KPR
MILL LIMITED

FASO®
INNERWEAR | ATHLEISURE

23rd Annual Report 2025-26



Employees' 12th Graduation Ceremony

HIGHLIGHTS 2025-26

	(₹ in Lakhs)		(₹ in Lakhs)
Total Revenue	6,78,429	Assets	4,86,938
PBDIT	1,40,120	Net Worth	5,69,760
PBT	1,13,400	Market Cap	42,54,729
PAT	86,650	EPS - ₹	25.35
Cash Profit	1,08,210	Cash EPS - ₹	31.66



A Milestone of Excellence

Every monumental success story has a modest beginning. KPR too was carved by three brothers from an Agricultural family through their dedicated and determined hard work, long-term vision, strategic roadmap, excellent team efforts and consistent execution. Beyond financial Success, their commitment to environmental, social, and governance practices inspires future generations and creates a lasting impact. Through strong teamwork, operational discipline, and a deep dedication to growth, a resilient institution has been created. Navigating a challenging path, their pursuit of quality and social advancement established them as Pioneers of lasting legacy.

In today's fast-paced and unpredictable world, resilience has become a crucial organizational trait. It's not just about surviving challenges, but about thriving in the face of them, emerging stronger and more adaptable than before. The solid institutional framework has enabled KPR to navigate uncertainties effectively while sustaining long-term growth and competitiveness.

KPR manufactures an exciting product range of textile varieties such as Readymade Knitted Apparel; Fabrics; 100% Cotton Combed, Carded, Compact, Red label and Vortex Viscose Yarns. Embracing the latest technologies and processes, it delivers outstanding quality products worldwide – over 65 countries. KPR, built on fabulous values, offers meaningful career opportunities to more than 30,000 employees (90% Women).

Its 15 Manufacturing units of advanced technology have a capacity to produce 1,00,000 MT of Cotton yarn & 10,500 MT of Viscose vortex yarn per annum; 40,000 MT fabrics per annum; 204 million ready-made knitted apparel per annum, one of the largest Garment Producers in India; Industry acclaimed ETP embedded Fabric Processing capacity of 25,000 MT per annum equipped with Advanced Cold Processing Technology and Sophisticated Printing Division with a capacity to print 15,000 MT per annum; 1,00,000 High Fashion Garments placement printing per day; 61.92 MW Windmill capacity; 40 MW Solar Power; 90 MW Co-gen power (overall 191.92 MW renewable energy catering to most of its power needs); Sugar Plants with an aggregate capacity of 20,000 TCD and Ethanol Plants with 470 KLPD capacity. Its Retail Division manufactures 100% organic cotton based FASO products carrying multiple special features.

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Sugar, Co-Gen & Ethanol Plant
Karnataka

CHAIRMAN'S MESSAGE

Dear Shareholders,

It is a pleasure to connect with you and share the progress of KPR during the FY 2025-26. Despite a complex and evolving global environment, we have continued to move forward with confidence, guided by our strong fundamentals, disciplined approach, and your continued trust in us.

The global economic landscape in FY 2025-26 has been navigating a phase of uncertainty, and structural transformation marked by trade tensions, policy fluctuations, and tariff pressures. These factors have strained supply chains, increased costs, and delayed investment decisions across industries. However, India has demonstrated remarkable resilience. Supported by strong domestic consumption, focused government initiatives in manufacturing and infrastructure, and a stable macroeconomic environment, the country continues to grow with confidence and the outlook remains positive.

Amidst these challenges, KPR has delivered steady progress during the year. Our ability to adapt to changing manufacturing scenarios and maintain efficiency has been key to our performance. KPR's integrated business model spanning spinning, knitting, processing, garmenting, and co-generation provides resilience. Over four decades, we have built a strong operational foundation that continues to support us in every phase. The combination of values and capabilities such as Strategic Financial Management; Dedicated and skilled workforce; Deep-rooted supplier relationships; Culture of Teamwork and integrity; Environmental Ethics enables KPR to perform consistently, even in difficult market conditions.



"Our journey is built on resilience, and every challenge makes us stronger and more prepared for the future."

TECHNOLOGY, MODERNISATION & GROWTH

In today's fast-changing landscape, staying competitive requires continuous evolution. At KPR, we are committed to adopting



Sophisticated Knitting Machines

advanced technologies and investing in modern infrastructure. We continue to upgrade our spinning and manufacturing capabilities; invest in next-generation technologies; improve efficiency through process innovation, wherever required. These capital investments are about preparing KPR for the future.

SUSTAINABILITY & RESPONSIBILITY

As a steadfast proponent of environmentally responsible manufacturing, KPR continues to expand its renewable energy footprint especially solar power, as part of our green energy initiatives. Our commitment extends to achieving 100% renewable energy for production processes. This transition aligns with global best practices in sustainable manufacturing. We believe that responsible growth must go hand in hand with environmental stewardship. We are committed to building a business that is not only profitable, but also sustainable.

WORK FORCE & WELFARE

> *"The growth of our people is the true measure of our success."*

At the heart of KPR's success are our people. By nurturing a healthy, inclusive, and supportive work environment, we ensure that our employees feel valued and empowered both at work and in society. This culture of trust and collaboration strengthens organizational belonging and drives sustained productivity. With over 90% participation of women in workforce, we continue to lead in extending women empowerment opportunities. Our consistent focus on higher education, skill development, and career progression has delivered meaningful outcomes.

During the year,

- 618 employees graduated through academic programs
- 17 earned university-level honours
- 40 employees advanced to professional roles

Towards employees well-being and health, through tie-up with reputed Hospitals regular health check-ups are conducted.

FUTURE OUTLOOK

The future presents encouraging opportunities. The Free Trade Agreement with major economies that empowers India with tariff parity with competing Countries, revival in demand and supportive policies are expected to propel the textile sector forward. At KPR, we are well-positioned to capitalize on these opportunities through Strategic capacity expansion, Continued investment in technology and modernization, Strengthening of green energy initiatives, Focus on value-added products etc.

ACKNOWLEDGEMENT

I would like to sincerely thank my colleagues on the Board and our employees for their unwavering dedication and commitment. I also express my heartfelt gratitude to our Shareholders, Bankers, and all Stakeholders for their continued support and confidence.

I look forward to your continued encouragement as we move ahead together.

Warm regards,
K.P. Ramasamy
Chairman



Empowered with In-House Green Energy

BOARD OF DIRECTORS



Sri. K.P. Ramasamy
Chairman



Sri. KPD Sigamani
Managing Director



Sri. P.Nataraj
Managing Director



Sri. C.R.Anandakrishnan
Executive Director



Sri. E.K.Sakthivel
Executive Director



Sri. P.Selvakumar
Wholetime Director



Sri M. Alagiriswamy
Independent Director



Smt. V.Bhuvaneswari
Woman Independent Director



Sri. K.V. Ramananda Rao
Independent Director



Sri K.Thangavelu
Independent Director



Sri R. Sridharan
Independent Director



Sri. M.V.Jeganathan
Independent Director

REGISTERED OFFICE

No.9, Gokul Buildings,
1st Floor, A.K.S. Nagar,
Thadagam Road,
Coimbatore - 641 001.
Ph: 0422-2478090

CORPORATE OFFICE

1st Floor, Srivari Shrimat,
1045, Avinashi Road,
Coimbatore – 641 018.
Ph: 0422-2207777
Email: corporate@kprmill.com
Web: www.kprmilllimited.com

CHIEF FINANCIAL OFFICER

PL Murugappan

COMPANY SECRETARY & COMPLIANCE OFFICER

P. Kandaswamy

STATUTORY AUDITORS

B S R & Co. LLP,
Chartered Accountants,
KRM Tower, 1st and 2nd Floor,
No.1, Harrington Road, Chetpet,
Chennai - 600 031.

BANKERS

Bank of Baroda
IDBI Bank Limited
Union Bank of India
Bank of India
ICICI Bank Limited
HDFC Bank Limited
The Federal Bank Ltd
Standard Chartered Bank
Punjab National Bank

REGISTRAR AND SHARE TRANSFER AGENTS

NSDL Database Management Limited
4th Floor, Tower 3, One International Centre,
Prabhadevi, Senapati Bapat Marg,
Mumbai – 400 013.
Phone: 022-49142700 / 2578 / 4200
Fax: 022-49142503
Email: investor.ndmlrta@ndml.in
Website: www.ndml.in

COMPANY CIN

L17111TZ2003PLC010518

FASO®

INNERWEAR | ATHLEISURE


K99


K100


K101


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CA2001


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FW1202

FW7001

FB001

FB002

FB003

FB004

FB1001

FB3001

WK1001

WK1100

WK1101

WK1200

WC2001

WC2300

WS3500

Kids Style

FSB100

FSG100

WWW.FASO.IN /FASOCLOTHINGS

Manufactured & Marketed by **KPR MILL LIMITED** | Also Available at Online Portals | For Trade Enquiries Contact - 97877 02222

KPR
Mill Limited



KPR EXPORTS TO OVER 65 COUNTRIES



Manufactured & Marketed by **KPR MILL LIMITED** | Also Available at Online Portals | For Trade Enquiries Contact - 97877 02222

BOARD'S REPORT

Dear Members,

The Board of Directors takes pleasure in presenting the report on the operations and business of the Company along with Audited Financial Statements for the Financial Year ended 31st March, 2026.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	**2025-26**	2024-25
Sales and Other Income				
Domestic Sales	**2,55,679**	2,55,455	**3,58,664**	3,57,222
Export Sales	**1,59,530**	1,50,817	**2,79,100**	2,56,351
Other Income	**35,207**	33,379	**40,665**	32,653
	4,50,416	**4,39,651**	**6,78,429**	**6,46,226**
Profit before Interest & Depreciation	**91,273**	94,494	**1,40,120**	1,32,042
Less : Interest	**3,376**	1,996	**5,160**	4,977
Depreciation	**9,611**	8,973	**21,560**	20,787
Profit Before Tax	**78,286**	83,525	**1,13,400**	1,06,278
Less : Taxation:-				
Provision for Current Tax	**17,225**	17,498	**25,085**	23,324
Tax relating to earlier years	**52**	135	**30**	357
	17,277	17,633	**25,115**	23,681
Deferred Tax expense / Credit	**407**	588	**1,635**	1,086
Profit After Tax	**60,602**	65,304	**86,650**	81,511
Other Comprehensive Income (Net of tax)	**-**	-	**-**	-
Total Comprehensive Income	**60,602**	65,304	**86,650**	81,511

REVIEW OF OPERATIONS

Navigating global headwinds, KPR continues its proven track record of execution, scale & efficiency earning a higher revenue over previous year. Garmenting remains the growth engine supported by timely capacity additions & efficient utilization levels. The modernization in the spinning & Knitting division continued. Fabric continues to be produced as per market requirement. The captive renewable energy generated has reduced the power cost besides contributing the sustainable development goals of the Nation. KPR continues to be a leading player supplying yarn & fabrics to over 1,500 buyers in the Tirupur market, a major knitwear hub for the export of cotton apparels. Its high quality consciousness and timely commitment retain its reputed and leading customer base. Wind power generation has improved and overall performance in the textile segment continues to be good.

WAY FORWARD

Though the recent India–US and India–EU trade agreements mark a structural shift, materially improving India's tariff competitiveness reinforcing India's position as a preferred long-term sourcing destination, the sudden escalation of conflict in the Middle East has once again disrupted this momentum. For India, the impact is immediate particularly in the form of rising energy costs and supply uncertainties. The Industry must use this phase to strengthen its core. Innovation should be accelerated not just in products, but in materials, applications, and value-added solutions. Global demand is increasingly shifting towards performance-driven and sustainable textiles. With scale, capabilities, and customer relationships already in place, KPR is well positioned to capture the next upcycle. Driven by a gradual recovery in cotton yarn spreads and improved garmenting margins supported by reasonably stable cotton prices, KPR expects to repeat better performance during the current year (FY 2026-27) also.

EXPANSION AND MODERNIZATION

Under the modernization programs, old cards and knitted machines were replaced with new advanced machinery. Modernization in its spinning and knitting divisions are under way. Besides technological advancement throughout the value

BOARD'S REPORT

chain, the best possible automation is also established that will result in economising the labour cost. A large scale green field garment expansion is also on the cards.

DIVIDEND

Considering better performance and strong liquidity during the year, the Board of Directors have declared an Interim Dividend @ 250% on equity shares (₹2.50 per Equity Share) at their meeting held on 09.02.2026.

Further, the Board in its meeting held on 12.05.2026 has also recommended a Final Dividend @ 250% on equity shares (₹2.50/- per Equity share) for the Financial Year 2025-26, subject to the approval of the Members of the Company at the ensuing 23rd (Twenty Third) Annual General Meeting.

The total dividend for the Financial Year 2025-26, including Interim and Final Dividend, aggregates to 500% (₹ 5/- per Equity Share of face value ₹1/- each).

RESERVES

The Board of Directors does not recommend to transfer any amount to the Reserves.

FINANCE

Led by the successful financial planning, comfortable financial position continued during the year also.

SUBSIDIARY COMPANIES

A brief overview of the performance of the subsidiary companies is provided below:

I. K.P.R. Sugar Mill Limited
II. KPR Sugar and Apparels Limited
III. Jahnvi Motor Private Limited
IV. Quantum Knits Private Limited
V. Galaxy Knits Limited
VI. KPR Exports Plc

SUGAR

The Sugar Industry, once known as Agro based cyclical business, has shielded its image through gradually transforming into a more stable, diversified agro-industrial system. Sugar is no longer the sole driver of industry economics. Ethanol blending, power co-generation, and value-added by-products now play a vital role in determining the profitability and cash-flow stability of the Industry. The 2025–26 sugar season has witnessed healthy monsoon across key sugarcane belts, strong recovery in output, and near-achievement of the national E20 ethanol-blending target have together reshaped both market sentiment and policy priorities. Mills are better capitalised, farmer payments are more predictable, and inventory risks have reduced compared to earlier cycles.

ETHANOL

India is stepping up its efforts to improve ethanol blending in gasoline. The goals of this program are to promote the agriculture industry, lower carbon emissions, and increase energy security. The government's proactive policies, including financial incentives and infrastructure development, are pivotal in achieving these ambitious blending targets. Driven by strong policy support, rising demand for biofuels, and the country's push for energy independence the Indian ethanol market size is expected to grow further. Ethanol, a renewable fuel derived primarily from sugarcane molasses and grain-based feed stocks, plays a vital role in India's strategy to reduce crude oil imports and curb carbon emissions. In April 2025, India reportedly targeted 30% ethanol blending with petrol by 2030 for reducing dependence on imported oil whilst addressing environmental concerns. Such goals are incentivising sugar mills to generate more ethanol as well as urge oil marketing companies in securing the long-term supply contracts, shaping the fuel-ethanol ecosystem rapidly. In India the capacity is ready; the technology is in place - What the industry needs now is certainty to plan the future with confidence.

K.P.R. SUGAR MILL LIMITED

The sugarcane crushing commenced in November 2025, produced 81,200 MT of Sugar. The Co-gen plant produced 1,142.02 lakhs units of power. Out of the above, 592.80 lakhs units were sold and 549.22 lakh units were captively consumed.

During the year 43,754.39 KL of Ethanol was produced, using Sugar Syrup and Molasses and the entire production was meant for Oil Marketing Companies.

Considering better performance and strong liquidity during the year, the Board of Directors of K.P.R. Sugar Mill Limited had declared an Interim Dividend @ ₹200/- per Equity Share at their meeting held on 29.04.2025. Subsequently, the Board in its meeting held on 30.01.2026 has also declared a Second Interim Dividend @ ₹250/- per Equity Share thus aggregating to ₹450/- per Share (on Face Value of ₹10/- each), for the Financial Year 2025-26.

KPR SUGAR AND APPARELS LIMITED

The Company commenced sugarcane crushing in November

BOARD'S REPORT

2025. Produced 1,01,800 MT (Metric Tonnes) of Sugar. The Co-gen plant produced 1,512.47 lakhs units of power. Out of the above, 889.47 lakhs units were sold and 623.01 lakhs units were captively consumed. During the year the Company produced 43,861.726 KL of Ethanol using Sugar Syrup and Molasses and the entire production are meant for Oil Marketing Companies.

Considering better performance and strong liquidity during the year, the Board of Directors of KPR Sugar and Apparels Limited, have recommended a Final Dividend @ ₹810/- per Equity Share of Rs.10/- each at their meeting held on 04.05.2026, subject to the approval of shareholders.

JAHNVI MOTOR PRIVATE LIMITED

During the year, the Company has sold 101 Audi Cars and earned a revenue of ₹ 83.54 Crores.

QUANTUM KNITS PRIVATE LIMITED

The garment business has been consolidated for effective management.

GALAXY KNITS LIMITED

The Company has not yet commenced its operation.

K P R EXPORTS PLC (ETHIOPIA)

As informed in the earlier report, we have already approached the Ethiopian Authorities seeking their assistance to formally close the Apparel manufacturing unit at Ethiopia due to civil disturbance and to bring back capital materials therein. The same is under progress.

Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed format AOC-1 is appended as **Annexure A** to the Board's report.

DEPOSITS

The Company has not accepted any deposits from public during the year under review.

DIRECTORS

The Company is steered by a well-diversified and experienced Board of Directors, whose collective expertise spans finance, accounting, technology, corporate governance and risk management. This wide ranging knowledge base and expertise empowers the Board to provide robust strategic leadership, uphold the highest standards of corporate governance, and facilitate future-ready decision-making that aligns with the best interests of the Company and its stakeholders.

