interest in YBAPL		-

The Holding Company has paid Rs 1523.01 Millions as purchase consideration towards purchase of 6,51,60,606 equity shares of YBAPL

Acquisition related cost of Rs 3.31 Millions incurred by the holding company have been recognised as an expense in the consolidated statement of Profit and Loss.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.15 Related party transaction

Name of Related Party	Nature of Relationship
Key Managerial Personnel	
Mr. P. Sundararajan	Managing Director
Ms. S. Latha	Executive Director (Wife of Mr.P.Sundararajan)
Mr. S. Chenduran	Joint Managing Director (Son of Mr.P.Sundararajan)
Ms. S. Shantha	Joint Managing Director (Daughter of Mr.P.Sundararajan)
Ms. P. Jeeva	Chief Executive Officer (Garment Division)
Mr. V. Balaji	Chief Financial Officer
Ms. K. Vinodhini	Company Secretary
Mr. T. V. Guru Krishnan	Chief Financial Officer (Till October 14, 2024 - Young Brand Apparel Private Limited)
Associate	
Crocodile International Pte Ltd	Associate Company
Urban Stitch Private Limited	Associate Company
Enterprises owned by key Managerial Personnel	
S.P.Retail Brand limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
Poornam Enterprises Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence
S.P.Lifestyles	Enterprise over which Key Managerial Personnel are able to exercise significant influence
Enterprises owned by relatives of key Managerial Personnel	
SP Superfine Cotton Mills Private Limited	Enterprise over which relative of Key Managerial Personnel are able to exercise significant influence
Perumal Spinning Mills Private Limited	Enterprise over which relative of Key Managerial Personnel are able to exercise significant influence.
Trust controlled by Key Managerial Personnel	
S.P. Charitable Trust	Trust over which Key Managerial Personnel are able to exercise significant influence.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31, 2025 and Balances outstanding at March 31, 2025

Nature	Particulars	Associate Company				Key Managerial Personnel *							
		Urban Stitch Private Limited		Crocodile International Pte Limited		Mr.P.Sundararajan		Ms. S.Latha		Mr.S.Chenduran		Ms. S.Shantha	
		31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Trans-action Details	Sale of Goods & Service	-	-	-	-	-	-	-	-	-	-	-	-
	Royalty Paid	-	-	22.17	21.00								
	Royalty Received	-	-										
	Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Goods & services	-	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	40.60	21.00	-	-	-	-	-	-
	CSR Donation Made	-	-	-	-	-	-	-	-	-	-	-	-
	Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-
	Remuneration	-	-	-	-	27.60	24.00	19.20	19.20	15.00	15.00	1.20	1.20
	Lease Rent Paid	-	-	-	-	21.78	19.58	3.31	2.88	3.60	3.85	-	-
Out-standing Balances	Lease Rent Paid Ind As 116	-	-	-	-	-	-	-	-	-	-	-	-
	Investment made	-	-	-	-	-	-	-	-	-	-	-	-
	USL -Net Accepted/ (Repaid)	Given	-	-	-	-	-	-	-	-	-	-	-
		Received	-	-	-	-	1.70	-	-	-	-	-	-
	Loans & Advances	Given	144.93	-	-	-	28.71	-	-	-	-	-	-
		Received	-	-	-	-	-	-	-	-	-	-	-
	Remuneration payable	-	-	-	-	1.63	4.22	-	-	0.10	0.18	0.07	0.07
	Lease Rent payable	-	-	-	-	-	-	-	-	-	-	-	-
	Lease Rent security deposit	-	-	-	-	74.32	74.32	0.78	0.78	-	-	-	-
	Un secured Loan payable	-	-	-	-	21.34	23.04	-	-	-	-	-	-
Trade Payables	-	-	14.39	15.68	-	-	-	-	1.46	3.54	-	-	
Trade Receivables	-	-	-	-	-	-	-	-	-	-	-	-	
Loans & Advances Given	144.93	-	-	-	-	-	-	-	-	-	-	-	
Advances Paid -Land purchase	-	-	-	-	-	28.71	-	-	-	-	-	-	



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

Details of transactions with related parties - During the year ended March 31, 2025 and Balances outstanding at March 31, 2025

Nature	Particulars	Key Managerial Personnel *							
		Ms. P.V.Jeeva		Mr.V.Balaji		Ms. K.Vinothini		Mr. T. V. Guru Krishnan	
		31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Trans- action Details	Sale of Goods & Service	-	-	-	-	-	-	-	-
	Royalty Paid							-	-
	Royalty Received							-	-
	Interest Income	-	-	-	-	-	-	-	-
	Purchase of Goods & services	-	-	-	-	-	-	-	-
	Purchase of Land	-	-	-	-	-	-	-	-
	CSR Donation Made	-	-	-	-	-	-	-	-
	Reimbursement of expenses	-	-	-	-	-	-	-	-
	Remuneration	6.84	6.46	3.66	3.52	1.64	1.47	1.37	-
	Lease Rent Paid	-	-	-	-	-	-	-	-
	Lease Rent Paid Ind As 116	-	-	-	-	-	-	-	-
	Investment made	-	-	-	-	-	-	-	-
	USL - Net Accepted/ (Repaid)	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
	Loans & Advances	-	-	-	-	-	-	-	-
Out- standing Balances	Loans & Advances	-	-	-	-	-	-	-	-
	Loans & Advances	-	-	-	-	-	-	-	-
	Remuneration payable	-	-	-	-	-	-	-	-
	Lease Rent payable	-	-	-	-	-	-	-	-
	Lease Rent security deposit	-	-	-	-	-	-	-	-
	Un secured Loan payable	-	-	-	-	-	-	-	-
	Trade Payables	-	-	-	-	-	-	-	-
	Trade Receivables	-	-	-	-	-	-	-	-
	Loans & Advances Given	-	-	-	-	-	-	-	-
	Advances Paid -Land purchase	-	-	-	-	-	-	-	-



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

3.16 Additional Regulatory Information:

(i) The Holding Company and its Subsidiary Companies which are incorporated in India do not have investment property to disclose as to whether the fair value of such investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(ii) The Holding Company and its Subsidiary Companies which are incorporated in India have not revalued its Property, Plant and Equipment (including Right-of-Use Assets).