The composition of the Board is fully compliant with the requirements of Section 149 of the Companies Act 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Company has 12 Directors with an equal combination of Executive and Non-Executive Directors including one Women Director, thereby fostering diversity, independence, and effectiveness in its functioning.

All Independent Directors have submitted declarations confirming their independence in terms of Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Additionally, in compliance with Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Directors possess integrity, expertise and experience including the proficiency required to discharge their duties.

In accordance with the SEBI Listing Regulations, the Board has identified the core skills, expertise, and competencies required for its effective functioning. These have been mapped against the collective capabilities of the Board and a complete list of Company's Directors are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

During the year under review, there is no change in the board of directors.

Mr. C.R. Anandakrishnan (DIN: 00003748), Whole Time Director, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. A resolution seeking approval of the Members for his re-appointment forms part of the Notice convening the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL AND MANAGERIAL REMUNERATION CRITERIA

In pursuance of the Act, the Company has designated Key Managerial Personnel. None of the Managing Directors or Whole Time Directors receives any remuneration or commission from the Subsidiary Companies and the remuneration paid to them is within the purview of the provisions of Section 197 of the Act and in line with Regulation 17 of Listing

BOARD'S REPORT

Regulations. The Company pays remuneration by way of salary, perquisites, commission etc., to its Chairman, Managing Directors and fixed monthly remuneration to its Executive Directors and Whole Time Director in line with the approvals accorded by the General Meetings and in pursuance of the recommendation of the Nomination and Remuneration Committee as per the guiding principles laid down in the Nomination and Remuneration Policy.

The information as required by Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended and forms part of this report.

ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of the performance of Directors, including Independent Directors, as well as the evaluation of the working of its Committees and the Chairman of the Board, based on the criteria and framework approved by the Nomination and Remuneration Committee.

COMMITTEES

As required by the provisions of the Act and Listing Regulations, the Company has the following Committees, the details of which are disclosed in the Report on Corporate Governance forming part of this Report.

I. Audit Committee
II. Stakeholders Relationship Committee
III. Nomination and Remuneration Committee
IV. Corporate Social Responsibility (CSR) Committee
V. Risk Management Committee

POLICIES

In pursuance of the Act and the Listing Regulations, the following policies have been framed and disclosed on the Company's website https://www.kprmilllimited.com/policy

I. Nomination & Remuneration Policy
II. Related Party Transaction Policy
III. CSR Policy
IV. Whistle Blower Policy consisting of Vigil Mechanism
V. Policy on Determining Material Subsidiaries
VI. Code for Fair Disclosure
VII. Risk Management Policy
VIII. Policy for Disclosure of Material Events / Information
IX. Policy on Succession Planning for Board and Senior Management
X. Dividend Distribution Policy – https://bkend.kprmilllimited.com/media/documents/DD-Policy.pdf

RISK MANAGEMENT

Pursuant to Section 134(3) (n) of the Act & Regulation 17(9) of the Listing Regulations, the Company has a Risk Management Policy and has constituted a Risk Management Committee. The Risk Management Committee held its meetings on 25.07.2025 and 03.01.2026 in which all members were present.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has an established Vigil Mechanism for Directors and Employees to report concerns about unethical behaviors, actual or suspected fraud or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/Employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise reportable matters. All suspected violations and reportable matters can be reported to the Chairman of the Audit Committee at e-mail id whistleblower@kprmill.com . The key directions / actions can be informed to the Chairman/ Managing Director of the Company. The Whistle Blower Policy has been reviewed by the Board of Directors and displayed in the Company's website.

BOARD MEETINGS

The Board of Directors met Four times during the financial year on 09.05.2025, 06.08.2025, 04.11.2025 and 09.02.2026 in the physical mode. The Composition of Board, procedure, venue, dates, time and other details are included in the Corporate Governance Report that forms part of this Report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in annexing the Consolidated Financial Statements pursuant to the provisions of the 'Act' and the Listing Regulations. They are prepared in accordance with the Ind-AS prescribed by the Institute of Chartered Accountants of India, in this regard.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has duly complied with the provisions of Section 186 of the Act and as required therein the details of the Borrowings, Security, Investment etc., are annexed by way of notes to accounts.

BOARD'S REPORT

RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into during the financial year were in the ordinary course of business and on an arm's length basis. Such transactions, except note 41.3(d) of the Notes to Accounts of the Standalone Financial Statements were primarily between the Holding Company and its Wholly Owned Subsidiary Companies, whose accounts are consolidated with the Holding Company and placed before the Members at the General Meeting. Further, remuneration paid to Promoter Directors was in accordance with the applicable provisions of law and approvals obtained. Pursuant to applicable regulatory requirements, omnibus approval of the Audit Committee for Related Party Transactions was obtained.

The Company has not entered into any contract / arrangement / transaction with related parties requiring disclosure under Section 188(1) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. As required under the Act, the prescribed Form AOC-2 is appended as **Annexure - B** to the Board's report.

The Transactions as required under Indian Accounting Standards 'Ind AS-24' are reported in Note 41 of the Notes to Accounts of the Standalone Financial Statements as well as Note 40 of the Notes to Accounts of the Consolidated Financial Statements of your Company. The Company's Policy on dealing with related party transactions is available on the Company's website.

EMPLOYEE WELFARE

KPR's HR initiatives is a significant strategy that make Human welfare a key part of its culture and benefit the work force in many ways. Human resources are considered as crucial assets of the company, as major workflow in an organization is dependent on its workforce performance and efficiency. So, dedicated human resource management is vital to accomplish the desired objective of the development of an enterprise. When employees feel valued, they offer more than just their time, investing their energy, focus, and loyalty too that are essential for a strong and resilient business. KPR always value its employees and is committed continuously to provide them with a good work-life balance through its trendsetter strategic HR Practices which also plays a vital role in the women empowerment, since 90% of its work force is women, besides playing a major role to the rural upliftment as they are recruited from rural populace.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance. Details / Disclosures of Ratio of Remuneration of Director to the median employee's remuneration as required by the Act and Companies Rules are annexed as **Annexure - C.**

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for the matters incidental thereto. The Company has accordingly adopted the policy against Sexual Harassment of Women at Workplace, for the purpose of preventing, prohibiting and redressing sexual harassment of female employees at all the workplace within the Company, which are based on fundamental principles of justice and fair play.

According to the notifications of Ministry of Corporate Affairs dated 31st July 2018, Internal Complaints Committee under the sexual harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has been formed and complied with. Further, Anti Sexual Harassment Committee constituted at each unit shall be responsible for redressal of complaints related to sexual harassment. The details of all such Complaints and its proper redressal through prompt corrective steps are informed to the Top Management so as to ensure that suitable processes and mechanisms are put in place to ensure that issues of sexual harassment, if any, are effectively addressed. The details of complaints are as follows:

a. number of complaints of sexual harassment received in the year - **Nil**
b. number of complaints disposed off during the year- **Nil**

BOARD'S REPORT

c. number of cases pending for more than ninety days - **Nil**

Maternity Benefit is extended to the relevant employees as per the applicable regulations.

CORPORATE SOCIAL RESPONSIBILITY

During the year, in pursuance of the recommendations of the CSR committee, the Company has contributed ₹1,598.73 Lakhs (2.06% of the average three years' net profit of the Company) towards implementing the CSR activities. The CSR policy is available on the website of your Company at https://www.kprmilllimited.com/policy

The Annual Report on CSR activities, in terms of Section 135 of the Act and the Rules framed thereunder, is annexed to this Report as **Annexure - D.**

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act read with the Companies (Accounts) Rules, 2014 are provided in the **Annexure - E** to the Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Act, the Board of Directors of the Company hereby state and confirm that;

I. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

II. The Directors have selected 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 the year under review.

III. The Directors have taken proper and sufficient care for the maintenance of adequate record 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.

IV. The Directors have arranged preparation of the accounts for the financial year ended 31.03.2026 on a going concern basis.

V. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

VI. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Corporate Governance Report and Management Discussion and Analysis Report are attached to this Report. Certificate from the Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance as stipulated under Schedule V of the Listing Regulation is also attached to this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In pursuance of Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report, containing the initiatives taken by the company from environmental, social and governance perspective, forms part of this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The details of internal financial control and their adequacy are included in the Report of Management Discussion & Analysis, which forms part of this report.

DETAILS REGARDING ISSUE OF SHARES

During the year under review the Company has not issued any shares.

AUDITORS

STATUTORY AUDITOR AND AUDITORS' REPORT

In the 19th Annual General Meeting of the Company held on 23.08.2022 M/s. B S R & Co LLP, Chartered Accountants (ICAI Firm Regn. No.101248W/W-100022) were re-appointed as Statutory Auditors of the Company for a second term of five consecutive years from the Financial Year 2022-23.

The Auditors' Report for FY 2025-26 does not contain any

BOARD'S REPORT

qualifications, reservations, or adverse remarks, which require explanations / comments by the Board.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Mr.K.Radhakrishnan, Practicing Company Secretary has been appointed as the Secretarial Auditor of the Company at the 22nd AGM of the Company held on 30th July 2025, for a term of five consecutive years commencing from 1st April 2025 up to 31st March 2030, to conduct the Secretarial Audit of the Company.

The Secretarial Audit Report for the financial year ended 31st March 2026 is annexed as **Annexure - F**. The Report does not contain any qualification, reservation, or adverse remark, which require explanations / comments by the Board.

SECRETARIAL STANDARDS COMPLIANCE

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

COST RECORDS AND COST AUDIT

Pursuant to Section 148 of the Act, the Company is covered under the limits specified under this Section and hence the Company has maintained proper books of accounts with all the particulars relating to the utilization of material, labour and to other items of cost.

In pursuance of Companies (Cost Records and Audit) Rules, 2014, the Company appointed Mr. B. Venkateswar, Cost Accountant (M. No:27622) as Cost Auditor of the Company to audit the cost records for the Financial Year 2025-26. Further Mr.B.Venkateswar has been re-appointed by the Board to conduct the cost audit for the FY 2026-27.

ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in the prescribed form is available on the Company's website: https://www.kprmilllimited.com/financial-result

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year as on 31.03.2026 and the date of this Report.

NO CHANGES IN THE BUSINESS

Your Directors would like to inform that Company is doing its regular business and there has been no change in its objectives.

GENERAL

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

a) Significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
b) Pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and
c) Instance of one-time settlement with any bank or financial institution.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude and express their appreciation for the assistances and co-operation received from the Bankers, Government Authorities, Customers, Vendors, and Members during the year under review. Your Directors also wish to thank the employees at all levels for their co-operation and dedication.

FOR AND ON BEHALF OF THE BOARD

K.P.Ramasamy
Chairman
DIN:00003736

Place: Coimbatore
Date: 12.05.2026

ANNEXURE TO THE BOARD'S REPORT

Annexure A

Form AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Financial Summary of Subsidiary companies

(₹ in Lakhs)

Particulars	K.P.R. Sugar Mill Limited	Quantum Knits Pvt. Limited	Galaxy Knits Limited	Jahnvi Motor Private Limited	KPR Sugar and Apparels Limited	KPR Exports PLC
Share Capital	205	10	5	193	7100	1900
Reserves and Surplus	66,097	176	(3)	1,570	1,37,231	(1751)
Total Assets	84,481	186	3	3,161	1,76,618	149
Total liabilities	18,179	-	-	1,398	32,287	-
Investments (Excluding investment in subsidiaries)	-	-	-	-	-	-
Revenue from operations	73,058	6	-	8,354	1,94,983	-
Profit / (Loss) before taxation	10,194	5	-	252	34,378	-
Provision for taxation	2,645	-	-	67	6,354	-
Profit / (Loss) after taxation	7,549	5	-	185	28,024	-
Dividend						
Interim Dividend	9,225	-	-	-	-	-
Proposed Dividend	-	-	-	-	8,100	-
Extent of shareholding (%)	100.00	100.00	100.00	100.00	100.00	100.00

FOR AND ON BEHALF OF THE BOARD

K.P.Ramasamy
Chairman
DIN:00003736

Place: Coimbatore
Date: 12.05.2026

Annexure B

Form AOC-2

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

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

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

2. Details of material contracts, arrangement, or transactions at arm's length basis: **Nil**

FOR AND ON BEHALF OF THE BOARD

K.P.Ramasamy
Chairman
DIN:00003736

Place: Coimbatore
Date: 12.05.2026

ANNEXURE TO THE BOARD'S REPORT

Annexure C

Particulars of Employees

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

1. Remuneration Paid to Directors

Name of the Director	Designation	% Increase over previous Year	Ratio of Remuneration to MRE
Mr. K.P. Ramasamy	Chairman	No Increase	1038.56
Mr. KPD Sigamani	Managing Director	No Increase	1038.56
Mr. P. Nataraj	Managing Director	No Increase	1038.56
Mr. C.R. Anandakrishnan	Whole Time Director	No Increase	14.90
Mr. E.K. Sakthivel	Whole Time Director	No Increase	11.18
Mr. P. Selvakumar	Whole Time Director	12.43	16.00

2. Remuneration paid to Non – executive Directors

The Non-Executive Directors of the company are entitled for sitting fee only and details are provided in corporate governance report.

3. Remuneration paid to other Key Managerial Personnel (KMP)

Name of the KMP	Designation	% Increase over previous year
Mr. P.L. Murugappan	Chief Financial Officer	13.24
Mr. P. Kandaswamy	Company Secretary	8.47

4. Percentage increase in the Median Remuneration of employees in the financial year : 8.40%

5. Number of Permanent Employees on the Pay roll of the Company at the end of the year: 20,308

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.

The average annual increase in the salaries of employees during the year was 8.40% while the average increase in managerial remuneration during the year remains unchanged. The Managerial Remuneration is approved by the Shareholders on recommendation of Nomination and Remuneration Committee and the Board.

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

FOR AND ON BEHALF OF THE BOARD

K.P.Ramasamy
Chairman
DIN:00003736

Place: Coimbatore
Date: 12.05.2026

ANNEXURE TO THE BOARD'S REPORT

Annexure - D

Annual Report on Corporate Social Responsibility (CSR) activities for Financial Year 2025-26.

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken.**

   CSR is defined as "the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large".

   Education is crucial for growth, societal advancement, and economic development. It empowers individuals with knowledge, skills, financial stability, and improved health outcomes. It also plays a pivotal role in fostering critical thinking, creativity, and civic engagement, contributing to a more informed and engaged citizenry.

   The key focus area of KPR's CSR Policy is 'Promotion of Education' to support the development of quality education and promote literacy among people through its CSR activities.

   The Company earns and spends a part of it to pay back to the society through its various activities which fall in line with the Schedule VII of the Companies Act, 2013.

2. **The Composition of the CSR Committee.**

S. No	Name of Director	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. K.P.Ramasamy	Chairman	2	2
2	Mr. KPD Sigamani	Managing Director	2	2
3	Mr. P. Nataraj	Managing Director	2	2
4	Mr. M.V. Jeganathan	Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company https://www.kprmilllimited.com/policy
4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **NA**
5. (a). Average net profit of the company as per sub-section (5) of section 135 – **₹ 77,582 Lakhs**
   (b). Two percent of average net profit of the company as per sub-section (5) of section 135 – **₹ 1,551.64 Lakhs**
   (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)] – **₹ 1,551.64 Lakhs**
6. (a). Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project) - **₹ 1,598.73 Lakhs**
   (b). Amount spent in Administrative Overheads – **Nil**
   (c). Amount spent on Impact Assessment, if applicable – **Nil**
   (d). Total amount spent for the Financial Year [(a)+(b)+(c)] – **₹ 1,598.73 Lakhs**

ANNEXURE TO THE BOARD'S REPORT

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

Total Amount Spent for the Financial Year. (₹ In Lakhs)	Amount Unspent (₹ In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer.
1,598.73	NIL				

(f). Excess amount for set off, if any – **Nil**

Sl. No.	Particulars	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	1,551.64
(ii)	Total amount spent for the Financial Year	1,598.73
(iii)	Excess amount spent for the financial year [(ii)-(i)]	47.09*
(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)]	-

*Not carried over for succeeding years

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 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	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. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1	NIL						
2	FY-2							
3	FY-3							

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

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**

FOR AND ON BEHALF OF THE BOARD

Coimbatore
12.05.2026

M.V. Jeganathan
Independent Director
DIN: 10722925

P. Nataraj
Chief Executive Officer &
Managing Director
DIN: 00229137

K.P.Ramasamy
Chairman
DIN:00003736

ANNEXURE TO THE BOARD'S REPORT

ANNEXURE - E

INFORMATION PURSUANT TO COMPANIES (ACCOUNTS) RULES, 2014

A) CONSERVATION OF ENERGY

I. ENERGY CONSERVATION MEASURES TAKEN

1) Energy-efficient carbon-fiber axial fans with IE4 motors were installed in the humidification plants of the spinning units, replacing the existing low-efficiency fans.
2) To minimize losses in the electrical network (transformers and cables) across all plants, a 33.49 MW solar power generation system was connected directly at the load consumption end.
3) To reduce power consumption across all textile and garment units, the existing motors and pumps were partially replaced with high-efficiency IE3, IE4, and IE5 standard motors, integrated with variable frequency drives and automation applications.

II. THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS;

Further efforts are being taken to reduce power consumption at all units by Modernizing the Spinning Machines with High Production, high quality and Less energy consumption.

III. IMPACT ON CONSERVATION OF ENERGY

The energy saving measures result in consumption of economized power and fuel that would reduce the cost of production. Total energy consumption & Consumption per unit of production are as per Form 'A' below:

FORM A – PARTICULARS IN RESPECT OF ENERGY CONSUMPTION:

Particulars	Units	2025-26	2024-25
1. Power & Fuel Consumption			
A) Electricity			
i) Connected Load	KVA	44,815	44,815
ii) Purchase of Units	Lakh Units	882	1,646
iii) Total Amount	₹ Lakhs	8,777	14,250
iv) Rate Per Unit (Average)	₹	9.95	8.66
v) Demand Charges	₹ Lakhs	2,981	2,887
B) Electricity from Third Party			
i) Purchase of Units	Lakh Units	588	-
ii) Total Amount	₹ Lakhs	4,116	-
iii) Rate Per Unit (Average)	₹	7.00	-
2. Own Generation			
A) Through Diesel Generator			
Units generated	Lakh Units	1	1
Total Amount	₹ Lakhs	48	38
Cost/Unit	₹	34.06	27.33
Units/Litre of Diesel	Units	2.72	3.63
B) Through Wind Mill			
Units generated	Lakh Units	1063	937
C) Through Steam Turbine Units			
Coal/Furnace Oil / Others	Units	NIL	NIL
3. Consumption per unit of Production			
A) Production of Yarn	Kgs	9,33,08,799	9,36,59,575
Electricity (units) per Kg of yarn Production	Units	2.64	2.73
B) Processed Fabric	Kgs	1,77,04,632	1,94,08,035
Electricity (units) per Kg of Fabric Processed	Units	1.14	1.18
C) Garment Produced – In House	Garments	11,56,17,639	11,21,95,662
Electricity consumed / Garment Production	Units	0.23	0.23

ANNEXURE TO THE BOARD'S REPORT

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D):

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

   Further Improvement in Quality of Products, Development of new Products and Designs, Cost control measures, Energy Conservation etc.

2. Benefits derived as a result of above R&D:

   Sustained quality of products at economized cost.

3. Future Plan of Action:

   Continuous focus on innovations in Textile development processes & products.

4. Technology absorption, adaptation and innovation:

   Advanced Technology machinery and systems are introduced wherever applicable.

   The advanced technology of cold processing adopted at our new state of the art processing unit reduces the water consumption by 30% and eliminates the usage of Salt completely. This eco - friendly facility will economize the cost of production besides enhancing the quality.

   All manufacturing facilities are equipped with high-tech quality control equipment and well trained Personnel. ETP at Processing Division has Zero Discharge System.

5. Details of imported technology (during the last three years): Not Applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

S.No.	Particulars	2025-26	2024-25
1	Foreign Exchange earnings	1,59,530	1,50,817
2	Foreign exchange outgo	75,219	82,886

FOR AND ON BEHALF OF THE BOARD

K.P. Ramasamy
Chairman
DIN: 00003736

Coimbatore
12.05.2026

ANNEXURE TO THE BOARD'S REPORT

ANNEXURE F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members,
M/s. K.P.R. Mill Limited
Coimbatore.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by K.P.R. Mill Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

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

i. The Companies Act, 2013 (the Act)and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
    a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    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 the client;
    e) The Securities and Exchange Board of India (Buy back of Securities) Regulations 2018;
vi. and other applicable laws to a Textile Industry viz., Textile Control Orders, Textile Committee Produce Cess Act, Textile (Development and Regulation) Order etc.,

As per the information and explanation provided by the management and officers of the Company and also on verification of reports and certificates of professionals, I report that adequate systems are in place to monitor and ensure compliance of Laws relating to Direct and Indirect Taxes, Labour and other Legislations.

I have also examined compliance with the Listing Agreement and applicable Regulations of the Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India.

ANNEXURE TO THE BOARD'S REPORT

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women Director. There were no changes in the composition of the Board of Directors during the year under review.

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, 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.

As per the minutes of the Meeting duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

As informed the Company has responded appropriately to the notices received from various statutory / regulatory authorities wherever found necessary.

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 there were no instance of

a) Public / Rights / Preferential Issue of Shares / Debentures / Sweat Equity
b) Redemption
c) Foreign Technical Collaboration
d) Merger / Amalgamation / Reconstruction, etc

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

K Radhakrishnan B.Com FCS
Practising Company Secretary
FCS No: 12236 CP No: 16911
Peer review Certificate No.7769/2026

Place : Coimbatore
Date : 12.05.2026
UDIN : F012236H000333106

ANNEXURE TO THE BOARD'S REPORT

Annexure - A

To,
The Members
M/s. K.P.R. Mill Limited,
Coimbatore

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 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 financial records and Books of Accounts of the Company.
4. I have obtained the Management representation about the Compliance of Laws, Rules and Regulations and happenings of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of 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.

K Radhakrishnan B.Com FCS
Practising Company Secretary
FCS No: 12236 CP No: 16911
Peer review Certificate No.7769/2026

Place : Coimbatore
Date : 12.05.2026
UDIN : F012236H000333106

ANNEXURE TO THE BOARD'S REPORT

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. K.P.R. Mill Limited
9 Gokul Buildings
First Floor, AKS Nagar
Thadagam Road
Coimbatore – 641 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. K.P.R. Mill Limited (CIN: L17111TZ2003PLC010518) having registered office at No.9, Gokul Buildings, First Floor, AKS Nagar, Thadagam Road, Coimbatore – 641 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that as on the date of this certificate 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 Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

K Radhakrishnan B.Com FCS
Practising Company Secretary
FCS No: 12236 CP No: 16911
Peer review Certificate No.7769/2026

Place : Coimbatore
Date : 12.05.2026
UDIN : F012236H000333293

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At KPR, corporate governance is a way of life rooted in integrity, responsibility, and respect for all stakeholders. We view our shareholders as long-term partners and are committed to protecting the trust they place in us through transparency, fairness, and ethical decision-making. Our governance practices ensure clear accountability, responsible leadership, and adherence to the highest standards of conduct. Through our Code of Conduct, Whistle Blower mechanism, and risk management, we uphold ethical behavior across the organization. Guided by our core values, we balance people, ethics, and sustainable growth. KPR remains committed to continuous improvement and responsible business practices that create long-term value for all stakeholders.

BOARD OF DIRECTORS

At KPR, our Board embodies a diverse blend of seasoned professionals whose collective expertise strengthens our commitment to exemplary corporate governance. The Board, committed to transparency, accountability, and ethical leadership, provides strategic oversight to support sustainable growth and stakeholder trust.

We maintain an optimal balance of Executive and Non-Executive Directors, fostering independent judgement and supervision. Comprising twelve Directors—including an Executive Chairman, five Executive Directors, and six Independent Directors (one Woman Independent Director)—the Board reflects a balanced structure where Independent Directors constitute 50% of the Board's strength. This ensures adequate independence and unbiased oversight.

BOARD OF DIRECTORS COMPOSITION



Our governance framework is fully compliant with the Companies Act, 2013, and SEBI's Listing Obligations and Disclosure Requirements (LODR) Regulations.

CORPORATE GOVERNANCE

The composition of the Board, category of Directors, their attendance at Board Meetings held during FY 2025-26, the number of Directorships / Chairpersonships and Committee positions held by them in other listed companies as on 31st March 2026 are as follows:

Name of the Director	Category of Directors	Number of Directorships held *	Number of Board & Committee Memberships in Other Listed Companies **	
			Chairman	Member
Mr. K.P. Ramasamy	Promoter & Executive Chairman	12	-	-
Mr. KPD Sigamani	Promoter & Executive Director	13	-	-
Mr. P. Nataraj	Promoter & Executive Director	13	-	-
Mr. C.R. Anandakrishnan	Promoter Group & Executive Director	3	-	-
Mr. E.K. Sakthivel	Promoter Group & Executive Director	1	-	-
Mr. P. Selvakumar	Executive Director	5	-	-
Mr. M. Alagiriswamy	Independent Director	2	3	4
Mrs. V. Bhuvaneshwari	Woman Independent Director	7	-	3
Mr. K.V. Ramananda Rao	Independent Director	6	1	1
Mr. K. Thangavelu	Independent Director	4	1	3
Mr. R. Sridharan	Independent Director	1	-	-
Mr. M.V. Jeganathan	Independent Director	2	1	1

* Excluding Directorship in Companies under Section 8 of the Act, alternate Directorship and Companies incorporated outside India.

** Chairmanship / Membership of Board Committees include Audit Committee and Stakeholders Relationship Committee.

Name of the Director	Names of Other Listed Entities in which Directorships held	Category of Director
Mrs.V.Bhuvaneshwari	Kovai Medical Center and Hospital Limited	Independent Director
Mr.M.Alagiriswamy	Shiva Texyarn Limited	Independent Director
Mr.K.V.Ramananda Rao	Kovai Medical Center and Hospital Limited	Independent Director
Mr.M.V.Jeganathan	Sagarsoft (India) Limited	Independent Director
	Lakshmi Engineering and Warehousing Limited	Independent Director

Their Directorships are within the limit prescribed. The Independent Directors have the option and freedom to interact with the Company Management periodically and they are provided with the information required to perform their functions effectively.

Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

The Terms and Conditions of appointment of Independent Directors are as per the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The roles and offices of Chairman and CEO are separated to promote balance of power.

CORPORATE GOVERNANCE

SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD:

The Board evaluates its composition to ensure that it has the appropriate mix of skills, experience, independence and knowledge to ensure its continued effectiveness. The Board Members should, at a minimum, have background that when combined provide a portfolio of experience and knowledge that will serve KPR's governance and strategic needs. The Directors have demonstrated experience and ability that is relevant to the Board's oversight role with respect to the Companies business and affairs.

In terms of Listing Regulations, the following skills, expertise and competencies have been identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively:

- Leadership;
- Corporate Governance;
- Technology
- Financial and Risk Management;
- Industry knowledge and
- Sales & Marketing
- International Business

The Proficiency of Individual Members in the specific areas are indicated here below (✓). However, the absence of indication in any area should not be construed that individual does not possess the related skill or qualifications.

Board Members Qualification & Experience

Name of the Director	Leadership	Corporate Governance	Technology	Financial & Risk Management	Industry Knowledge	Sales and Marketing	International Business
Mr. K.P. Ramasamy	✓	✓	✓	✓	✓	✓	✓
Mr. KPD Sigamani	✓	✓	✓	✓	✓	✓	✓
Mr. P. Nataraj	✓	✓	✓	✓	✓	✓	✓
Mr. C.R. Anandakrishnan	✓	✓	✓	✓	✓	✓	✓
Mr. E.K. Sakthivel	✓	✓	✓	✓	✓	✓	✓
Mr. P. Selvakumar	✓	✓	✓	✓	✓	✓	✓
Mr. M. Alagiriswamy	✓	✓	-	✓	✓	-	✓
Mrs. V. Bhuvaneshwari	✓	✓	-	✓	✓	-	✓
Mr. K.V. Ramananda Rao	✓	✓	-	✓	✓	-	✓
Mr. K. Thangavelu	-	✓	-	✓	✓	-	✓
Mr. R. Sridharan	✓	✓	-	✓	✓	-	✓
Mr. M.V. Jeganathan	-	✓	-	✓	✓	-	✓

CORPORATE GOVERNANCE

BOARD MEETINGS

The Board meets at regular intervals to deliberate on business strategies, review the financial performance of the Company and its subsidiaries, and consider statutory matters requiring Board approval. Notices of meetings, along with detailed agendas, notes and supporting documents, are circulated well in advance to all Directors to enable informed and timely decision-making. In exceptional circumstances, additional agenda items may be tabled with the approval of the Board.

The agenda is prepared by the Company Secretary in consultation with the Chairman and Managing Directors, ensuring comprehensive information flow and compliance with applicable laws and Secretarial Standards. The agenda is accompanied by an Action Taken Report that tracks decisions from previous meetings and provides status updates.

Where business exigencies arise, the Board may pass resolutions by circulation in compliance with applicable legal provisions. All such circular resolutions are placed before the Board at the next meeting for noting and confirmation. As required, subject matter experts or special invitees may be invited to provide additional clarity on specific agenda items. During the year, all Board meetings were convened at intervals of less than the statutorily prescribed period, reflecting the Company's commitment to sound governance and adherence to applicable Secretarial Standards.

During the Financial Year 2025-26, the Board of Directors met Four times i.e., on 09th May 2025, 6th August 2025, 04th November 2025 and 09th February 2026. All meetings were held with a gap of less than 120 days.

Name of the Director	Number of Board Meeting		Last AGM Attended Yes/No
	Held	Attended	
Mr. K.P. Ramasamy	4	4	Yes
Mr. KPD Sigamani	4	4	Yes
Mr. P. Nataraj	4	4	Yes
Mr. C.R. Anandakrishnan	4	4	Yes
Mr. E.K. Sakthivel	4	4	Yes
Mr. P. Selvakumar	4	4	Yes
Mr. M. Alagiriswamy	4	4	Yes
Mrs. V. Bhuvaneshwari	4	3	Yes
Mr. K.V. Ramananda Rao	4	4	Yes
Mr. K. Thangavelu	4	4	Yes
Mr. R. Sridharan	4	4	Yes
Mr. M.V. Jeganathan	4	4	Yes

INTER-SE RELATIONSHIP

Mr. K.P. Ramasamy, Chairman, Mr. KPD Sigamani, Managing Director and Mr.P.Nataraj, Managing Director are related to each other. Mr.C.R.Anandakrishnan, Executive Director is related to Mr.K.P.Ramasamy, Chairman and Mr.E.K.Sakthivel, Executive Director is related to Mr.KPD Sigamani, Managing Director.

CHANGES IN SENIOR MANAGEMENT

There were no changes in the particulars of Senior Management during the financial year under review since the close of the previous financial year.

CORPORATE GOVERNANCE

NOTES

1. Details of Director(s) retiring and re-appointed are given in Notice of the Annual General Meeting.
2. The Board of Directors have noted the declaration received from the Independent Directors pursuant to the Act and Listing Regulations with regard to their Independence and are of the opinion that the Independent Directors fulfil the conditions of independence and are independent of the management of the Company.
3. Brief profiles of each of the above Directors are available on the Company's website https://www.kprmilllimited.com/the-board

COMMITTEES OF THE BOARD

A.AUDIT COMMITTEE

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 read with Part C of Schedule II of the Listing Regulations. The Audit Committee is entrusted with the responsibility to oversee the Company's accounting and financial reporting processes, the audit of financial statements, and matters related to the appointment, independence, and performance of both the Statutory and Internal Auditors.

COMPOSITION

The composition of Audit Committee as on March 31, 2026 was as under:

S. No	Name of the Director / Member	Category	Position
1	Mr. M. Alagiriswamy	Independent Director	Chairman
2	Mr. K. Thangavelu	Independent Director	Member
3	Mr. P. Nataraj	Executive Director	Member

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics and Risk Management. It functions in accordance with its charter that defines its authority, responsibility, and reporting function.

MEETINGS AND ATTENDANCE

The Audit Committee met Four (4) times during the Financial Year 2025-26. The Committee met on 09th May 2025, 6th August 2025, 04th November 2025 and 09th February 2026. The requisite quorum was present at all the Meetings. In compliance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act, the gap between any two consecutive meetings did not exceed 120 days.

The attendance of respective members at the Audit Committee meetings held during FY 2025-26 are as under:

S. No	Name of the Director / Member	No. of Meetings Held	
		Held	Attended
1	Mr. M. Alagiriswamy	4	4
2	Mr. K. Thangavelu	4	4
3	Mr. P. Nataraj	4	4

The Chief Financial Officer of the Company as well as partners/ representatives of Statutory Auditors and Internal Auditors attended the Audit Committee meetings. Mr.P.Kandaswamy, Company Secretary acts as the Secretary to the Audit Committee. During the year under review, the representatives of the Statutory Auditors attended all the Audit Committee meetings, where Financial Results were approved. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company on July 30, 2025.

B.NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Act, Regulation 19 of the SEBI Listing Regulations the Nomination and Remuneration Committee of the Board of Directors ("NRC") is duly constituted, comprising only Independent Directors. NRC is responsible for

CORPORATE GOVERNANCE

evaluating the composition of the Board, ensuring a balance of skills, experience, independence, diversity, and knowledge. The Committee is also responsible to formulate criteria for the selection of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel, as well as overseeing succession planning. Further, the Committee is responsible for formulating policies related to remuneration, performance evaluation, Board diversity, etc. in line with the provisions of the Act and the SEBI Listing Regulations.

COMPOSITION

The Nomination and Remuneration Committee comprises of the following members as on March 31st, 2026:

S. No	Name of the Director / Member	Category	Position
1	Mr. M. Alagiriswamy	Independent Director	Chairman
2	Mr. K. Thangavelu	Independent Director	Member
3	Mr. M.V. Jeganathan	Independent Director	Member

MEETINGS AND ATTENDANCE

The NRC met once during the year on April 28th, 2025. The requisite quorum was present at the said Meetings. The Chairperson of the NRC was present at the last Annual General Meeting of the Company held on July 30th, 2025.

The attendance of respective members at the NRC meetings held during FY 2025-26 are as under:

S. No	Name of the Director / Member	No. of Meetings Held	
		Held	Attended
1	Mr. M. Alagiriswamy	1	1
2	Mr. K. Thangavelu	1	1
3	Mr. M.V. Jeganathan	1	1

The Nomination and Remuneration Committee Policy has been framed and displayed in the Company's Website.

The performance evaluation criteria for Independent Directors have already been included in the Nomination Remuneration Committee policy. The Website link to the policy is provided here:

https://bkend.kprmilllimited.com/media/documents/5.KPR-NR-Policy.pdf

C.STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, Committee of Directors (Stakeholders Relationship Committee) of the Board is duly constituted to oversee matters relating to the interest of the stakeholders, ensuring expeditious share transfer process and evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company.