(iii) The Holding Company and its Subsidiary Companies which are incorporated in India do not have the Intangible assets so the revaluation of the Intangible is not applicable.

(iv) The Holding Company and its Subsidiary Companies which are incorporated in India do not grant any loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined in the Companies Act, 2013), either severally or jointly with any other person.

(v) Capital-Work-in Progress (CWIP):

(a) CWIP aging schedule:

As at March 31, 2025					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	269.94	35.70	-	-	305.64
As at March 31, 2024					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	187.47	-	-	-	187.47

Note: The Holding Company and its Subsidiary Companies which are incorporated in India do not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

(vi) Details of Benami Property held:

No proceedings has been initiated or pending against the Holding Company and its Subsidiary Companies which are incorporated in India for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(vii) Where the Company has borrowings from bank or financial institutions on the basis of current assets:

The Holding Company and its Subsidiary Companies which are incorporated in India have made borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Holding Company and its Subsidiary Companies which are incorporated in India with banks are in agreement with the books of account other than as set out below.



D. NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Indian ₹ Millions except share data and as stated)

a.) S.P. Apparels Limited

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/ Statement	Amount of Differences	Reasons for Discrepancies
State Bank of India, IDBI Bank, HSBC and HDFC Bank	Q3 2024-25	2,851.27	2,932.11	80.84	Provisions, Regrouping, Final Entries are not part of data submitted to Bank. The details get shared with Initial Reports.
	Q4 2024-25	2,883.62	2,853.53	(30.09)	

b.) Young Brand Apparel Private Limited

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/ Statement	Amount of Differences	Reasons for Discrepancies
HDFC Bank	Q1 2024-25	576.04	576.04	-	Provisions, Regrouping, Final Entries are not part of data submitted to Bank. The details get shared with Initial Reports.
	Q2 2024-25	490.98	484.45	(6.53)	
	Q3 2024-25	464.61	484.54	19.93	
	Q4 2024-25	457.73	457.64	(0.09)	

c.) S.P. Retail Ventures Private Limited

Name of the Bank	Quarter	Amount as per Books of Account	Amount reported in Quarterly Report/Statement	Amount of Differences	Reasons for Discrepancies
HSBC and HDFC Banks	Q1 2024-25	797.79	800.64	2.85	Provisions, Regrouping, Final Entries are not part of data submitted to Bank. The details get shared with Initial Reports.
	Q2 2024-25	844.92	906.71	61.79	
	Q3 2024-25	806.98	808.73	1.75	
	Q4 2024-25	792.36	806.25	13.89	

(viii) Wilful Defaulter:

The Holding Company and its Subsidiary Companies which are incorporated in India are not declared as wilful defaulter by any bank , financial institution or other lender.

(ix) Relationship with Struck off Companies:

The Holding Company and its Subsidiary Companies which are incorporated in India have no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(x) Compliance with number of layers of companies:

The Holding Company and its Subsidiary Companies which are incorporated in India have no layers as stipulated under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) Compliance with approved Scheme(s) of Arrangements:

The Holding Company and its Subsidiary Companies which are incorporated in India have not entered into any arrangements which requires approval from the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.



(xii) Utilisation of Borrowed funds and share premium:

(A) The Holding Company and its Subsidiary Companies which are incorporated in India have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its Subsidiary Companies which are incorporated in India (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Holding Company and its Subsidiary Companies which are incorporated in India have 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 Holding Company and its Subsidiary Companies which are incorporated in India 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.

(xiii) The Holding Company and its Subsidiary Companies which are incorporated in India do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.

(xiv) The Holding Company and its Subsidiary Companies which are incorporated in India do not have traded or invested in Crypto currency or Virtual Currency during the financial year.

(xv) The Holding Company and its Subsidiary Companies which are incorporated in India do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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

3.17 The Group has considered Consolidated Financial Statements of Young Brand Apparel Private Limited for 284 days (from June 21, 2024, to March 31, 2025) in this Consolidated Financial Statements and therefore the previous period results are not comparable.

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Reg. No.: 009571N/N500006

D K Giridharan

Partner, Membership No. : 028738

Place : Chennai

Date : May 27, 2025

For and on behalf of the Board of Directors

P.Sundararajan

Managing Director

DIN : 00003380

S. Latha

Executive Director

DIN : 00003388

V.Balaji

Chief Financial Officer

K. Vinodhini

Company Secretary

Place : Avinashi

Date : May 27, 2025



NOTICE

NOTICE is hereby given that the 20th Annual General Meeting (“AGM”) of the Shareholders of the Company will be held on Monday, 1st day of September 2025 at 4.00 PM (IST) through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone & Consolidated Audited Financial Statements including Statement of Profit and Loss (including other comprehensive income), along with the Statement of Cash Flows and the Statement of changes in Equity for the financial year ended 31st March, 2025, the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend of the Company for the financial year ended 31st March 2025.
3. To appoint a Director in the place of Mr. S. Chenduran, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and approve the appointment of MDS & Associates LLP, Company Secretaries as Secretarial Auditors of the Company for the first term of five (5) consecutive financial years and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendments or modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) as amended from time to time, read with relevant circulars and based on the recommendation of the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the appointment of MDS & Associates LLP (LLPIN: ABZ - 8060; ICSI Unique Code: L2023TN013500), Company Secretaries, Coimbatore, who are holding a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI), as Secretarial Auditors of the Company for a period of 5 (five) consecutive years commencing from the financial year 2025-26 to conduct the Secretarial Audit of the Company at such remuneration and such terms & conditions as detailed in the statement annexed to this notice pursuant to Section 102 of the Act and the SEBI Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors (including any committee thereof) be and is hereby authorized to do all such acts, deeds, things and matters, to sign all such documents and writings and to take all such steps as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.

5. To consider and approve the re-appointment of Mr. Sundararajan Perumal Mudaliar, as Chairman and Managing Director of the Company and in this regard, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Nomination and Remuneration Policy and the provisions of the Articles of Association of the Company, the consent of the members be and is hereby accorded to re-appoint Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), who will attain the age of 70 years on 17th May 2026 and who is also a Managing Director of Young Brand Apparels Private Limited, as Chairman and Managing Director of the Company for a period of 3 (Three) years with effect from 21st November 2025, on the following terms and conditions notwithstanding the fact that the aggregate annual remuneration payable to Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), in any year, during



his tenure together with the aggregate annual remuneration payable to other executive directors who are promoters or members of the promoter group, may exceed the limits as set out under the Listing Regulations or the Act for the time being in force, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors at their respective meetings held on 6th August 2025.

Terms of Remuneration:

Salary: ₹ 10,00,000/- (Rupees Ten Lakhs only) per month plus other employee benefits of the Company.

Provided that the aggregate annual remuneration payable to Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), by M/s. Young Brand Apparel Private Limited (CIN: U18101TN2006PTC081600) together with the aggregate annual remuneration mentioned herein shall not exceed, in any financial year, an overall ceiling limit of Rs. 14,50,000/- (Rupees Fourteen Lakhs and Fifty Thousand only) per month in accordance with Schedule V of the Companies Act, 2013.

Commission on net profits: Not exceeding 1 (one) percent of net profits in an accounting year of the Company subject to availability of profit.

Perquisites:

In addition to the salary and commission, the Chairman and Managing Director shall also be entitled to the following perquisites and benefits:

- (a) Company maintained car with driver for official and personal use
- (b) Free landline telephone/ broadband facility at residence and mobile telephone facility.
- (c) Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity as per the rules of the Company.
- (d) Leave and encashment of unavailed leave as per the rules of the Company.
- (e) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the above remuneration shall be payable as minimum remuneration to Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), the Chairman and Managing Director of the Company in compliance with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (including its Committees thereof) be and are hereby authorized to alter and vary the terms of re-appointment and/or remuneration payable to Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), the Chairman and Managing Director of the Company, as it may deem fit.

RESOLVED FURTHER THAT Mr. Sundararajan Perumal Mudaliar (DIN: 00003380), the Chairman and Managing Director of the Company, shall not be entitled to receive sitting fees for attending the meetings of the Board of Directors or any Committees thereof and is not liable to retire by rotation during his tenure of appointment.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper and expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

6. To consider and approve the re-appointment of Smt. H. Lakshmi Priya as a Non-Executive Independent Director of the Company and in this regard, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and the applicable



provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (as amended) and the Articles of Association of the Company and upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Smt. H. Lakshmi Priya (DIN: 08858643), non-executive independent director of the Company, who had submitted a declaration that she meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for appointment and in respect of whom the Company has received a Notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five (5) consecutive years with effect from 2nd September 2025 and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient, to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

7. To consider and approve the re-appointment of Mr. C. R. Rajagopal, as a Non-Executive Independent Director of the Company and in this regard, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (as amended) and the Articles of Association of the Company and upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. C. R. Rajagopal (DIN: 08853688), non-executive independent director of the Company, who had submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for appointment and in respect of whom the Company has received a Notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five (5) consecutive years with effect from 2nd September 2025 and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient, to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No.4

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 notified on December 12, 2024 (“SEBI Listing Regulations”), and the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company, based on the recommendation of the Board of Directors, shall appoint a Secretarial Auditor who shall be a Peer Reviewed Company Secretary in Practice for a term of 5 (five) consecutive years with the approval of its members at the Annual General Meeting. Accordingly, the Board of Directors at their meeting held



on 6th August, 2025, has recommended the appointment of MDS & Associates LLP (LLPIN: ABZ - 8060), Company Secretaries, Coimbatore, who are holding a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI), as Secretarial Auditors of the Company to conduct the Secretarial Audit of the Company for a term of 5 (five) consecutive financial years commencing from the financial year 2025-26, on the following terms and conditions, subject to the approval of the members at the ensuing 20th Annual General Meeting:

Term of appointment: 5 (five) consecutive financial years commencing from the financial year 2025-26 to conduct Secretarial Audit of the Company.

b) Proposed Remuneration: Rs.2,00,000 (Rupees Two Lakhs Only) plus applicable taxes and out of pocket expenses, if any, in connection with the secretarial audit for Financial Year ending March 31, 2026 and for subsequent year(s) of their term, such fee as may be approved by the Board of Directors in consultation with the Secretarial Auditors. The other terms of appointment of the Secretarial Auditors will be specified by the Board. Besides the above, the Company would obtain certification as may be required under various statutory regulations from time to time and such other services, which are not restricted, with necessary approval of the Board and the same will be remunerated separately on mutually agreed terms.

c) Basis of recommendation: The Board of Directors has considered the credentials of the appointee Secretarial Auditors, as given below and recommended their appointment, as set out in Item No.4 of this notice, based on the fulfilment of the eligibility criteria and qualifications prescribed under the Act & Rules made thereunder and SEBI Listing Regulations with regard to the experience of the firm, capability, independent assessment and audit experience.

d) Profile: MDS & Associates LLP, Company Secretaries, a Limited Liability Partnership, is a Practicing Company Secretaries' firm based in Coimbatore, Tamil Nadu. The firm houses a team of qualified and seasoned professionals who bring together more than 36 years of rich experience and expertise knowledge in the field of Corporate, Securities and allied laws. The Firm is specialized in Secretarial Audits, Board Process Audits, Corporate Governance Audits, Corporate Actions / Transactions based Due Diligence Audits and mergers and acquisitions. The firm consists of 3 partners who are fellow members of The Institute of Company Secretaries of India (ICSI). Sri. M. D. Selvaraj, FCS, is the Managing Partner. The firm holds a valid Peer Review Certificate issued by ICSI and meets the criteria of appointment as prescribed under Regulation 24A of the SEBI Listing Regulations.

e) MDS & Associates LLP have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the limits prescribed by the Institute of Company Secretaries of India or under the Act & Rules made thereunder and SEBI Listing Regulations. They have also confirmed that they are not disqualified from being appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and SEBI Listing Regulations.