COMPOSITION

The Stakeholders Relationship Committee comprises of the following members as on March 31st, 2026:

S. No	Name of the Director / Member	Category	Position
1	Mr. K. Thangavelu	Independent Director	Chairman
2	Mr. M. Alagiriswamy	Independent Director	Member
3	Mr. P. Nataraj	Executive Director	Member

CORPORATE GOVERNANCE

MEETINGS AND ATTENDANCE

The Stakeholders' Relationship Committee met Twice during the Financial Year 2025-26. The Committee met on May 09th, 2025 and November 04th, 2025. The requisite quorum was present at the Meeting. The Chairperson of the Stakeholders' Relationship Committee was present at the last Annual General Meeting of the Company held on July 30th, 2025.

The attendance of respective members at the Stakeholders' Relationship Committee meetings held during FY 2025-26 are as under:

S. No	Name of the Director / Member	No. of Meetings Held	
		Held	Attended
1	Mr. M. Alagiriswamy	2	2
2	Mr. K. Thangavelu	2	2
3	Mr. P. Nataraj	2	2

Mr.P.Selvakumar, Whole-Time Director is Deputy Nodal Officer. Mr. P. Kandaswamy, Company Secretary is the Secretary to the Committee and designated as Compliance Officer pursuant to the requirements of Listing Regulations.

Details of Shareholders' Complaints

During the year under review, the company did not receive any complaints from its shareholders.

Nature of Complaint / Queries received during the Financial Year 2025- 26	No. of. Complaints
Complaints pending as on April 1, 2025	0
Complaints received during the year	0
Complaints resolved during the year	0
Complaints pending as on March 31, 2026	0

The above table includes Complaints received by the Company from SEBI SCORES, Online Dispute Resolution Portal (ODR) and through Stock Exchanges where the securities of the Company are listed.

Pursuant to SEBI's Directions, Company has created a centralized web based complaints redressal system 'SCORES' and there was no complaint received during the year in that system.

As per SEBI circular, the Company has registered in the Online Dispute Resolution (ODR) portal. If the Investor is not satisfied with the outcome of the compliant, raised in 'SCORES' portal they can initiate dispute resolution through the ODR portal and there was no complaint received during the year in that portal.

As per Regulation 46 of the Listing Regulation, the Company has designated the following exclusive E-mail ID for the convenience of Investors: **investors@kprmill.com**

In addition, they can also forward their grievance, if any, to the E-mail ID: **kandaswamy@kprmill.com.**

As required by the Listing Regulations, Company's website **www.kprmilllimited.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. The Company's website contains a separate dedicated section 'Investor' wherein shareholders' information are available. The Company's Annual Report is also available in a user-friendly and downloadable form.

With a view to regulate trading in securities by the Directors and Designated Employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

CORPORATE GOVERNANCE

D.CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with Section 135(1) of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility ("CSR") Committee of the Board of Directors has been duly constituted for overseeing the implementation of the CSR Policy and the execution of CSR activities undertaken by the Company.

COMPOSITION

The Committee comprises of four Directors as on March 31st, 2026 as under:

S. No	Name of the Director / Member	Category	Position
1	Mr. K.P. Ramasamy	Executive Director	Chairman
2	Mr. KPD Sigamani	Executive Director	Member
3	Mr. P. Nataraj	Executive Director	Member
4	Mr. M.V. Jeganathan	Independent Director	Member

As per the requirement of Section 135 of the Act, the Company has spent Rs. 1,551.64 lakhs for FY 2025-26.

The Company has formulated CSR Policy and the said policy is uploaded on the website of the Company viz., **www.kprmilllimited.com.**

Terms of reference:

1. Formulating and recommending to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. Recommending the amount of the expenditure to be incurred on CSR activities;
3. Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company and for reporting the progress of the same;
4. Such other functions as may be entrusted to it by the Board, from time to time;

MEETINGS AND ATTENDANCE

During the year under review, the CSR Committee met on April 28th, 2025 and February 7th, 2026. The requisite quorum was present at the meeting. The attendance of respective members at the CSR meetings held during FY 2025-26 are as under:

S. No	Name of the Director / Member	No. of Meetings Held	
		Held	Attended
1	Mr. K.P. Ramasamy	2	2
2	Mr. KPD Sigamani	2	2
3	Mr. P. Nataraj	2	2
4	Mr. M.V. Jeganathan	2	2

Mr.P Kandaswamy, Company Secretary acts as the Secretary of the Committee.

E. RISK MANAGEMENT COMMITTEE:

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the Listing Regulation, the Company has framed a Risk Management Policy. In the opinion of the Board there appears to be no element of risk that may threaten the existence of the Company. The Risk Management Policy is disseminated in the website of the Company.

CORPORATE GOVERNANCE

COMPOSITION

The Composition of the Risk Management Committee (RMC) as at March 31st, 2026 as under:

S. No	Name of the Director / Member	Category	Position
1	Mr. P. Nataraj	Executive Director	Chairman
2	Mr. M. Alagiriswamy	Independent Director	Member
3	Mr. PL. Murugappan	Chief Financial Officer	Member

MEETINGS AND ATTENDANCE:

The committee met two times during the year on July 25th, 2025 and January 03rd, 2026. In compliance with the Regulation 21 of the SEBI Listing Regulations, the gap between any two consecutive meetings did not exceed 210 days.

The attendance of respective members at the RMC meetings held during FY 2025-26 are as under:

S. No	Name of the Director / Member	No. of Meetings Held	
		Held	Attended
1	Mr. P. Nataraj	2	2
2	Mr. M. Alagiriswamy	2	2
3	Mr. PL. Murugappan	2	2

Mr.P Kandaswamy, Company Secretary acts as the Secretary of the Committee.

REMUNERATION OF DIRECTORS

Details of Remuneration and Sitting Fee paid to the Directors are given below:

Name of the Director	Remuneration during the year 2025-26 (₹ in Lakhs)	Commission (₹ in Lakhs)	Sitting Fees for attending meeting of the Board and/or Committee thereof (₹ in Lakhs)
Mr. K.P. Ramasamy	72.00	1600.00	-
Mr. KPD Sigamani	72.00	1600.00	-
Mr. P. Nataraj	72.00	1600.00	-
Mr. C.R. Anandakrishnan	24.00	-	-
Mr. E.K. Sakthivel	18.00	-	-
Mr. P. Selvakumar	25.77	-	-
Mr. M. Alagiriswamy	-	-	5.00
Mrs. V. Bhuvaneshwari	-	-	1.50
Mr. K.V. Ramananda Rao	-	-	3.20
Mr. K. Thangavelu	-	-	5.00
Mr. R. Sridharan	-	-	2.70
Mr. M.V. Jeganathan	-	-	2.00

The Non-Executive Independent Directors are entitled to sitting fees only as per the statutory provisions and the limits approved by the Board of Directors.

CORPORATE GOVERNANCE

PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR.

S.No	Name of Senior Management Personnel (SMP)	Designation	Change If Any, Since The Previous Financial Year
1	Mr.PL Murugappan	Chief Financial Officer	Nil
2	Mr.P.Kandaswamy	Compliance Officer & Company Secretary	Nil

FAMILIARISATION PROGRAMME

1. Role, authority and obligations of Independent Directors.
2. Manufacturing locations and production units.
3. Product portfolio.
4. Segment-wise capacity and expansion initiatives approved by the Board from time to time.
5. Core strengths of the Company.
6. Business journey and organizational evolution.
7. Distinct employment practices.
8. Energy self-reliance through captive renewable power sources including wind, cogeneration and solar.
9. Corporate social responsibility initiatives.
10. Growth plans in garments, sugar, ethanol and cogeneration power.
11. Progress of modernization in the spinning division.
12. Developments in the retail business.
13. Performance trend and outlook.
14. Sustainability and ESG Plans.

Besides Reports on the following activities apprising the system and procedures followed by the Company in ensuring compliance / observance of those activities were also provided:

1. Compliance with applicable Legislations and Regulations
2. Risk Management
3. Ensuring significant development in Human Resources/ Industrial Relations
4. Annual Budgets and Funding Plans consistent with agreed corporate strategies
5. Internal Finance Control
6. Integrity of financial information
7. Evaluation of Non-Independent Directors, the Chairperson and the Board as a whole
8. Related Party Transactions

The following is the Web link for the details of Familiarization Programme imparted to the Independent Directors:
https://www.kprmilllimited.com/policy

CEO / CFO CERTIFICATION

The CEO and CFO have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as required and forms part of this Annual Report.

CORPORATE GOVERNANCE

GENERAL BODY MEETINGS

ANNUAL GENERAL MEETINGS

The date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed there at, are as follows:

Annual General Meeting	Date & Time	Venue	Details of Special resolution passed
20th	July 28,2023 02.30 P.M	Video Conferencing / Other Audio Visual Means	Appointment of Mrs.V.Bhuvaneshwari, Woman Independent Director of the Company.
21st	July 22, 2024 02.30 P.M	Video Conferencing / Other Audio Visual Means	NIL
22nd	July 30,2025 02.30 P.M	Video Conferencing / Other Audio Visual Means	Appointment of Mr.M.Alagiriswamy and Mr.K.Thangavelu beyond age of 75 years till expiry of their current term till 31st March 2029.

EXTRA ORDINARY GENERAL MEETING

During the year, no Extra Ordinary General Meeting was held.

POSTAL VOTING:

During the year, the following Resolutions were passed by the Company through Postal Ballot the results of which were declared on April 23, 2025:

Details of Resolution passed and Summary of the Voting's results as follows:

Sr. No	Resolution Details	Type of Resolution	Votes cast in favour %	Votes cast in against %
1	Re-appointment of Mr.KPD Sigamani (DIN: 00003744) as Managing Director of the Company.	Special Resolution	91.50	8.50
2	Re-appointment of Mr.P.Nataraj (DIN:00229137) as Managing Director of the Company.	Special Resolution	91.32	8.68
3	Re-appointment of Mr.P.Selvakumar (DIN: 07228760) as Whole-time Director of the Company.	Ordinary Resolution	98.14	1.86
4	Appointment of Mr.M.V.Jeganathan (DIN:10722925) as an Independent Director of the Company.	Special Resolution	99.20	0.80

CORPORATE GOVERNANCE

PROCEDURE ADOPTED FOR POSTAL BALLOT

The Procedure stipulated in the Companies Act, Rules and Listing Regulations have been followed for conducting Postal Ballot. The results are displayed on the websites of the Company, RTA, BSE and NSE.

MEANS OF COMMUNICATION

The Company has established a structured process to ensure seamless communication with investors.

- The Un-audited quarterly/ half-yearly results are announced within forty-five days of the close of the quarter (or such other extended timeline as may be allowed by SEBI and MCA). The audited annual results are announced within sixty days from the closure of the financial year (or such other extended timeline as explained above) as per the requirement of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in newspapers like the "Business Line" (English) and "Maalaimalar" (Tamil).
- The Company's financial results and official press releases are displayed on the Company's website- www.kprmilllimited.com
- Presentations made to the institutional investors or/and analysts are intimated to the Stock Exchanges within the prescribed time specified under the Listing Regulations and hosted on the Company's website simultaneously.
- The Company has maintained a user-friendly corporate website. The 'Investors' tab on the website provides information relating to financial performance, annual reports, corporate governance reports, policies/code, constitutional documents, general meetings, credit rating, details of unclaimed dividend and shares transferred to IEPF, frequently asked questions and investor presentations, etc.

SHAREHOLDERS INFORMATION

Annual General Meeting ("AGM") for the Financial Year 2025-26

Day and Date	Wednesday, 29th July, 2026
Time	02.30 P.M (IST)
Venue/Mode	AGM will be held through video conferencing / other audio-visual means
Financial Year	April 1st, 2025 to March 31st,2026
Record Date	20th July, 2026

DATE OF PAYMENT OF DIVIDEND

The payment of Interim Dividend declared by the Board of Directors at their meeting held on February 02nd, 2026 was made on February 20th, 2026. Dividends if declared at the Annual General Meeting will be paid to the Shareholders within stipulated time as per the Act.

SHARE DETAILS:

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

STOCK EXCHANGES	
BSE LIMITED Phiiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. **SCRIP CODE - 532889**	**National Stock Exchange of India Limited** Exchange Plaza, Plot: C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. **SCRIP CODE - KPRMILL**

CORPORATE GOVERNANCE

The Annual Listing Fee payable to the Stock Exchanges for the Financial Year 2025-26 have been paid in full.

ISIN for Equity Shares

The ISIN (International Securities Identification Number) for the Company's equity shares is INE930H01031. This ISIN is common for both NSDL and CDSL.

SHARE TRANSFER SYSTEM

Pursuant to Regulation 40(1) of the SEBI Listing Regulations, the transfer of shares of the Company will not be processed unless the shares are held in dematerialized form with a depository. Therefore, shareholders holding equity shares in physical form are strongly encouraged to convert their shares into dematerialized form. This will facilitate seamless transfer of shares and enable shareholders to actively participate in various corporate actions

After confirmation of the sale transaction from the Broker, Shareholder should approach the Depository Participant (DP) with a request, in the form of delivery instruction slip, to transfer the shares to the account of the broker. The depository participant will execute the instruction and transfer the share to the account of the Broker.

Similarly, in the case of a purchase, the Broker will arrange to credit the shares in the Demat account of Share Holder within 24 hours after the payout has been declared by the Exchange. There is no need for a separate communication with the Company or its Share Transfer Agents.

Please register your mobile number and email id with the DP, to get instant information through SMS from the Depository, whenever shares are debited from your DP account. Please ensure from your DP that your order is intact. Please collect a copy of transaction/holding from your DP periodically. Also, use the nomination facility available with the Depository and register the nominee.

So, for effecting the transfer of shares, the shareholders are requested to send application to the depository for conversion of physically held shares in dematerialized form.

Face value of equity share is ₹ 1/- each.

DISTRIBUTION OF SHAREHOLDINGS AS ON 31st MARCH 2026

Shareholding Range	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 to 500	1,21,173	96.26	68,49,860	2.00
501 to 1000	2,184	1.73	16,36,589	0.48
1001 to 2000	1,159	0.92	16,86,431	0.49
2001 to 3000	382	0.30	9,54,644	0.28
3001 to 4000	193	0.16	6,85,751	0.20
4001 to 5000	147	0.12	6,81,397	0.20
5001 to 10000	252	0.20	17,96,726	0.53
Greater than 10000	395	0.31	32,75,22,602	95.82
Grand Total	**1,25,885**	**100.00**	**34,18,14,000**	**100.00**

CORPORATE GOVERNANCE

SHAREHOLDING PATTERN AS ON 31st MARCH 2026

S.No	Category	Number of Shares Held	% of Holding
1	Promoters & Promoters Group	23,08,12,377	67.52
2	Public	2,02,63,107	5.93
3	NRIs	10,72,657	0.31
4	Mutual Funds	6,06,16,536	17.73
5	Foreign Portfolio Investors	2,26,79,112	6.64
6	Bodies Corporate	63,70,211	1.87
	Total	**34,18,14,000**	**100.00**

SHAREHOLDING OF DIRECTORS AS ON 31st MARCH 2026

S. No	Name of Director	No. of Shares
1	Mr. K.P. Ramasamy	6,59,30,816
2	Mr. KPD Sigamani	6,59,31,217
3	Mr. P. Nataraj	6,59,31,217
4	Mr. C.R. Anandakrishnan	6,950
5	Mr. E.K.Sakthivel	-
6	Mr. P. Selvakumar	-
7	Mr. M. Alagiriswamy	-
8	Mrs. V.Bhuvaneshwari	-
9	Mr. K.V. Ramananda Rao	-
10	Mr. K. Thangavelu	-
11	Mr. R. Sridharan	-
12	Mr. M.V. Jeganathan	-

DEMATERIALIZATION OF SHARES:

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 INE930H01031. As on 31.03.2026, shares representing 99.99% of the total paid up capital of the Company are held in dematerialized form with NSDL and CDSL.

ADDRESS FOR CORRESPONDENCE

COMPANY SECRETARY & COMPLIANCE OFFICER	REGISTRAR AND TRANSFER AGENTS
Mr.P.Kandaswamy K.P.R. Mill Limited, 1st Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641 018 Ph: +91 422 220 7777	**NSDL Database Management Limited** 4th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai-400013 Phone: 022-49142700 / 2578 / 2589 Fax: 022-49142503 Email: investor.ndmlrta@ndml.in Website: https://ndml.in/rta.php

CORPORATE GOVERNANCE

PLANT LOCATIONS :

LOCATION	TELEPHONE	FACILITIES
Indiampalayam Village, Sathyamangalam - 638 454.	Tel: + 91 98423 04275	Spinning
S.F.No.273, Kittampalayam, Karumathampatti, Coimbatore - 641 659.	Tel: + 91 89733 88844	Spinning, Knitting, Compact & Mélange
S.F. No.525, Neelambur, Coimbatore - 641 062.	Tel: + 91 99655 54208	Spinning & Knitting
S.F.No.181, Kollupalayam, Arasur, Coimbatore - 641 407.	Tel: + 91 422 2635500	Spinning, Knitting & Garmenting
252, Periyar Colony, Tirupur - 641 652.	Tel: + 91 421 2259200	Garmenting
SIPCOT Industrial Area, Perundurai - 638 052.	Tel: + 91 4294 234800	Processing
270 J, Periyar Colony, Tirupur - 641 652.	- Tel: + 91 421 2259500	Marketing (Yarn & Fabric)
S.F. No 7, Avinashi Main Road, Thekkalur, Tirupur - 641 654.	Ph: +91 89733 33455	Garmenting
No 460, Avinashi Main Road, Thekkalur, Tirupur - 641 654.	Tel: +91 4296 277300	Garmenting
SIPCOT Industrial Area, Perundurai - 638 052.	Tel: + 91 4294 234800	Processing Unit II and Printing Division
Tirunelveli, Tenkasi, Theni & Coimbatore District	-	Windmills

CORPORATE GOVERNANCE

LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR

CARE Ratings Limited has accorded and re-affirmed its Credit Rating as follows:

Facilities	Ratings	Rating Action
Long-term Bank Facilities	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Reaffirmed
Short-term Bank Facilities	CARE A1+ (A One Plus)	Reaffirmed

CAPITAL INTEGRITY AUDIT

The Certificate from a Practicing Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with the National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the said Certificate is submitted to the Stock Exchanges where the securities of the Company are listed.

PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has prescribed a Code of Conduct for prevention of insider trading through Purchase / Sale of Shares of the Company by an insider on the basis of unpublished price sensitive information. The same is followed and the designated persons are disclosing the related information periodically. As per SEBI (Prohibition of Insider Trading) Regulations, the Automation of System Driven Disclosures are also adopted. The Company is maintaining the Structured Digital Database in accordance with the SEBI Regulations.

The Company has also formulated a Code for Fair Disclosure of the Price Sensitive information in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the same is disseminated in the website of the Company.

Mr. P. Kandaswamy, Company Secretary functions as the Compliance Officer.

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS (RPT)

There has been no materially significant related party transaction with the Company's Promoters, Directors, KMP and the Management, their Subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding the transactions in pursuance of Accounting Standards are given in the notes to accounts and Directors' Report.

As per SEBI (LODR), periodical report on related party transactions are filed with the Stock Exchanges and uploaded in the Company website.

The Company has also formulated a policy on dealing with the Related Party Transactions and the details of such policies are disseminated on the website of the Company.

The Website link to the policy is as below:

https://bkend.kprmilllimited.com/media/documents/RELATED-PARTY-TRANSACTION-POLICY.pdf

SUBSIDIARY

The financials of the Subsidiary Companies viz., M/s. K.P.R. Sugar Mill Limited, M/s. Jahnvi Motor Private Limited, M/s. Quantum Knits Private Limited, M/s. Galaxy Knits Limited, M/s. KPR Sugar and Apparels Limited have been duly reviewed by the Audit Committee and the Board of the Holding Company. Salient features of the Board minutes of the unlisted subsidiary companies have been placed before the Board of the Holding Company. The Holding Company's Board is also periodically informed about all significant transactions and arrangements entered into by the Subsidiary Companies.

MATERIAL SUBSIDIARY

The Company has also formulated a policy for determining the Material Subsidiary. In order to fall in line with the requirements of SEBI (LODR) Regulations, 2015 the 'Policy for determining material subsidiary' was amended by the Board of Directors at their meeting held on 03.05.2023 and the details of such policies are disseminated in the website of the Company. The Website link to the policy is as below:

https://bkend.kprmilllimited.com/media/documents/Policy-for-Material-Subsidiaries-KPRML.pdf

CORPORATE GOVERNANCE

K.P.R. Sugar Mill Limited and KPR Sugar and Apparels Limited a Wholly Owned Subsidiary Companies are Material Subsidiary.

1. K.P.R. Sugar Mill Limited was incorporated on 03.03.2006 at Coimbatore and its Statutory Auditor, Mr. A. Vetrivel was appointed on 19.08.2022 to audit the accounts from FY 2022-23 to FY 2026-27.
2. KPR Sugar and Apparels Limited was incorporated on 01.10.2020 at Coimbatore and its Statutory Auditor, M/s. VEKAM and Associates, was appointed on 19.07.2024 to audit the accounts from FY 2024-25 to FY 2028-29.

Its Secretarial Audit Report as per 24A of SEBI (LODR) Regulations is provided in the following web link: **https://kprmilllimited.com/financial- result annual-reports/**

LOANS AND ADVANCES

K.P.R. Mill Limited has extended loan to our wholly owned subsidiary company KPR Sugar and Apparels Limited and its outstanding as on 31.03. 2026 is Rs. 2,231.03 lakhs

DETAILS OF NON – COMPLIANCE BY LISTED ENTITY

During the last three financial years there were no non - compliances by the entity nor any penalties or strictures imposed on the Entity by the Stock Exchanges or Board or any Statutory Authority on the matters related to Capital Market.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has formed Vigil Mechanism and Whistle Blower Policy that provides for adequate safeguards against victimization of Directors / Employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. Further details of the same are provided in the Directors report.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Certificate from a Practicing Company Secretary stating that none of the directors are debarred or disqualified forms a part of this Annual Report.

REGARDING THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per the requirements of Sexual harassment of women at workplace (Prevention, Prohibition and Redressal Act) 2013 Internal Complaints Committee has been formed. There were no complaints filed/disposed or pending during the financial year 2025-26.

TRANSFER TO IEPF ACCOUNT OF CENTRAL GOVERNMENT

The Company has transferred the following unpaid dividend amounts which remained unpaid for more than seven consecutive years that were due for transfer during the financial year 2025-26 to the Investor Education and Protection Fund of the Central Government:

Transfer of Unclaimed Dividends to IEPF Account

S. No	Dividend	Date of Transfer	Amount of Transfer (₹)
1	Final Dividend 2017-2018	03.10.2025	27,656.25

Transfer of Shares to IEPF Demat Account

No. of Shareholders	No. of Shares	Date of Transfer
9	5585	10.10.2025

FEES TO STATUTORY AUDITOR

The particulars of payment of Statutory Auditors' fees, including subsidiaries on a consolidated basis is given below:

(₹ in Lakhs)

Particulars	Amount
Services as statutory auditors (including quarterly audits)	38.00
Tax audit	-
Services for tax matters	-
Other matters	-
Re-imbursement of out-of-pocket expenses	-
Total	**38.00**

CORPORATE GOVERNANCE

CODE OF CONDUCT AND ETHICS – DECLARATION

It is hereby declared that the Board of Directors of the Company have adopted a Code of Conduct for the Board members and Senior/Key Management Personnel of the Company and the same has also been posted in the website of the Company and that all the Board Members and Senior/Key Management Personnel to whom this Code of Conduct is applicable have affirmed the compliance of Code of Conduct during the year 2025-26.

DISCLOSURE:

I. The Independent Director/s of the Holding Company was/were nominated in the Subsidiary Companies viz: M/s. K.P.R. Sugar Mill Limited and M/s. KPR Sugar and Apparels Limited, Material Subsidiaries.

II. Directors Responsibility Statement and Management Discussion and Analysis Report have been furnished elsewhere in the Annual Report.

III. The Company is not undertaking any commodity hedging activities, hence there is no risk of commodity hedging to the Company.

IV. The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

V. During the year under review, the recommendations made by different Committees of the Board of Directors have been accepted and there were no instances where the Board of Directors have not accepted any such recommendation.

VI. All the requirements of Corporate Governance Report of sub paragraphs (2) to (10) Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been duly complied with.

VII. The Company has a system to inform the Members of the Board about the risk Assessment and its minimization procedure.

VIII. The corporate governance requirements as specified in SEBI (Listing Obligation and Disclosure Requirements) Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 have been duly complied with by the Company.

IX. All the mandatory requirements have been duly complied with.

X. None of the discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adopted.

FOR AND ON BEHALF OF THE BOARD

P. Nataraj
Chief Executive Officer & Managing Director
DIN:00229137

Place : Coimbatore
Date : 12.05.2026

CERTIFICATE

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

To the Members of K.P.R. Mill Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated April 08, 2026.

2. We have examined the compliance of conditions of Corporate Governance by K.P.R Mill Limited ("the Company"), for the year ended March 31, 2026, as stipulated in regulations 17 to 27, clauses (b) to (i) and (t) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as "Stock Exchanges").

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

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

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2026.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Restriction on use

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No: 060573
ICAI UDIN:26060573TECYR4797

Place: Coimbatore
Date: May 12, 2026

CERTIFICATE

CEO AND CFO CERTIFICATE

The Board of Directors
K.P.R. Mill Limited,
Regd office: No.9, Gokul Buildings, 1st Floor,
A.K.S. Nagar, Thadagam Road,
Coimbatore - 641001

In relation to the Audited Financial Statements of the Company as at 31.03.2026 we hereby certify that:

a) We have reviewed financial statements (standalone and consolidated) for the year ended 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 state of affairs and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the period are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept that it is our responsibility to establish and maintain internal controls 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 Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposes to take to rectify these deficiencies.

   (i) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data and there have been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.

   (ii) There were no significant changes in internal control during the period covered by this report.

   (iii) Significant changes in accounting policies, if any, during the period have been disclosed in the notes to the financial statements;

   (iv) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Coimbatore
Date: 12.05.2026

PL. Murugappan
Chief Financial Officer

P. Nataraj
Chief Executive Officer &
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY

GLOBAL

After withstanding higher trade barriers and elevated uncertainty last year, global activity now faces a major test from the outbreak of war in the Middle East. Assuming that the conflict remains limited in duration and scope, global growth is projected to slow to 3.1 percent in 2026 and 3.2 percent in 2027. Global headline inflation is projected to rise modestly in 2026 before resuming its decline in 2027. Slowdown in growth and increase in inflation are expected to be particularly pronounced in emerging market and developing economies. Fostering adaptability, maintaining credible policy frameworks, and reinforcing international cooperation are essential to navigating the current shock while preparing for future disruptions in an increasingly uncertain global environment. (Source: IMF)

INDIA

For the world as a whole the year 2025 may have begun with one set of expectations and ended with another, India included. As per IMF GDP term India slips to sixth-largest economy (from 4th place) due to weakening rupee, Iran war impact, outflow of foreign capital and rising hedging costs, the revision in the GDP base year from 2011–12 to 2022–23. However, one notable continuity has been India's strong macroeconomic performance. Growth was strong as evidenced by RBI's aggressive interest rates cuts and loosened liquidity conditions; Government's significant tax breaks for households in the central budget; most radical overhaul of the Goods and Services Tax since its inception; notification of the four Labour codes; contained inflation; supportive rainfall and agricultural prospects; low external liabilities; banks are healthy; comfortable liquidity conditions; respectable credit growth; strong corporate balance sheets; and the good overall flow of funds to the commercial sector. So, the rupee's valuation does not accurately reflect India's stellar economic fundamentals.

Despite the shift in global rankings, India will remain the fastest-growing major economy, according to IMF estimates. India's economy is projected to grow at 6.4% this year and 6.6% in 2027, driven largely by healthy economic growth in India according to a report by the United Nations. The shift reflects currency-driven changes rather than structural weakness, with projections suggesting India could regain lost ground in the coming years due to its strong fundamentals.

However, the Iran War has hit hard on the Indian Economy as the country imports nearly 90% of its crude oil, higher prices widen the import bill and increase dollar outflows, putting direct pressure on the currency.

TEXTILE INDUSTRY

GLOBAL

The current Global landscape of the textile market presents a growing and multifaceted scenario, buoyed by an amalgamation of factors stimulating growth. Rising disposable incomes, urbanization, and changing lifestyles contribute significantly to the market's expansion, fostering increased demand for diverse textile products across both developed and emerging economies. The global textile market undergoes a continual evolution driven by shifting consumer preferences to technological advancements and sustainability imperatives. Additionally, digital transformation has redefined the textile market, fostering online retailing platforms and customization capabilities, and allowing consumers to engage directly with brands. The Global textile market size is expected to see strong growth in the next few years at a compound annual growth rate (CAGR) of 6.9%. However, for the first time, geopolitics topped industry concerns edging out weak demand driven by the war in Iran and surging energy prices, higher raw material costs, and logistics disruptions from the Strait of Hormuz blockade. The potential impact on the supply chain and the apparel industry are shipping route vulnerability, logistic & transportation challenges, production halt, increased operational costs, rising energy costs, complex tariffs shift in consumer spending on clothing. Stakeholders should actively explore strategies to fortify supply chains and maintain affordability amid these uncertain geopolitical landscape.

INDIA

The Indian textile sector had a tough fiscal year in FY2025-2026. It saw steep US tariffs, and then the end of the period witnessed Middle East supply chain disruptions. Yet, India's Textile and garment exporters collectively shrugged off the pressure and grew with immense potential for resurgence through innovation, strategic adaptation, and a commitment to sustainability. By embracing cost-effective sourcing, focusing on niche markets, leveraging technology, and prioritizing responsible practices, businesses can navigate the current landscape and secure a brighter future. Companies that prioritize cost control, supply chain resilience and product upgrading will be better positioned to withstand uncertainty and emerge stronger as condition stabilise. The Indian textile industry's future hinges on a collective effort from businesses,

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

government agencies, and consumers. By acknowledging the challenges, embracing innovation, and prioritizing sustainability, the industry can navigate the current hurdles and emerge stronger, fostering economic growth and shaping a future of responsible and thriving textile production.

COTTON

Often heralded as 'White Gold,' cotton is not merely a commodity in our Nation; it is the economic backbone for over Six Million farmers and the primary fuel for a textile industry that contributes significantly to India's GDP. India's relationship with cotton is timeless. For centuries, Indian cotton and textiles have shaped global trade, culture and craftsmanship. India has the largest area under cotton cultivation of 11.23 million hectares, 36% of world acreage and the 2nd largest producer of cotton in the world besides being one of its largest consumers. Yet our yields remain significantly lower than the global average. If we are to remain competitive against other major producers this "Yield Gap" should be bridged. Our distinct advantages are that we grow cotton across all fibre lengths thereby supporting a wide range of yarn counts, the cotton is softer and purer because it is hand-picked and we have an integrated value chain that supports the cotton eco-system. The reinstatement of the 11 percent raw cotton import duty, the weakening rupee, higher freight and insurance costs and slowed vessel movements, have further constrained raw cotton imports, resulting in higher input cost for mills and limited access to cheaper foreign cotton.

INDIAN COTTON BALANCE SHEET FOR THE SEASON 2025-26

As on 31.03.2026	(In Lakh Bales)
Opening Stock	45.50
Production	290.91
Imports	47.00
TOTAL SUPPLY	**383.41**
Consumption	328.00
Exports	12.00
TOTAL DEMAND	**340.00**
Closing Stock	43.41

(Source: Committee on Cotton Production & Consumption)

YARN

In the Indian cotton yarn market, the application segment is dominated by apparel, holding the largest share due to robust demand fuelled by a growing consumer base and increasing fashion awareness. Apparel products rely heavily on cotton yarn as a key raw material, which reinforces its significant market position, thereby enhancing the demand for cotton yarn. The Indian cotton yarn market is experiencing a robust growth trajectory driven by sustainability reflecting a growing consumer preference for eco-friendly textiles and technological advancements. India remains the largest exporter of cotton yarn, while the fastest-growing segment is organic cotton yarn, driven by rising environmental awareness. The Indian cotton yarn market is projected to grow at 7.49% CAGR from 2025 to 2035, driven by rising demand in textile applications, technological advancements, and sustainable practices Demand for Indian cotton yarn has picked up from Countries such as China, Bangladesh and Vietnam, among others, following the disruption in global logistics after the breakout of war in West Asia. In the last few years, rising cotton prices - both domestic and international have led to a narrowing spread between yarn and fibre prices. This has severely compressed gross margins, leaving Indian spinning mills with little buffer to sustain profitability.

GARMENTS

Knitwear is favored for its comfort and durability. Consumers appreciate the softness, warmth, and flexibility of knit garments. Additionally, advancements in yarn technology have resulted in improved quality, longevity, and ease of maintenance, further driving the demand for knitwear products. The knitwear market has witnessed steady growth in recent years, driven by factors such as evolving fashion trends, increasing disposable income, and growing consumer preference for comfortable yet stylish clothing. The market offers a wide range of knitwear products for men, women, and children, catering to diverse tastes and preferences. The knitwear market has considerable growth potential in emerging economies. Rising disposable incomes, urbanization, and shifting consumer preferences towards branded and fashionable clothing contribute to the expanding market opportunities in these regions. Companies can focus on establishing a presence in emerging markets and tailoring their products to meet local tastes and cultural preferences. Textile exporters and processing units in Tamil Nadu are grappling with

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a fresh challenge now – a sharp increase in raw material prices triggered by the ongoing West Asia crisis.

INTERNAL CONTROL

The internal control framework is structured to deliver reasonable assurance that the Company fulfils its operational objectives, upholds the integrity of financial reporting, and adheres to all pertinent laws, regulations, and internal policies. A stringent system of checks and balances has been instituted to ensure transactions are duly authorised, meticulously recorded, and accurately reported. The Internal Audit function, staffed by qualified and proficient professionals, undertakes periodic audits across all departments and business units to appraise the adequacy and efficacy of internal controls and compliance protocols. The Audit Committee scrupulously reviews internal audit outcomes, deliberates significant observations with the auditors and senior management, and refers material matters to the Board for consideration. Independent Directors vigilantly assess the robustness of financial reporting and ascertain that critical financial controls—including authorisation protocols, budgetary oversight, data safeguards, and risk management frameworks—are robustly implemented. These processes are underpinned by comprehensive policy manuals and procedural guidelines, fostering consistency, transparency, and accountability across the organisation.