Accordingly, the Board of Directors hereby recommend the Ordinary Resolution set out in Item No. 4 of the Notice for the approval of the members.

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

Item No. 5

Mr. Sundararajan Perumal Mudaliar (DIN: 00003380) was re-appointed as the Chairman and Managing Director of the Company for a period of 5 years with effect from 21st November, 2020 and accordingly, the present tenure of his office as the Chairman and Managing Director of the Company is valid upto 20th November, 2025.

Pursuant to Section 178 & 177 of the Companies Act, 2013 ('the Act') and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Nomination and Remuneration Committee and Audit Committee at their respective meeting(s) held on 6th August 2025 had recommended/ approved the reappointment of



Mr. Sundararajan Perumal Mudaliar as Chairman and Managing Director of the Company and payment of remuneration for a further period of three (3) years with effect from 21st November 2025 on the terms and conditions as set out in Item No.5 of the Notice, and the same is within the limits as specified in Part II of Schedule V to the Companies Act, 2013.

In accordance with the provisions of Section 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at their meeting held on 6th August 2025 has approved the re-appointment of Mr.Sundararajan Perumal Mudaliar, who will attain the age of seventy (70) years on 17th May, 2026, as Chairman and Managing Director of the Company for a further period of Three (3) years with effect from 21st November 2025 on the terms and conditions as set out under Item No.5 of this notice, subject to the approval of the members of the Company by means of passing a special resolution.

Mr. Sundararajan Perumal Mudaliar, who holds a Bachelor of Science degree from the Bangalore University and Promoter of the Company, has been serving this Company for over a period of 31 years and considering his wide knowledge, qualification, expertise and experience in the field of Garmenting technology, the Board of Directors are of the view that the re-appointment of Mr. Sundararajan Perumal Mudaliar as Chairman and Managing Director for a further period of 3 years would be in the interest of the Company. His re-appointment is expected to be greatly beneficial to the future growth plans of the Company.

Further, it is to be noted that Mr. Sundararajan Perumal Mudaliar, is also appointed as Chairman and Managing Director of M/s. Young Brand Apparel Private Limited (CIN: U18101TN2006PTC081600) along with payment of remuneration with effect from 1st August 2024.

Pursuant to Schedule V of the Companies Act, 2013, a managerial person shall draw remuneration from one or both companies, provided that the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person. Further, pursuant to the first proviso under Section II of Part II of Schedule V of the Companies Act, 2013, the payment of remuneration in excess of the limits prescribed under Section II, as applicable, to managerial personnel shall require the approval of the members by means of passing a special resolution.

Considering the above facts, the Board of Directors have recommended the Special Resolution as set out in Item No. 5 of the Notice for approval of the Members.

The general information as required under Part II of Section II of Schedule V of the Companies Act, 2013 (as amended) and the disclosure as required in accordance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the ICSI has been annexed and forms part of this notice.

Except Mr.P.Sundararajan, Chairman and Managing Director, appointee Director and Mrs. Latha, Executive Director and Mr.S.Chenduran & Mrs.S.Shantha, Joint Managing Directors of the Company, being his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.5.

Item No(s). 6 & 7:

Smt. H. Lakshmi Priya (DIN: 08858643), and Mr. C. R. Rajagopal (DIN: 08853688) were appointed as a non-executive independent director(s) of the Company for the first term of five (5) consecutive years with effect from 2nd September 2020 and accordingly, tenure of their office as non-executive independent director(s) are valid upto 1st September 2025.

Based on the evaluation and recommendation of the Nomination Remuneration Committee and being eligible for appointment as an Independent Director as per the criteria laid down under Section 149(6) of the Companies Act, 2013 ("the Act") read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors of the Company at their Meeting held on 6th August 2025 has re-appointed



Smt. H. Lakshmi Priya (DIN: 08858643), and Mr. C. R. Rajagopal (DIN: 08853688) as a Non-Executive Independent Director(s), for the second term of five (5) consecutive years with effect from 2nd September 2025 to 1st September 2030 (both days inclusive), subject to the approval of the members by means of special resolution(s).

Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688), being the appointee Independent Director(s), have expressed their consent to act as Director(s) along with the declaration(s) to the effect that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and that their name(s) are included in the databank as required under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and that they are not disqualified from being appointed as a Director(s) in terms of Section 164 of the Act and not debarred from holding the office of a Director(s) by order of Securities and Exchange Board of India (SEBI) or any other statutory authority under any law. They also have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as an Independent Director of the Company.

In the opinion of the Board, Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688) fulfill the conditions as specified under the Act read with the Rules made thereunder and the Listing Regulations for their appointment as Independent Director(s) of the Company and are also independent of the Management. Considering their knowledge, qualification, skills and experience, the Board of Directors is of the opinion that the appointment of Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688) as an Independent Director(s) would be highly beneficial to the Company.

During the tenure of appointment(s), Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688) shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

A copy of the draft Appointment Letter(s) to be issued to Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688) upon their re-appointment as Independent Director(s), containing the terms and conditions of such appointment(s), would be available to members for inspection electronically on the Company's website www.s-p-apparels.com and at the Registered Office of the Company during the normal business hours on any business day without payment of fee.

The disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are furnished and form a part of this Notice.

Accordingly, the Board recommends the Special Resolution(s) as set out in Item no(s): 6 & 7 of the Notice, in relation to eligibility and appointment of Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688) as Independent Director(s) for the second term of five (5) consecutive years, for approval by the Members of the Company.

Except Smt. H. Lakshmi Priya (DIN: 08858643) and Mr. C. R. Rajagopal (DIN: 08853688), being the appointee director(s), none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No(s): 6 & 7 of the Notice.



Statement of disclosures pursuant to Section II (A) of Part II of Schedule V to the Companies Act, 2013 in relation to Item No. 5 above:

I. GENERAL INFORMATION

1. Nature of Industry

Garments Industry

2. Date or expected date of commencement of commercial production

The company was incorporated on 18th November 2005 and commenced commercial production subsequently in the same year.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable

4. Financial performance based on given indicators

(Rs. in Million)

Particulars	31.03.2025	31.03.2024
Sales & other income	9890.05	9639.84
Profit/ (Loss) before tax	1,117.46	1356.94
Profit/ (Loss) after tax	835.31	1037.62
Paid-up equity capital	250.93	250.93
Reserves and Surplus	8346.60	7,539.11
Basic Earnings per share (in Rs.)	33.29	41.35

5. Foreign Investments or collaborations, if any -

The Company has made investments in countries outside India which are disclosed in Form AOC-1 which forms part of the Annual Report. Further, the Company has not entered into any foreign collaboration agreements.

II. INFORMATION ABOUT THE APPOINTEES

Particulars	Sri. Sundararajan Perumal Mudaliar
Background details	Sri. Sundararajan Perumal Mudaliar holds a Bachelor of Science degree from the Bangalore University. He is associated with the company since 2005 and has approximately 31 years of experience in the textile and apparel industry.
Past remuneration	During the financial year ended 31st March 2025, Sri. Sundararajan Perumal Mudaliar has received a remuneration of Rs. 2,40,00,000/-
Recognition or awards	Nil
Job profile and his suitability	Mr. Sundararajan Perumal Mudaliar (DIN: 00011326), Chairman and Managing Director of the Company, is managing the overall affairs of the company and is entrusted with the substantial powers of management under the superintendence, control and direction of the Board of Directors. Mr. Sundararajan Perumal Mudaliar has adequate managerial experience in the relevant field and he is considered suitable for the said managerial position
Remuneration Proposed	As set out in Item No.5 of the Notice



Particulars	Sri. Sundararajan Perumal Mudaliar
Comparative remuneration profile with respect to industry, size of the company profile of the position and person	Taking into consideration the size of the company, profile of Sri. Sundararajan Perumal Mudaliar, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Besides the remuneration being received, the Chairman and Managing Director does not have any pecuniary relationship with the company. He is related to Smt. Sundararajan Latha, Executive Director and Mr.S.Chenduran, & Smt. Sundararajan Shantha, Joint Managing Director(s).

III. OTHER INFORMATION

1. Reasons for loss or inadequate profits: The operations of the Company is presently results in profits.
2. Steps taken or proposed to be taken for improvement: The Company has increased the number of factories and the production capacity. It has also taken effective cost control measures which would result in better profitability in the ensuing years.
3. Expected increase in productivity and profits in measurable terms: Barring unforeseen circumstances, the productivity and profits of the Company are expected to increase.

IV. DISCLOSURES

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement:

1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
2. Details of fixed components and performance linked incentives along with the performance criteria;
3. Service contracts, notice periods, severance fees; and stock option details, if any, and whether the same had been issued at a discount as well as the period over which accrued and over which exercisable.



In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Secretarial Standards on General Meetings, brief profile of the Directors, who are proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, other directorships and committee memberships, their shareholding and relationship with other Directors of the Company are given below:

Name of the Director	Sri.S.Chenduran	Mr. Sundararajan Perumal Mudaliar
DIN	03173269	00003380
Date of Birth/Age	18/03/1989/ 36 years	17/05/1956 / 69 years
Nationality	Indian	Indian
Date of appointment on the Board	30.03.2015	18.11.2005
Qualification	M.Sc in Business and Management from the University of Strathclyde	B.Sc
Experience / Area of Expertise	He has vast experience in Management & retail business	He has vast experience in Management & Garments
No. of Shares held in the Company	27,751 Equity Shares	1,25,38,759 Equity Shares
Inter-se Relationship with other directors	Related to Sri. Sundararajan Perumal Mudaliar, Chairman and Managing Director, Smt. Sundararajan Latha, Executive Director and Smt. Sundararajan Shantha, Joint Managing Director	Related to Mrs.S.Latha, Executive Director, Mrs.S.Shantha & Mr.S.Chenduran, Joint Managing Directors
Board position held	Joint Managing Director	Chairman and Managing Director
Terms of Appointment/ Re-appointment	Liable to retire by rotation.	Re-appointment as Chairman and Managing Director for a period of 3 years with effect from 21.11.2025.
Remuneration sought to be paid	Rs. 30,00,000/- Per Annum plus 1% of Commission on Net Profits	As per Item No. 5 of the Notice
Remuneration last drawn	Rs.1,50,00,000/- Per Annum	Rs. 2,40,00,000/- per annum
No. of Board Meetings attended during the year	5 (Five)	5 (Five)
List of Directorships held in other Companies	1. Young Brand Global Private Limited 2. Young Brand Apparel Private Limited 3. Crocodile Products Private Limited 4. S.P.Retail Ventures Limited 5. Poornam Enterprises Private Limited 6. S.P.Retail Brands Limited	1. Young Brand Apparel Private Limited 2. Young Brand Global Private Limited 3. Crocodile Products Private Limited 4. S.P.Retail Ventures Limited and 5. S.P.Superfine Cotton Mills Private Limited
Details of Membership in Committees of Other Companies	Nil	Nil
Names of listed entities in which the person has resigned in the past three years	Nil	Nil