EMPLOYEE WELFARE

Employee welfare is a positive attitude held by the employees towards the organization and its values. KPR always recognizes its employees (90% are Women), more than any other variable, as powerful contributors to the Company's competitive position. Although technology still dominates, human resources and how they are managed is receiving increased attention in attaining competitive advantage. Employee care is linked employee engagement to business outcomes like productivity, quality improvement and retention of talent. Employee Performance indicates the financial and non-financial outcome of the employee that has a direct link with the performance of the organization and its success. KPR is a trailbreaker in exemplifying how to create a workplace that thrives on the strength of its people by providing innovative facilities including higher education, career development, placement services based on their qualifications etc.

PERFORMANCE

The yarn production and sales were in line with the Budget but the margin was low. The cotton prices were more or less stable. Fabrics were produced as per the Market requirement. Garment production and sale were higher than the Budget with better realisation. Wind power generation and the Solar Power have economised the Power Cost. No fresh term loan was availed and comfortable cash position prevailed.

EXPANSION PLANS

Under the Modernization programme, old cards in Spinning segment and knitting machine were replaced with new cards and advanced knitting machines. In view of the uncertain market conditions and geopolitical issues, no green field expansion was implemented during the year. However, garment expansion within India is under our active consideration.

RISKS AND THREATS

(a) RAW MATERIAL

Indian textile industry is predominantly cotton based and KPR's Textile segment is also cotton centric. During the current cotton season, its production was affected by unseasonal & excess rain and pest attacks, impacting the quality of cotton, while the acreages were lower, as section of farmers switched over to other crops. The Agricultural Ministry has estimated a cotton production at 292 lakh bales for the cotton season 2025-26, enabling a supply of 383 lakh bales, as against the total demand of 340 lakh bales. Though the data assures adequate availability of cotton, the trend in its prices will decide on the margin of the Spinning segment. As the cotton prices remain below MSP, given the widening price gap, CCI is expected to surpass last year's procurement level. International cotton prices were firm supported by weather-linked uncertainty and a softer global crop outlook. For sustained parity with global cotton, the abolition of import duty is essential. Any easing in its prices would depend on global supply developments, domestic arrivals in the coming months, and continuity in import policy. Also the ongoing West Asia crisis has posed a sharp increase in the prices of essential chemicals and fuels for the processing units.

However, KPR with its prudent and pragmatic cotton procurement strategies and engagement of exclusive personnel in the cotton growing areas and cotton market to monitor the factors relating to its availability and supplies, the sustained supply of the quality cotton at competitive prices is ensured. As KPR being an integrated Apparel Unit, fluctuation

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

in cost of raw material on its performance is nominal since the additional cost can be passed on to the resultant products.

(b) TECHNOLOGY OBSOLESCENCE

Despite the promising advancements in digitisation and technological upgradation within India's textile ecosystem, the sector continues to grapple with certain technical risks and challenges such as, slow adoption of modern technologies due to high implementation costs, inadequate infrastructure, and limited access to financing for small and medium enterprises.

However, KPR has always been investing in new advanced Technology Machinery, Equipment and Processes. In addition, regular upgradation of technology advancement in the machinery and production process, through continuous modernization and automation, wherever possible, ensuring production and supply of high quality goods and services, is continued.

(c) MARKET RISKS / INDUSTRY RISKS:

Intense global competition in the textiles industry is there. Inadequate Infrastructure including inadequate logistics, power supply, and transportation networks, Inadequate port infrastructure and inefficient handling, shipping schedules are all posing challenges which always affect the industry efficiency to a large extent. Though the increasing focus on environmental sustainability and compliance with regulations carry a cost they are necessary for industrial growth. The challenges faced by the textiles industry in meeting environmental standards and explore strategies to adopt eco-friendly practices and technologies have to be taken care for industry's betterment. Fragmented Supply Chain is another challenge.

KPR is well equipped to mitigate the above challenges faced by the Industry in general, with its self-sustained green power generation, Integrated facilities, adherence to the strict COC norms stipulated by the Buyers that are centered around environmental standards and eco-friendly practices.

(d) LOGISTICS RISKS:

The textile and apparel sector operates one of the most globalized and time-sensitive supply chains. In 2025, logistics risks have intensified due to geopolitical instability, shifting trade policies, sustainability pressures, and evolving consumer expectations, longer transit times, higher insurance premiums, operational delays, and uncertainty in delivery schedules. An efficient logistics-backed supply chain ensures seamless flow of raw materials, effective processing and timely delivery to and from manufacturers. This improves a firm's ability to adapt to challenges, changing markets and shifting industry trends. Nevertheless, KPR's strategically driven logistics function continues to uphold seamless sourcing and timely delivery, ensuring uninterrupted adherence to planned schedules. However, the risk relating to 'Strait of Hormuz' still prevails.

(e) GEO - POLITICAL RISKS:

The 2026 Iran War, has escalated into a regional conflict involving proxies and Strait of Hormuz disruptions. Ongoing hostilities threaten global oil/LNG flows, driving Brent crude prices and inflating logistics, energy, and raw material costs for apparel/textile exporters. Supply chain vulnerabilities arise from Red Sea/Indian Ocean rerouting, higher shipping rates, and potential shipping disruptions, compounded by forex volatility and inflation. KPR mitigates via diversified sourcing, inventory buffers, and hedging.

(f) DISASTER RISKS:

The Company has a well-designed safety management policy that eliminates / reduces the risk of workplace incidents, injuries, and fatalities through adoption of various well defined safety measures and devices. Its proper implementation and updation enable effective prevention besides equipping the employees to handle any incident that may occur. A Leading International Buyer has honoured KPR with an award recognizing and appreciating the sustained health & safety Standards undertaken by the Company. The properties of the Company are insured against natural risks with periodical review of adequacy.

(g) FINANCIAL RISKS:

At KPR, proper financial planning evolved by qualified and competent Personnel is put in place with detailed Annual Business Plans. Annual and quarterly budgets are prepared and put up to the management for detailed discussion and analysis. The Projects and expenses are regularly monitored. Preparation of daily and monthly cash flows ensures utilization of funds in an effective manner. The Budgets are regularly placed at Audit Committee and the Board.

(h) CREDIT RISKS:

Systems are put in place for assessment of credit worthiness of customers before admission into dealing. Continuous and periodical monitoring of outstanding, appropriate recovery management system including legal course of action and vigorous follow up are adopted by the Company to mitigate this risk.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(i) FOREIGN EXCHANGE RISKS:

The Indian textile industry is highly exposed to foreign exchange risks due to currency volatility, which affects profitability, pricing, and competitive positioning in global markets. Fluctuating rupee values can reduce export revenue, increase the cost of imported raw materials, and create operational challenges, complicating financial planning and long-term investments. While many exporters use hedging instruments such as forward contracts, futures, and options to protect against currency swings, a significant portion of small and medium enterprises lack awareness and expertise in managing forex risks. Strengthening awareness and adoption of robust hedging strategies is essential for safeguarding profitability and enhancing global competitiveness. To manage our foreign exchange risk arising from commercial transactions and recognized assets and liabilities, we use forward contracts and selectively enter into hedging transactions to reduce the risks of currency fluctuations. To manage the Forex related matters we have a competent team consisting of qualified and experienced Personnel.

(j) LABOUR SHORTAGE

The Indian textile industry is facing a significant shortage of skilled labour, which is a major constraint affecting its growth. Despite having the largest labour resource in the world, the number of skilled workers comprises only a small portion of the total workforce. This shortage is a result of the general education system not being oriented towards vocational skills, and the industry requires substantial trained workers to meet global demands. The shortage has led to an increase in production costs and a migration of skilled and unskilled labourers to their home towns and villages where the industry has started growing. With the increased demand for skilled labourers, there is a need for integrated skill development schemes to address the skill gap.

That is why KPR has been consistently concentrating on upgrading its industry acclaimed HR Practices by elevating Employee's academic and skill strengths through Higher Education and Vocational facilities that are unique and distinctive from others. Low absenteeism & attrition rate, higher productivity, ability to source required work force are the fruits of its strategic HR policies.

(k) STIFF COMPETITION FROM LOW COST COUNTRIES

India's textile industry faces intense competition from low-cost countries like Bangladesh, Vietnam, and China, particularly in labour-intensive and cotton-based apparel segments. Key challenges include higher labour and energy costs, longer lead times, fragmented production units, limited adoption of man-made fibers, and lower sustainability compliance, reducing India's global competitiveness. Competitors benefit from cost efficiencies, integrated supply chains, faster production, and favourable trade agreements. To address these gaps, India is implementing various initiatives such as the Production-Linked Incentive (PLI) scheme, the establishment of PM MITRA textile parks, skill development, adoption of automation and advanced technologies, promotion of green textiles, and pursuit of free trade agreements with various major countries. Strategic imperatives for India include integrating fragmented units, reducing input costs, improving logistics efficiency, and increasing ESG-compliant production, which collectively aim to enhance India's global market share and regain competitiveness in the textile sector by 2030. India, as one of the fastest-growing economies in the world, has strategically leveraged Free Trade Agreements (FTAs) that are crucial for reducing trade barriers, increasing market access, and fostering economic cooperation between countries to enhance its trade relations and economic growth. India's FTAs aim to bolster economic integration by eliminating or reducing tariffs, import quotas, and export restrictions between participating countries.

KPR is well positioned to capitalize the various initiatives undertaken by the Government. It would improve the competitiveness of our value-added product offerings in key segments and also fuels our ambition of expanding into new customer bases and geographies. Our strong design capabilities, Product Quality, compliance with sustainability norms, and end-to-end manufacturing infrastructure provide us a competitive edge.

(l) CYBER RISK AND SECURITY

In the present world, the cyber threats presented by modern tech are a cause of concern and as such cyber security measures are inevitable. Cyber security encompasses technologies, processes, and methods to defend computer systems, data, and networks from attacks. The Company employs different best practices to secure computer systems and networks as suggested by the cyber Security Team consisting of Tech Savvy Personnel. Periodical monitoring of the measures is also in place to strengthen the security systems.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In a sector as intricate and ever-evolving as textiles and fashion, effective risk management is non-negotiable. By implementing proactive strategies and staying vigilant to emerging risks, KPR not only ensures its own longevity but also elevating the overall resilience of the industry. Also, the implementation of SAP ERP, a recognized comprehensive accounting solution, is in progress.

The following measures adopted by the Company to mitigate the risk continued:

1. End-user training
2. Operating System and Application patches and updates
3. Endpoint Update and Monitoring
4. Strong password policy
5. Access control measures
6. Minimize administrative access
7. Network segmentation and segregation
8. Device security
9. Protect mobile devices
10. Strong IT policies
11. Staff training on cyber security awareness and policies
12. Data backups
13. Periodical Forensic Audit – Vulnerability Assessment and Penetration Test (VAPT) was conducted by Ernst & Young Global Limited.
14. Advance Threat Protection installed for all Mail users.
15. Configured Cloud based Disaster recovery for Data Security.

FUTURE PROSPECTS

The new Financial Year has begun and both the Central and State Governments have also announced several policy measures, with the objective of enhancing the manufacturing capacity of the country, with common infrastructure facilities and targeting exports to the tune of USD 100 Billion by 2030.The ongoing conflict in West Asia is pushing up costs for India's apparel exporters, due to longer shipping routes and war-related surcharges. With the momentum of growth in the textile industry translating into promising future, the entire industry is on the path to embracing the recent geopolitical uncertainties and all set to achieve a faster growth during this fiscal.

The various FTAs indicate that major economies continue to favor negotiated trade arrangements over unilateral measures. Global population growth and rising per capita consumption remain the most important demand drivers. This growth is particularly pronounced in emerging economies, driven by urbanisation, lifestyle changes and increasing disposable incomes. One of India's most significant strengths is its near end-to end presence across the textile value chain. This integrated ecosystem provides flexibility and supply security that global buyers increasingly value in an era of supply chain diversification.

FOR AND ON BEHALF OF THE BOARD

K.P.Ramasamy
Chairman
DIN:00003736

Place: Coimbatore
Date: 12.05.2026

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I.DETAILS OF THE COMPANY

1	Corporate Identity Number (CIN) of the Listed Entity	**L17111TZ2003PLC010518**
2	Name of the Listed Entity	**K.P.R. Mill Limited**
3	Year of incorporation	**2003**
4	Registered office address	**No. 9, Gokul Buildings, 1st Floor, A.K.S Nagar, Thadagam Road, Coimbatore – 641 001, Tamil Nadu.**
5	Corporate office address	**1st Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641 018, Tamil Nadu.**
6	E-mail	**kandaswamy@kprmill.com**
7	Telephone	**0422-2207777**
8	Website	**www.kprmilllimited.com**
9	Financial year for which reporting is being done	**2025-26**
10	Name of the Stock Exchange(s) where shares are listed	**BSE Limited & National Stock Exchange of India Limited**
11	Paid-up Capital	**₹ 34,18,14,000**
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Mr.P.Kandaswamy Company Secretary 1st Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore – 641 018, Tamil Nadu. Phone No. 0422-2207777 E-mail ID: kandaswamy@kprmill.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	**NA**
15	Type of assurance obtained	**NA**

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	Yarn	42.33
2	Manufacturing	Fabric	8.89
3.	Manufacturing	Garment	42.62

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	Garment	18101	42.62
2	Yarn	17121	42.33
3.	Fabric	17115	8.89

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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	11	1	12
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	15
International (No. of Countries)	60

b. What is the contribution of exports as a percentage of the total turnover of the entity?
In the reporting year, the contribution of exports is 38.42 %.

c. A brief on types of customers
Our commitment to quality and customer service earned a strong customer base-over 1500 regular domestic clients for yarn and fabrics and Leading Brands from more than 60 countries for Apparels.

IV. EMPLOYEES

20. Details as at the end of Financial Year 2025-26:

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)	3,465	2,891	83.43	574	16.56
2	Other than Permanent (E)	-	-	-	-	-
3	Total employees (D + E)	3,465	2,891	83.43	574	16.56
WORKERS						
4	Permanent (F)	16,843	794	4.71	16,049	95.29
5	Other than Permanent (G)	-	-	-	-	-
6	Total workers (F + G)	16,843	794	4.71	16,049	95.29

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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 employees (D + E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	12	1	8.33
Key Management Personnel*	2	-	-

* Key Management Personnel other than Board of Directors.

22. Turnover rate for permanent employees and workers: (in percentage)

Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2	1	2.23	3	11	4.06	3	4	2.88
Permanent Workers	8	10	9.66	8	8	8.14	8	7	6.85

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	K.P.R. Sugar Mill Limited	Subsidiary	100%	No
2	Quantum Knits Private Limited	Subsidiary	100%	
3	Jahnvi Motor Private Limited	Subsidiary	100%	
4	Galaxy Knits Limited	Subsidiary	100%	
5	KPR Sugar and Apparels Limited	Subsidiary	100%	
6	KPR Exports PLC	Subsidiary	100%	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No) - **Yes**
(ii) Turnover (in lakhs): ₹ **4,30,637**
(iii) Networth (in lakhs): ₹ **4,29,133**

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 2025-26			FY 2024-2025		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Community	Yes. 1.The Company has framed Whistle Blower Policy facilitating better Corporate Governance practices which ultimately benefit all the Stakeholders. Industry acclaimed HR Policy covering different areas including grievance redressal mechanism for employees and workers are in place. Also, the Company has Standard operating procedure in place to resolve the grievances of its customers and ensure Customer satisfaction. Web portal: **https://bkend.kprmilllimited.com/media/documents/WHISTLE-BLOWER-POLICY_0oETXCJ.pdf**	0	0	-	0	0	-
Investors (other than shareholders)	2. We have engaged an NGO who monitors advisory body for resolving employees and workers grievances through 'Ungal Kural' and 'Ulula Grievances Mechanisms system'. Both Ungal Kural and Ulula has given a toll free number to call and register their grievances directly at any time for effective remediation. Ulula app is also available. "TELL US" is an another grievance mechanism, introduced and monitored by Primark, which also provides a toll-free number for employees to report their concerns.	0	0	-	0	0	-
Customers		0	0	-	0	0	-
Value Chain Partners		0	0	-	0	0	-
Employees and workers		12	0	-	0	0	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Shareholders	Investor Grievances are promptly redressed by our RTA, M/s. NSDL Database Management Limited by following 'SEBI Investor Charter' formulated by SEBI. In addition, the Company also effectively addresses the grievances, if any, received directly through its competent & experienced Personnel in the secretarial department. Further, SEBI has also provided for 'SCORES platform' & Smart ODR portal to register grievances directly by the investors, which are also periodically monitored and addressed by the Company. The Stakeholders Relationship Committee also monitors all such issues periodically. The Investors can contact / lodge their grievance in the following e-mail id's: 1.investor.ndmlrta@ndml.in 2.investors@kprmill.com	0	0	-	0	0	-
Other (please specify)	NA	0	0	-	0	0	-

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 (R/O)	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	Sustainable Raw material procurement	Opportunity and Risk	**Opportunity:** As quality is our Watch-word, be it the products we produce or service we provide, we always buy best quality Cotton Shankar – 6 from Gujarat to ensure consistent quality. Wherever required, we also buy sustainable Cotton such as BCI, Organic, CMIA, PSCP according to the requirements. Sourcing sustainable cotton reduces environmental and social impacts besides delivering high quality products to our valued customers.	We have a dedicated cotton team to monitor its availability and its price fluctuations. The availability of exclusive personnel at the cotton growing areas and their prudent & pragmatic cotton	**Positive:** The products produced out of high quality cotton & sustainable cotton always fetch remunerative prices and reputation in the market.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

S.No.	Material issue identified	Indicate whether Risk or Opportunity (R/O)	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)
			Risk: Cotton being our key raw material, sourcing of high quality cotton at competitive price is always a major challenge. Speculative trading, unseasonal rains and global shortage are the causes of its price fluctuations.	procurement strategies enable us to access quality cotton.	**Negative:** Cotton prices have direct impact on the profit margins of the Company. Cotton being a single major cost of production, fluctuation in its prices tend to impact the bottom line.
2	Water Use and Management	Opportunity	**Opportunity:** We always consider that water being a vital resource, its conservation is essential for making the earth green for the wellbeing, progress and prosperity of human beings. Towards conserving environment, the following measures at our Units are already in force: 1. Fully automated controlling systems 2. Flow meter 3. ETP & STP for recycling 4. ETP water is used only in processing unit. 5. STP water used in our green development areas to recharge ground level water. 6. Stopped using bore water (ground water) for production process.	-	**Positive:** Though the initial installation cost of recycling water management is huge, in the long run benefits will definitely overweigh the cost.
3	Energy Management	Opportunity	**Opportunity:** Ever since we commenced our manufacturing activities we concentrated on generating renewable energy that minimizes carbon pollution and has a much lower impact on our environment, through green resources such as Wind, Co-generation and now Solar which caters to most of our power requirements. Besides we have also established various power saving devices at our production facilities such as: 1. 5 star rated equipments. 2. BLDC and IE3 motors. 3. Separate Meters for monitoring. 4. Automated cutoff system for boiler and compressor. 5. Energy Audit for purchase of new equipment. 6. 35 MW Solar plant installation completed across all units. 7. Coal Phase out project- has been started by using Gas and Biomass instead of coal. The Multi-fuel boiler set-up is installed with ESP to ensure the control of Air pollution.	-	**Positive:** The energy saving measures result in consumption of economized power and fuel that would reduce the cost of production. It also enables 1. GHG Emission Control eg: Co_2, CH_3, NOx, SOx, etc. 2. Mitigates Global warming. 3. Reduced Carbon emission.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

S.No.	Material issue identified	Indicate whether Risk or Opportunity (R/O)	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)
4	Chemical Management	Opportunity and Risk	**Opportunity:** 1. We are following REACH-ECHA regulation to comply with the chemical regulations. 2. Zero discharge of hazardous chemical. 3. Bhive tool to monitor the chemical inventory 4. We have fully automated set-up for the dispensing of dyes and chemicals for the process preparation. **Risk:** We always adopt cautious and efficient handling of hazardous and toxic chemicals in our production.	Our workers are trained by industry experts to handle chemical safely as well as economically. Also, we have put in place safe chemical disposal mechanism in order to ensure environment sustainability.	**Positive:** Effective purchase and prudent practices contributes to increased profit margins, improving financial stability, and become more competitive in the market besides eliminating the usage of hazardous chemicals thereby assisting environmental safety.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

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 & SUSTAINABILITY REPORT

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes 1.a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	**https://kprmilllimited.com/policy/**								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications /labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001 SA8000 SRCCS SQP FCCA FAMA	SQP OCS RCS GOTS GRS ZDHC Oeko-Tex BCI CoC ISO 9001	SQP ISO 45001 SA8000 SRCCS FSLM BSCI SEDEX ICS FCCA	BSCI SEDEX	SEDEX WRAP BSCI FSLM SRCCS SA8000	ISO 14001 BCI CoC Oeko-Tex HIGG FEM GRS RCS OCS	-	BCI CoC GRS GOTS	ISO 9001 Oeko-Tex
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Though not set any such specific commitment goals, we continue to adhere all the guiding principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The concept of Sustainable business refers to the utilization of the available resources in such a manner that the requirements of the future generations are also fully taken into account. To put it in other words the finite natural resources are utilized by the enterprise in a judicious manner and conserved for the future necessities of the enterprise, society and environment. Sustainable business involves the pursuit of activities and initiative to ensure that their economic activities not only address the current environmental concerns apart from making profits, but also focus on environment protection, preservation of natural resources, work towards social justice and equality. These sustainable practices are not new to K.P.R. and have been practiced ever since it started setting up its main business. Be it environment friendly measures, promotion of employee welfare, empowering downtrodden, following good governance etc.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).									
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.	K.P.R's Corporate plans and procedures have inbuilt mechanisms to achieve the above factors so as to ensure that the corporate moves towards attaining sustainability. As K.P.R. adopts transparency in its activities and follows good Corporate Governance practices it is easier to measure its overall fulfilment of the business obligations towards the stakeholders in the same sanctity as the financial statements of the business.								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

	The Business Responsibility (BR) Committee shall comprise of the Whole-time Director and the departmental head of the respective functions of the Company. The Company Secretary shall also be the member of the Committee who would advise on various legal mandates and would also act as the Secretary of the Committee. Name : Mr. P. SELVAKUMAR Designation : Whole Time Director DIN Number : 07228760

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above Policies and follow up action	Business Responsibility Committee									Annually								
Compliance with statutory requirements of relevance to the principles, And rectification of any non - compliances	Business Responsibility Committee									Annually								

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. **No**

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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 of the Principles during the financial year:

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	1. Roles, Rights & Responsibilities of Independent Director in the Company 2. Compliance with applicable legislations and regulations 3. Risk Management 4. Ensuring Significant development in Human resources/ industrial relations 5. Annual Budgets and funding plans consistent with agreed corporate strategies 6. Internal Financial control 7. Sustainability Initiatives 8. Insider Trading regulations	100%
Key Management Personnel	4	1. Compliance with applicable legislations and regulations 2. Risk Management 3. Annual Budgets and funding plans consistent with agreed corporate strategies 4. Internal Financial control 5. Insider Trading regulations 6. Anti-Bribery and Anti-Corruption Policies	100%
Employees other than BoD and KMPs	12	1. Leadership Development 2. Workplace Stress Management 3. Yoga and Meditation 4. Sports and Physical fitness 5. Zero tolerance awareness 6. Insider Trading regulations 7. Anti-Bribery and Anti-Corruption Policies	100%
Workers	30	1. Safety Officer monitor Programme 2. Fire Safety and Disaster Management Programme 3. Chemical Spillage handling Programme 4. Mock drill 5. Zero tolerance awareness 6. Sports and Physical fitness 7. Yoga and Meditation	100%

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: **NIL**

Particulars	Monetary				
	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	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

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. The Suppliers and Customers of the Company have also been apprised of the 'Zero tolerance policy towards Bribery & Corruption' followed by the Company, by means of communication seeking their co-operation for its strict implementation. The policy is available on the Company's website at https://bkend.kprmilllimited.com/media/documents/ANTI-BRIBERY-AND-ANTI-CORRUPTION-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: **NIL**

Particulars	FY 2025-26	FY 2024-25
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

Particulars	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
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

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Particulars	FY 2025-26	FY 2024-25
Number of days of accounts payables*	10.16	12.60**

* Accounts Payables includes trade payables for the supply of goods & services and capex as per ISF Guidelines

** FY2024-25 restated by including Capex as per ISF

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.

Yes. Independent assessment done by ESG International

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	FY 2025-26	FY 2024-25
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	0.19%	0.16%
	b. Number of dealers / distributors to whom sales are made	62	89
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	40.78%	53.39%
Share of RPTs in	a. Purchases (Purchases with related parties /Total Purchases) (%)	1.60%	0.05%
	b. Sales (Sales to related parties / Total Sales) (%)	8.75%	9.43%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances) (%)	100%	100%
	d. Investments (Investments in related parties / Total Investments made) (%)	99.79%	99.79%

* Purchases include all goods & services and capex as per ISF Guidelines

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.

Yes. Independent assessment done by ESG International

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
2	1. Zero tolerance awareness 2. Higg (Worldly) Awareness 3. ZDHC Chemical Management System Awareness	90%

3. 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 Directors are scrupulous by carefully avoiding conflicts of interest with the Company. Every year the Board of Directors of the Company confirm the compliance of Code of Conduct wherein affirmation is also obtained to avoid conducting the Company's business with a relative, or with a business in which a relative of a Director is associated in any significant role.

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 entity, respectively.

Particulars	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D*	0%	0.52%	KPR's investment practices enhance operational efficiency and product sustainability, creating a positive ripple effect across the value chain by generating environmental and social benefits.
Capex*	2.83%	33.95%	

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

   Yes. We have a dedicated cotton team to monitor its availability and its price fluctuations. The availability of exclusive personnel at the cotton growing areas and their regular visit to the Ginners cotton association there enable following prudent & pragmatic cotton procurement strategies to access quality cotton.

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

   Our major raw material is cotton for which we use the best quality cotton Shankar 6. As per buyer's requirement, sustainable cotton (48%) is procured from vendors who are certified to be compliant with social and environmental standards. With regard to other inputs also we focus on procuring from such vendors. We also procure BCI, Organic, CMIA, PSCP cotton that confers sustainability.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   a) Plastics: Eco-friendly plastics refer to a group of engineered polymers designed to break down or be recycled in a circular fashion. Generally, this group breaks out into three categories: bioplastics, biodegradable plastics and recycled plastics.

   b) E-waste: Properly disposing to our TNPCB authorized e-waste vendors, by doing this we reducing the number of harmful chemicals released into the environment and prevent soil and water contamination.

   c) Hazardous waste: properly disposing to our TNPCB authorized H-waste vendors, by this we can reduce the number of harmful chemicals released into the environment, prevent soil, and water contamination.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

d) Other waste: Properly disposing of waste to pre-verified merchants who have promised to recycle, an environmentally acceptable way the waste recycle and to provide it for reuse.

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. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / 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? **NIL**

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent employees											
Male	2,891	612	21.17	2,891	100	-	-	-	-	-	-
Female	574	339	59.05	574	100	574	100	-	-	574	100
Total	**3,465**	**1,156**	**95.65**	**3,342**	**100**	**574**	**100**	**-**	**-**	**574**	**100**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent workers											
Male	794	379	47.7	415	52.7	-	-	-	-	-	-
Female	16,049	16,049	100.00	16,049	100	16,049	100	-	-	16,049	100
Total	**16,843**	**16,428**	**97.54**	**16,464**	**97.75**	**16,049**	**95.28**	**-**	**-**	**16,049**	**95.28**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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

Particulars	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company*	0.85%	0.90%**

* Well-being measures include expenses towards food, educational, training, uniforms, medical expenses reimbursements, workmen compensation insurance, etc.

** FY24-25 restated by redefining well-being expenses

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.

Yes. Independent assessment done by ESG International

2. Details of retirement benefits:

Benefits	FY 2025-26			FY 2024-25		
	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	98.15	99.50	Y	99.16	99.89	Y
Gratuity	100	100	NA	100	100	N.A
ESI	26.81	97.31	Y	34.59	99.91	Y
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.

Considering the nature of manufacturing process, we have not employed any disabled people in our factory, so the same is not applicable.

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 for an equal opportunity to employees and values them irrespective of gender, marital status, sexuality, race, ethnic or national origin, colour, political, religious belief or age. We believe that diversity and inclusivity at workplace is an instrument for economic growth, sustainable competitive advantage and societal progress. The Company's recruitment and selection policy and procedure, ensure that there is no discrimination either direct or indirect. Considering the nature of manufacturing process, we have not employed any disabled people in our factory, so the same is not applicable.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

5. Return to work and Retention rates of permanent employees and workers that took parental

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

Female employees are covered under ESI and they can avail maternity leave and benefits as per ESI rules. However more than 95% of such employees are unmarried.

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

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	**Yes** I.The Company has framed Whistle Blower Policy facilitating better Corporate Governance practices which ultimately benefit all the stakeholders. Industry acclaimed HR Policy covering different areas including grievance redressal mechanism for employees and workers are in place. Also, the Company has Standard operating procedure in place to resolve the grievances of its customers and ensure customer satisfaction. (Web portal: **https://bkend.kprmilllimited.com/media/documents/WHISTLE-BLOWER-POLICY_0oETXCJ.pdf)** II. We have engaged an NGO who monitors advisory body for resolving employees and workers grievances through "Ungal Kural" and 'Ulula Grievances Mechanisms system'. Ungal Kural and Ulula has given a toll free number to call and register their grievances directly at any time for effective remediation. Ulula app is also available. "TELL US" is another grievance mechanism, introduced and monitored by Primark, which also provides a toll-free number for employees to report concerns. III. The Company has placed suggestion boxes at prominent places of all units to enable the employees and workers to report their genuine concerns. IV. The Company has appointed Welfare Officer at all units to ensure the well-being of all working groups.
Other than Permanent Workers	
Permanent Employees	
Other than Perman ent Employees	

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

Category	FY 2025-26			FY 2024-25		
	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						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

As we have full-fledged Grievance Redressal Committee, Works Committee, Canteen Committee, Environment, Health and Safety Committee at all our units which meets every alternative months also and NGO monitored advisory body takes care of grievances, if any through 'Ungal Kural','Ulula and 'TELL US' Grievance Mechanism System', there is no such Association/Union.

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and Safety Measures		On Skill upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		Number (B)	%(B/A)	Number (C)	%(C/A)		Number (E)	%(E/D)	Number (F)	%(F/D)
Employees										
Male	2,891	-	-	2,891	100	2,794	-	-	2,794	100
Female	574	-	-	574	100	548	-	-	548	100
Total	**3,465**	-	-	**3,465**	**100**	**3,342**	-	-	**3,342**	**100**
Workers										
Male	794	794	100	794	100	672	672	100	672	100
Female	16,049	16,049	100	16,049	100	16,464	16,464	100	16,464	100
Total	**16,843**	**16,843**	**100**	**16,843**	**100**	**17,136**	**17,136**	**100**	**17,136**	**100**

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2,891	2,891	100	2,794	2,794	100
Female	574	574	100	548	548	100
Total	**3,465**	**3,465**	**100**	**3,342**	**3,342**	**100**
Workers						
Male	794	794	100	672	672	100
Female	16,049	16,049	100	16,464	16,464	100
Total	**16,843**	**16,843**	**100**	**17,136**	**17,136**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. We have implemented unit wise occupational health and safety management system and also certified ISO 45001:2018 which endeavor's to facilitate safer workplace, improved employee morale and other health and safety programs for our business processes.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

KPR follow standardized hazard identification and risk assessment on a routine and non-routine basis.

1. **Identify Hazards** – Surveying the work place on a routine basis to access what is expected to cause harm.
2. **Evaluating Risk** – Evaluation when, where and how much the person is exposed to the potential hazard.
3. **Deciding the control measures** – Based on the evaluation we follow hierarchy of controls to be implemented.
4. **Documenting the findings** – We document the detailed process in accessing the risk, evaluations made and conclusions drawn.
5. **Review of Assessment** – Reviewing the controls implemented on a regular timely basis to check if they are effective for daily changing environment.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. Workers from lower to higher hierarchy can at anytime report genuine concerns to management.

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

Yes, we had provided Occupational Health Centre services with duty doctor and nurse team in all our units.

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

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	1
	Workers	0	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

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.

Yes. Independent assessment done by ESG International

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

We prioritize the safety of our employees above all. We have process in place to be aware of the hazards, implementing workplace safety programs, safety training to employees, periodic health check-ups, 24 hrs first aid and ambulance facility, Nursing and Comprehensive medical facilities, installing fire extinguishers wherever required, easy access to exits in case of emergencies. We had created the social performance team among interested experience workers who join together and assess the risk with safety officer and taken necessary steps to reduce the risk at the work place.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Particulars	FY 2025-26			FY 2024-25		
	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	78	-	Resolved	71	-	Resolved
Health & Safety	96	-	Resolved	155	-	Resolved

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 major safety-related incidents were reported during the period under review. Nevertheless, in line with our proactive safety approach, all minor incidents and near-misses are thoroughly investigated, and corrective measures are implemented without delay. These measures include reinforcing safety training, enhancing supervision, and upgrading safety equipment wherever needed.

Through continuous assessments of our health and safety practices and workplace conditions, potential risks are identified and mitigated using preventive strategies such as process improvements, increased use of appropriate personal protective equipment (PPE), and strengthened emergency preparedness. The organization remains vigilant in monitoring these areas and is committed to ongoing improvement of workplace safety standards.

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):
   Yes. We have unit-wise Mediclaim and Accidental cover under ESI & EPF for our workers and employees. In the event of death of any Worker/Employee, the same is given to their family members.
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
   We ensure that such dues are collected and remitted to the Government by our value chain partners.
3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment: **NIL**

Particulars	Total no. of affected employees / workers		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	-	-	-	-
Workers	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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, but the unique placement scheme extended by the Company enabled the employees to get placement in other reputed Companies in the On-campus selection conducted by them under our initiative.

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	**80%**
Working Conditions	**85%**

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 strongly monitoring our vendors to follow the sustainable practice and they are monitored by third party audits.

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 mapped its internal as well as external stakeholders to deepen its insights into their needs and expectations and to develop sustainable strategies for the short, medium and long term. Key stakeholders identified by the Company are Shareholders/Investors, Government and Regulators, Employees, Customers and Suppliers. Sustainable business policy have to be signed and the continual improvement to be shown yearly. Quality, quantity, on time delivery, communication, sustainable practice must be maintained properly.