Name of the Director	Smt. H. Lakshmi Priya	Mr. C. R. Rajagopal
DIN	08858643	08853688
Date of Birth/Age	25/11/1973/ 51 years	08/01/1960/ 65 years
Nationality	Indian	Indian
Date of appointment on the Board	02.09.2020	02.09.2020
Qualification	Lawyer	Chartered Accountant
Experience / Area of Expertise	She has vast in experience in Corporate and Securities laws, M&A and Joint ventures, PE/ VC investments, Regulatory and exchange control	He has vast experience in finance, Corporate restructuring, Governance management and strategy development
No. of Shares held in the Company	Nil	Nil
Inter-se Relationship with other directors	Not related to any other Directors	Not related to any other Directors
Board position held	Non-Executive Independent Director	Non-Executive Independent Director
Terms of Appointment/ Re-appointment	Re-appointment as Independent Director of the Company for a period of 5 years with effect from 02.09.2025	Re-appointment as Independent Director of the Company for a period of 5 years with effect from 02.09.2025
Remuneration sought to be paid	Sitting Fees only	Sitting Fees only
Remuneration last drawn	-	-
No. of Board Meetings attended during the year	4 (Four)	5 (Five)
List of Directorships held in other Companies	Nil	<ol style="list-style-type: none"> 1. GHCL Textiles Limited 2. Adithya Automotive Applications Limited 3. Enovate Lifestyles Private Limited 4. Young Brand Global Private Limited 5. Young Brand Apparel Private Limited 6. Values Alternative Investments International Private Limited 7. Tricolour Financial Services Private Limited 8. Kaapi Machines (India) Private Limited 9. Eastman Exports Global Clothing Private Limited 10. S.P Retail Ventures Limited 11. Bohne Engineering Private Limited



Name of the Director	Smt. H. Lakshmi Priya	Mr. C. R. Rajagopal
Details of Membership in Committees of Other Companies	Nil	GHCL Textiles Limited: a. Chairman of Audit Committee and Risk Management Committee
Names of listed entities in which the person has resigned in the past three years	Nil	Nil

Place : Avinashi
Date : 06.08.2025

By the order of the Board
For S.P. APPARELS LIMITED

PERUMAL SUNDARARAJAN
CHAIRMAN AND MANAGING DIRECTOR
DIN: 00003380



Notes :

1. The Ministry of Corporate Affairs (“MCA”) has vide its relevant Circulars issued during the year(s) 2020, 2021, 2022, 2023 and 2024 (collectively referred to as ‘MCA Circulars’) permitted the conduct of the Annual General Meeting (“AGM”) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) without the physical presence of the members at a common venue and the deemed venue for the AGM shall be the Registered Office of the Company. The same has been acknowledged by Securities and Exchange Board of India (“SEBI”) vide their relevant circulars issued during the year(s) 2020, 2021, 2022, 2023 and 2024 (collectively referred to as ‘SEBI Circulars’). In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. Members desirous of participating in the meeting through VC/ OAVM may refer to the procedures mentioned below.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars & SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI etc.,) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting or e-voting during the meeting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to spal@mdsassociates.in with a copy marked to the Company at csoffice@spapparels.com and to its RTA at enotices@in.mpms.mufg.com.
4. The statement setting out the material facts pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 read with Rules setting out all material facts relating to the resolutions mentioned in the Notice is annexed hereto.
5. The Register of Members and share transfer books of the Company will remain closed from Tuesday, 26th August 2025 to Monday, 1st September 2025 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.
6. Members may note that M/s. ASA & Associates LLP., Chartered Accountants (Firm Registration No. 009571N/N500006) were appointed as Statutory Auditors of the Company at the 17th Annual General Meeting (AGM) held on 19th September, 2022, to hold their office for a period of 5 consecutive years till the conclusion of the 22nd AGM to be held during the year 2027. Hence, no resolution is being proposed for the appointment of Statutory Auditors at this 20th Annual General Meeting.
7. Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration, to those Members whose names appear on the Register of Members as per the details received from the depositories for this purpose as at the close of the business hours on Monday, 25th August 2025.
8. Members who have not registered their Bank particulars with the Depository Participant(s) (“DP”) / Company are advised to utilize the electronic solutions provided by National Automated Clearing House (“NACH”) for receiving dividends. Members holding shares in electronic form are requested to contact their respective Depository Participant(s) for availing this facility. Members holding shares in physical form are requested to download the NACH form from the website of the Company viz., www.s-p-apparels.com and the same, duly filled up and signed along with original cancelled cheque leaf may be sent to the Company or to the Registrar and Share Transfer Agent (“RTA”).



9. Members whose shareholding is in electronic mode are requested to update bank account details (Bank Account Number, Name of the Bank, Branch, IFSC, MICR code and place with Postal Identification Number Code) to their respective Depository Participant(s) and not with the Company. Members whose shareholding is in the physical mode are requested to direct the above details to the Company or to the RTA. Regular updation of bank particulars is intended to prevent fraudulent activities.
10. The Company has entered into agreements with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”). The Depository System envisages the elimination of several problems involved in the scrip- based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holding(s) to electronic mode.
11. a. Securities and Exchange Board of India (“SEBI”) had earlier mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrar and Share Transfer Agents with effect from 1st April 2019.
- b. Further, SEBI had mandated the listed entities to issue share certificates only in dematerialized mode, with effect from 25th January 2022 to Shareholder(s)/claimant(s) holding shares in physical mode, as against their service requests including for transmission or transposition of shares. Accordingly, the Company shall only be providing a letter of confirmation to the investors against their service requests.
- As per the said circular, the Company has opened a separate Escrow Demat Account for the purpose of crediting the shares of the Shareholders who fail to submit the letter of confirmation with the respective Depository Participant within the prescribed timeline.
- c. Further, as per SEBI’s Master Circular dated 17th May 2023 and subsequent amendment circulars dated 17th November 2023, 7th May 2024 and 10th June 2024, Members holding shares in physical form, whose folio(s) lack PAN, contact details, Bank Account details or updated specimen signature, will be eligible for payment of dividend through electronic mode only with effect from 1st April 2024 upon updating the aforementioned details with MUFG Intime India Private Limited (formerly Link Intime India Private Limited), the Registrar and Share Transfer Agent of the Company. Therefore, Members holding shares in physical form are requested to update the mentioned details by providing the appropriate requests through ISR forms with the Registrar and Share Transfer Agent to ensure receipt of dividend.
- Necessary prior intimation(s) in this regard was provided to the Shareholders. A copy of the required circular(s) is/are available on the Company’s website www.s-p-apparels.com.
12. a. Members are requested to notify immediately any change in their address:
- i. to their Depository Participant(s) (“DPs”) in respect of the shares held in electronic form, and
- ii. to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz, Aadhar Card/ Electricity Bill/ Telephone Bill/ Ration Card/ Voter ID Card/ Passport etc.,
- b. In case the registered mailing address is without the Postal Identification Number Code (“PIN Code”), Members are requested to kindly inform their “PIN Code” immediately to the Company / RTA/ DPs.



13. Non-Resident Indian (“NRI”) Members are requested to inform the Company or its RTA or to the concerned Depository Participant(s), as the case may be, immediately:
 - a. the change in their residential status on return to India for permanent settlement, or
 - b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
14. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA, namely, MUFG Intime India Private Limited (formerly Link Intime India Private Limited) ‘Surya’, 35, Mayflower Avenue, behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028, Tamil Nadu, India, by quoting the Folio number or the Client ID number with DP ID number.
15. In case of joint holders, the Member whose name appears as the first holder in the order of names will be entitled to vote at the AGM.
16. A Member who needs any clarification on accounts or operations of the Company shall send his/her queries addressed to the Company Secretary of the Company at least seven days before the Annual General Meeting. Such queries will be replied by the Company suitably, during the AGM or through a separate e-mail.
17. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / RTA of the Company.
18. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividends not claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government under Section 125 of the Companies Act, 2013. The details of unpaid dividend can be viewed on the Company’s website www.s-p-apparels.com. As per the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company will be transferring the share(s) on which the beneficial owner has not encashed any dividend during the last seven years to the IEPF demat account as identified by the IEPF Authority. Details of Shareholders whose shares are liable to be transferred to IEPF are available on the Company’s website: www.s-p-apparels.com. The Shareholders whose unclaimed dividend /share has been transferred to the Investor Education and Protection Fund, may claim the same from the IEPF authority by filing Form IEPF-5 along with the requisite documents.
19. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email address is registered with the Company/ RTA/ Depository Participants. Further, a letter providing the web link including the exact path where the complete details of the Annual Report is available will be sent to the Shareholders who have not registered their email address. Members may note that the Notice and Annual Report 2024-25 is also available on the Company’s website www.s-p-apparels.com, websites of the Stock Exchanges i.e., BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of MIPL www.in.mpms.muft.com. Further, pursuant to SEBI’s Circular the Company will be sending a hard copy of the Annual Report to those Shareholders who request for the same at csoffice@spapparels.com.
20. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
21. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their Residential Status, Category as per Income Tax Act (“IT Act”), Permanent Account Number (“PAN”) with the Company/ RTA (in case of shares being held in physical



mode) and depositories (in case of shares being held in demat mode) immediately. A resident individual Shareholder having PAN and entitled to receive dividend amount exceeding B10,000/- and who is not liable to pay Income Tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by clicking on the link <https://web.in.mpms.mufig.com/client-downloads.html> on or before 1st September 2025. Shareholders are requested to note that in case their PAN is not registered with the DP/Company, tax will be deducted at the applicable higher rate.

Non-resident Shareholders can avail beneficial rates under the relevant tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by clicking on the link <https://web.in.mpms.mufig.com/client-downloads.html>. The aforesaid declarations and documents need to be submitted by a Shareholder on or before 1st September 2025.

Separate intimation in this regard will be given to the Shareholders.

22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
23. The Securities and Exchange Board of India ("SEBI") has mandated for submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their demat account(s).
24. Members may kindly note that in accordance with SEBI circular dated 31st July 2023, the Company has registered on the SMART ODR (Securities Market Approach for Resolution through Online Disputes Resolution) Portal. This platform aims to enhance investor grievance resolution by providing access to Online Dispute Resolution institutions for addressing complaints. Members can access the SMART ODR Portal via: <https://smartodr.in/login>. Members may utilize this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes between Members and the Company (including RTA).
25. Members holding shares in electronic form may please note that as per the regulations of Securities and Exchange Board of India ("SEBI"), National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), the Company is obliged to print the bank details on the dividend warrants as furnished by these depositories to the Company and the Company will not entertain any request for deletion/change of Bank details already printed on dividend warrants as per the information received from the concerned depositories. In this regard, Members should contact their Depository Participant(s) ("DP") and furnish particulars of any changes as desired by them.
26. Brief resume, details of shareholding and Directors' inter-se relationship; for Directors seeking election / re-election as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, are provided as Annexure to this Notice.
27. The Shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents in electronic mode.
28. Annual/provisional financial statements and related details of the wholly owned / fellow subsidiary companies viz, Young Brand Apparel Private Limited, S.P.Apparels International Private Limited, S.P.Retail Ventures Limited, Crocodile Products Private Limited and S.P. Apparels (UK) (P) Limited are posted on the Company's website and are also kept for inspection at the Registered Office of the companies and at the respective offices of the subsidiary companies. A copy of the same will be provided to the Members on request.
29. Soft copies of the Register of Directors' and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested,



maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members during the AGM.

Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting (“remote e-voting”) using an electronic voting system provided by MUFG Intime India Private Limited (“MIPL”) as an alternative, for all Members’ of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting/ e-voting during the AGM. Instructions to Shareholders provided hereinafter for e-voting explains the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner

However, the Members are requested to take note of the following items:

- I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of AGM Notice and holding shares as on the cut-off date, i.e., Monday, 25th August 2025, may refer to this Notice of the AGM, posted on Company’s website www.s-p-apparels.com for detailed procedure with regard to remote e-voting. Any person who ceases to be a Member of the Company as of the cut-off date and is in receipt of this Notice, shall treat this Notice for information purposes only.
- II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a resolutions is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. The remote e-voting period begins on Friday, 29th August 2025 at 9.00 AM (IST) and ends on Sunday, 31st August 2025 at 5.00 PM (IST). The remote e-voting module shall be disabled by MIPL for voting thereafter. During this period, the Members of the Company holding shares in dematerialized form, as on the cut-off date (record date) i.e., Monday, 25th August 2025, may cast their vote electronically.
- IV. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, Monday, 25th August 2025.
- V. Sri. M D Selvaraj, Managing Partner of MDS & Associates LLP, Company Secretaries, Coimbatore, has been appointed as the Scrutinizer to scrutinize the voting through remote e-voting process and e-voting during the AGM in a fair and transparent manner.
- VI. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the AGM by electronic means but have not cast their votes by availing the remote e-voting facility.
- VII. The Scrutinizer shall, after the conclusion of voting at the AGM first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days of the conclusion of the AGM, a combined scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.



VIII. The results shall be declared within the time stipulated under the applicable laws. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.s-p-apparels.com and on the website of MIIPL and be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed, by the Chairman or a person authorized by him.

Remote e-Voting Instructions for shareholders:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on “Beneficial Owner” icon under “IDeAS Login Section”.
- b) Click on “Beneficial Owner” icon under “IDeAS Login Section”.
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.
- d) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.
- c) Enter the last 4 digits of your bank account / generate ‘OTP’
- d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

METHOD 2 - NSDL e-voting website

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.



METHOD 3 - NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders registered with CDSL Easi/ Easiest facility

METHOD 1 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com & click on New System Myeasi Tab.
- b) Enter existing username, Password & click on “Login”.
- c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through “e-voting” option.



- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) Post successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote

Shareholders registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on “Login” under ‘SHARE HOLDER’ tab.
- b) Enter details as under:
 - 1. User ID: Enter User ID
 - 2. Password: Enter existing Password
 - 3. Enter Image Verification (CAPTCHA) Code
 - 4. Click “Submit”.

(Home page of e-voting will open. Follow the process given under “Steps to cast vote for Resolutions”)

Shareholders not registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on “Sign Up” under ‘SHARE HOLDER’ tab & register with details as under:
 - 1. User ID: Enter User ID
 - 2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - 3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
 - 4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - o Shareholders holding shares in NSDL form, shall provide ‘D’ above
 - o Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
 - 5. Set the password of your choice.

(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - 6. Enter Image Verification (CAPTCHA) Code.
 - 7. Click “Submit” (You have now registered on InstaVote).

Post successful registration, click on “Login” under ‘SHARE HOLDER’ tab & follow steps given above in points (a-b).



STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the “Notification for e-voting”.
- B. Select ‘View’ icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- D. After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

NOTE: Shareholders may click on “Vote as per Proxy Advisor’s Recommendation” option and view proxy advisor recommendations for each resolution before casting vote. “Vote as per Proxy Advisor’s Recommendation” option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Guidelines for Institutional shareholders (“Custodian / Corporate Body/ Mutual Fund”)

STEP 1 - Custodian / Corporate Body/ Mutual Fund Registration

- A. Visit URL: <https://instavote.linkintime.co.in>
- B. Click on “Sign Up” under “Custodian / Corporate Body/ Mutual Fund”
- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

STEP 2 - Investor Mapping

- A. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- B. Click on “Investor Mapping” tab under the Menu Section
- C. Map the Investor with the following details:
 - 1) ‘Investor ID’ - Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 2) ‘Investor’s Name’ - Enter Investor’s Name as updated with DP.
 - 3) ‘Investor PAN’ - Enter your 10-digit PAN.
 - 4) ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be - DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.



STEP 3 - Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Votes Entry” tab under the Menu section.
- c) Enter the “Event No.” for which you want to cast vote.
Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- d) Enter “16-digit Demat Account No.”.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- f) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will see “Notification for e-voting”.
- c) Select “View” icon for “Company’s Name / Event number”.
- d) E-voting page will appear.
- e) Download sample vote file from “Download Sample Vote File” tab.
- f) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.
- g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufig.com or contact on: - Tel: 022 - 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.



Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “Login” under ‘SHARE HOLDER’ tab.
- Click “forgot password?”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.



In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

InstaVote Support Desk

M/s. MUFG Intime India Private Limited (formerly known as “M/s. Link Intime India Private Limited”)

Instameet VC Instructions for Shareholders:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.mufg.com> & click on “Login”.
- b) Select the “Company Name” and register with your following details:
- c) Select Check Box - Demat Account No. / Folio No. / PAN
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box - Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box - PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No



with the DP shall enter the mobile no.

- d) Click “Go to Meeting”

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request with the company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on ‘Submit’.
- d) After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
- e) Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any



disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

InstaMeet Support Desk

M/s. MUFG Intime India Private Limited (formerly known as “M/s. Link Intime India Private Limited”)







S.P. APPARELS LIMITED

39-A, Extension Street,
Kaikattipudur, Avinashi – 641 654,
Tirupur District