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
Investors	No	Meetings, Website and Correspondence	Quarterly/ Annually	Discussions about top line and bottom line of the Company's performance, Dividend declarations, future plans etc.
Employees	No	Personal/group interactions, mails and trainings.	Regularly	Discussions about employee welfare, focusing on health, safety and career Development.
Suppliers	No	Meetings	Whenever Required	Discussing the business related issues like problems in supply chain.
Customers	No	Newspaper, Survey, Advertisement and website	Whenever Required	Understanding of customer issues and their timely redressal and follow up activities.
Community	No	CSR initiatives	Whenever Required	We have made CSR donations for Education purpose.
Government / Regulators	No	Industry representation meetings	Whenever Required	Compliances of law and corporate governance.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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 responsibility for consulting stakeholders on Economic, Environmental, and Social matters has been assigned to the respective departments, which engage with stakeholders on an ongoing basis.

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.

   The consultation with the stakeholders always helps the company in devising company's policy on economic, environmental and social topics.

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

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 2025-26			FY 2024-25		
	Total (A)	No. of. employees/ workers covered (B)	% (B/A)	Total (C)	No. of. employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3,465	3,465	100	3,342	3,342	100
Other than permanent	-	-	-	-	-	-
Total Employees	**3,465**	**3,465**	**100**	**3,342**	**3,342**	**100**
Workers						
Permanent	16,843	16,843	100	17,136	17,136	100
Other than permanent	-	-	-	-	-	-
Total Workers	**16,843**	**16,843**	**100**	**17,136**	**17,136**	**100**

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

All employees and workers have been paid more than minimum wages in accordance with the laws of the land where the Company operates.

Category	FY 2025-26			FY 2024-25		
	Total (A)	Equal to Minimum Wage (B)	More than Minimum Wage % (B/A)	Total (C)	Equal to Minimum Wage (D)	More than Minimum Wage % (D/C)
Employees						
Permanent	3,465	-	100	3,342	-	100
Other than permanent	-	-	-	-	-	-
Total Employees	**3,465**	-	**100**	**3,342**	-	**100**
Workers						
Permanent	16,843	-	100	17,136	-	100
Other than permanent	-	-	-	-	-	-
Total Workers	**16,843**	-	**100**	**17,136**	-	**100**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

3. Details of remuneration/salary/wages

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)	11	8,48,88,600	1	-
Key Managerial Personnel	2	39,67,700	-	-
Employees other than BoD and KMP	2,817	27,000	551	18,500
Workers	690	20,150	16,848	12,220

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

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	60.72%	62.22%**

* ISF Guidelines are used and wages include wages, salary, incentives and bonus

** FY24-25 restated by redefining wages as per ISF

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.

Yes. Independent assessment done by ESG International

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.

   I. We have established a Grievance redressal Committee which periodically reviews the employees concerns.

   II. We have installed suggestion box in prominent work places which is taken care by concerned department and timely remedial measures are taken.

   III. Ulula, Ungal Kural and TELL US Toll free numbers are displayed everywhere in workplace, which enables the employees to redress their grievances.

   IV. We have also set up a works committee, which have framed policies favouring labour welfare.

   V. We have set up notice board to display the upcoming events for Employees and Workers at all units.

   VI. We have engaged an NGO who monitors advisory body for resolving employees and workers grievances through 'Ungal Kural' & 'Ulula Grievances Mechanisms system'. Ungal Kural, Ulula and TELL US has given a toll free number to call and register their grievances directly at any time for effective remediation. Ulula app is also available.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

6. Number of Complaints on the following made by employees and workers: **NIL**

Particulars	FY 2025-26			FY 2024-25		
	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	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

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

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

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.

Yes. Independent assessment done by ESG International

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

We have specifically set up an Internal Compliance committee which looks after the instances of harassment and discrimination at the work place. There were no complaints received from our workers.

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
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

No such instances of complaints received.

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:

   i. Our premises is FSLM and SA8000:2014, BSCI, WRAP, ETI, ICS Complied, whereby we were duly audited and certified by the concerned authorities. The results are transparent and uploaded in their website.

   ii. We have our own code of conduct. We are zero tolerant to the child / forced or compulsory labour in operations and supply chains.

   iii. We have human rights policy and 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

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 labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NA

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

Not Applicable

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A) (TJ)	771.02*	469.53**
Total fuel consumption (B) (TJ)	223.74	-
Energy consumption through other sources (C) (TJ)	-	-
Total energy consumed from renewable sources (A+B+C) (TJ)	994.77	469.53
From non - renewable sources		
Total electricity consumption (D) (TJ)	303.12	588.98
Total fuel consumption (E) (TJ)	279.88	640.22
Energy consumption through other sources (F)(TJ)	-	NIL
Total energy consumed from non-renewable sources (D+E+F) (TJ)	**583.00**	**1,229.20**
Total energy consumed (A+B+C+D+E+F) (TJ)	**1,577.77**	**1,698.72**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.03664 TJ / INR Million	0.0403 TJ / INR Million
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.73569 TJ / Million USD	0.91102 TJ / Million USD
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

* Renewable electricity consumed are calculated considering captive wind-power, solar, purchased I-REC Certificates and group captive biomass electricity.

** Renewable electricity consumed during 2024-25 is restated considering purchased I-REC Certificates.

PPP value of Rs. 20.08 / USD has been taken from IMF data for 2025 as per SEBI's Industry Standards Forum Guidelines (ISF)

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.

Yes. Independent assessment done by ESG International

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, report submitted to bureau of energy efficiency result as below - *

UNIT NAME	PAT CYCLE	YEAR	ASSESSMENT TOE	TARGET TOE	ACHIEVED TOE	ENERGY SAVING CERTIFICATE	
						DECLARED SAVINGS	SHORTFALL
ARASUR	VII	2022-2025	0.3107	0.2937	0.2422	Under Process	NA
KARUMATHAMPATTI	VII	2022-2025	0.4198	0.3888	0.3792	Under Process	NA
NEELAMBUR	VIII	2023-2026	0.3138	0.2991	Audit Under Process		
SIPCOT	VIII	2023-2026	0.6873	0.6522	Audit Under Process		

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 INTER TEK, BV, SITRA, etc. The details are also available in HIGG INDEX Website.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,55,331.00	1,53,895.00
(ii) Groundwater	4,52,552.00	4,09,711.65
(iii) Third party water	3,90,975.20	4,22,587.60
(iv) Seawater / desalinated water	-	-
(v) Others	-	1,377.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	9,98,858.20	9,87,571.25
Total volume of water consumption (in kilolitres)	9,98,858.20	9,87,571.25
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	23.19 (KL / INR Million)	23.43 (KL / INR Million)
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	465.75 (KL / Million USD)	529.63 (KL / Million USD)
Water intensity in terms of physical output	NA	NA
Water intensity (optional) - the relevant metric may be selected by the entity	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.

Yes. Independent assessment done by ESG International

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)	-	-
(i) To Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third - parties	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kiloliters)	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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.

Yes. Independent assessment done by ESG International.

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

Yes. The Company's manufacturing Units are compliant with Zero Liquid Discharge.

The company has invested in advanced wastewater treatment technologies, such as the KMS PURON® Membrane Bio-Reactor (MBR) system, to enhance its effluent treatment capabilities. This upgrade has enabled the Company to achieve zero liquid discharge (ZLD), recycling 100% of its wastewater and reducing chemical usage and maintenance costs.

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

Parameter	Please specify unit	FY 2025-26*	FY 2024-25*
Nox	Tonnes/Year	0.804	20.465
SOx	Tonnes/Year	0.570	12.399
Particulate matter (PM)	Tonnes/Year	2.277	35.399
Persistent organic pollutants (POP)	Tonnes/Year	-	-
Volatile organic compounds (VOC)	Tonnes/Year	BDL	BDL
Hazardous air pollutants (HAP)	Tonnes/Year	BDL	BDL
Others – Carbon Monoxide (CO)	Tonnes/Year	0.659	9.457
Note : BDL - Below Detectable Limit		DL-Detectable Limit	

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the trees into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	22,289.99	59,287.07
Total Scope 2 emissions (Break-up of the GHG into CO2,CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	59,782.80*	1,18,941.40**
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent per INR Million	1.91	4.228
Total Scope 1 and Scope 2 emission 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)	Metric tonnes of CO2 equivalent per USD Million	38.27#	95.58
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	NA	NA

* Scope-2 GHG Emissions reported are calculated based on Market-based approach and after adjusting, purchased I-REC Certificates. For Grid electricity the latest Emission Factors published by CEA has been used.

** Scope-2 GHG Emissions during the period 2024-25 are restated after adjusting purchased I-REC Certificates and calculated based on Market-based approach.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

PPP value of ₹ 20.08 / USD has been taken from IMF data for 2025 as per SEBI's Industry Standards Forum Guidelines (ISF)

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.

Yes. Independent assessment done by ESG International.

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

Yes, we have already completed several projects relating to GHG emission and in order to enhance our efforts towards the same we have devised short term and long term plans, details of which are available in our web link https://www.kprmilllimited.com

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	780.47	746.12
E-waste (B)	10.99	4.29
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	107.46	89.90
Battery waste (E)	0.71	1.28
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) Used oil, Oil filter sludge, chemical swiping, Oil cloth, Chemical can	1,227.24	374.98
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	32,463.11	32,310.07
Total (A + B + C + D + E + F + G + H)	**34,589.97**	**33,526.64**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.8032 (MT / INR Million)	0.7953 (MT / INR Million)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	16.13 (MT / Million USD)	17.98 (MT / Million USD)
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations

Category of waste	Waste Recovered (in metric tonnes)
(i) Recycled	-
(ii) Re-used	-
(iii) Other recovery operations	-
Total	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	Waste Disposed (in metric tonnes)
(i) Incineration	-
(ii) Landfilling	-
(iii) Other disposal operations	34,589.97*
Total	**34,589.97**

* Waste coming from textile productions are sold to recyclers which are recycled and reused. Remaining non-textile waste are also sold to waste handlers and recyclers.

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.

Yes. Independent assessment done by ESG International

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.

KPR has a standardized waste management system which includes Collection, segregation of hazardous and non-hazardous wastes, Recycling, Treatment and disposal. We have also adopted GRS (Global Recycle Standard), which enable us to recycle and reuse wherever possible.

With respect to Hazardous and Toxic chemical usage, we have ZDHC Management in place (Zero Discharge of Hazardous Chemicals), which enables us to reduce the amount of hazardous chemicals that are discharged into 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:

Not Applicable

S.No.	Location of operations/offices No.	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.
-	-	-	-

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
ISO 14001:2015	51_SO804E	20 JAN 2016	YES	YES	https://www.kprmilllimited.com/certifications
HIGG INDEX	S.O.804(E)	14 MAR 2017	YES	YES	https://www.kprmilllimited.com/certifications

We are proud to report that KPR is ranked among the' India's Highest Top Scorer in HIGG INDEX VFEM'.

The ratings awarded by various third-party certifying agencies, as outlined above, reflect our outstanding achievements and our strong commitment to an eco-friendly environment. We remain firmly dedicated to continuous improvement by regularly evaluating and enhancing our processes and systems to support long-term sustainability goals.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

K.P.R. MILL LIMITED HIGG INDEX VFEM SCORE				
Year	**Processing Unit**	**Arasur Garment**	**Thekkalur Garment - 1**	**Thekkalur Garment - 2**
2020	73.2	61.1	47.4	67.2
2021	84.6	71.6	64.7	69.1
2022	84.8	75.0	73.6	74.8
2023	87.6	77.0	80.0	76.5
2024	90.00	87.0	82.0	67.0

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:

Yes

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
-	-	-	-	

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 - Neelambur, Arasur, Karumathampatti, Sathyamangalam, Perundurai SIPCOT, Thekkalur and Coimbatore

   (ii) Nature of operations - Textiles & Apparels

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,55,331.00	1,53,895.00
(ii) Groundwater	4,52,552.00	4,09,711.65
(iii) Third party water	3,75,224.00	4,22,587.60
(iv) Seawater / desalinated water	-	-
(v) Others	-	1,377.00
Total volume of water withdrawal (in kilolitres)	9,83,107.00	9,87,571.25
Total volume of water consumption (in kilolitres)	9,83,107.00	9,87,571.25
Water intensity per rupee of turnover (Water consumed / turnover)	22.83 KL per INR Million	23.42 KL per INR Million
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	458.41 KL per Million USD	529.63 KL per Million USD

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)	-	-
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) into Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) into Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third - parties	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kiloliters)	-	-

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.

Yes. Independent assessment done by ESG International

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	**Metric tonnes of Co_2 equivalent**	Not applicable	Not applicable
Total Scope 3 emissions per rupee of turnover	**Metric tonnes of Co_2 equivalent**	Not applicable	Not applicable
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		Not applicable	Not applicable

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.

Not Applicable

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:

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Zero Coal	The Company is strategically advancing its coal phase-out initiative, effectively reducing greenhouse gas emissions and mitigating environmental impacts, in alignment with our long-term sustainability goals and commitment to environmental stewardship.	Reducing greenhouse gas emissions
2	Tree Plantation	Beyond its industrial operations, the Company has planted over 2,10,000 trees across its facilities and surrounding areas, contributing to increased green cover and promoting environmental awareness among employees and the community.	CO2 emission reducing.
3	Reaching 100% renewable energy	The Company has significantly invested in renewable energy sources to meet its power requirements sustainably. The company operates 66 windmills with a total capacity of 61.92 MW, supplying approximately 40% of its energy needs. Additionally, KPR Mill installed solar power generation capacity of 35 MW, aiming to increase its green power capacity to 100 MW, thereby reducing reliance on conventional energy sources.	Save energy Reduce CO2 emission.
4	Cold Pad Batch (CPB) dyeing	A Cold Pad Batch (CPB) dyeing system, which significantly no salt consumption and No steam in the dyeing process.	This not only minimizes our environmental footprint but also enhances the performance of our Effluent Treatment Plant (ETP), contributing to more efficient and responsible wastewater management.
5	Waste reduction	To minimize waste generation and reduce Scope 3 emissions, we have implemented the use of bulk stainless steel tanks instead of IBC (Intermediate Bulk Container) tanks as an alternative.	This change significantly reduces material waste and enhances the efficiency of our operations, contributing to both waste reduction and lower carbon footprint. By optimizing our resource utilization, we align with our sustainability goals and further strengthen our commitment to environmental responsibility. Reduction in landfill waste and resource conservation
6	Effluent Treatment	Our Effluent Treatment Plant (ETP) is designed as a Zero Liquid Discharge (ZLD) system, ensuring that 100% of the wastewater generated during production is treated, recycled, and reused within the facility. This advanced system eliminates any liquid waste discharge into the environment, aligning with our commitment to sustainable manufacturing and environmental compliance.	By integrating technologies such as reverse osmosis, multi-effect evaporators, and sludge management systems, our ZLD plant not only meets regulatory standards but also supports long-term water conservation goals.
7	Waste Management	The Company has implemented an advanced waste management system comprising an Effluent Treatment Plant (ETP) integrated with a Multiple Effect Evaporator (MEE) and an Agitated Thin Film Dryer (ATFD)	Ensuring Zero Liquid Discharge (ZLD), safe solid waste disposal, and full compliance with environmental regulations.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Yes

The Company has devised Business Continuity and Disaster Management plan for each units of the Company to be implemented in the event of a sudden natural calamity or emergency situations such as flood, fire or sabotage in the respective locations. The objective of the disaster plan is to educate and follow, how to control disaster, combat fire, rescue people, save life of those not only inside the factory but also neighbouring area, etc.

It also lays down the procedure for preparing and responding to a potential environmental, occupational, health and safety emergency or incident, accident including spills and releases.

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

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 - **10 chambers/ associations**

   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 / Global)
1	The Southern India Mills Association	National
2	Tamilnadu Spinning Mill Association	State
3	Renewable Energy Producers Association	State
4	Indian Wind Power Association	National
5	Indian Cotton Federation	National
6	The Indian Chamber of Commerce and Industry	National
7	Tamilnadu Electricity Consumers Association	State
8	Cotton Made in Africa	Global
9	The Cotton Textiles Export Promotion Council	National
10	Better Cotton Initiative	Global

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 the authority	Brief of the Case	Corrective action taken
-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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
-	-	-	-	-	-

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
SA 8000:2014	SIA G.S.R. 574(E) 8th August, 2014		Yes	Yes	https://kprmilllimited.com/certifications/
WRAP			Yes	Yes	https://kprmilllimited.com/certifications/
BSCI			Yes	No	-
ICS			Yes	No	-
FSLM/SLCP			Yes	Yes	https://kprmilllimited.com/certifications/

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: **Not Applicable**

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)
-	-	-	-	-	-	-

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

   The Company proactively meets the community representatives. It has a designated team at each manufacturing location. Each need is noted, analyzed and a feasible solution is implemented.

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

Particulars	FY 2025-26	FY 2024-25
Directly sourced from MSMEs / small producers	10.72%	10.38%
Directly from within India	73.98%	72.90%

   * Input materials sourcing includes all goods & services and capex as per ISF Guidelines

   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.

   Yes. Independent assessment done by ESG International

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

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Location	FY 2025-26	FY 2024-25
Rural	23.52%	22.78%
Semi-urban	59.84%	59.76%
Urban	3.17%	2.85%
Metropolitan	13.47%	14.62%

*Locations are categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan

** ISF Guidelines are used and wages include wages, salary, incentives and bonus

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.

Yes. Independent assessment done by ESG International.

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
Nil	NA

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

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

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

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

   The Company does not have any preferential procurement policy at present.

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

   Not Applicable

   (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, no benefits derived and shared from the intellectual properties owned or acquired

S.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating Benefit share
-	-	-	-	-

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.

   Not Applicable

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

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

6. Details of beneficiaries of CSR Projects

S.No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promotion of Education	**4,250**	-

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

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Our organization is consumer-centric, and we believe that our customers are our top priority. In today's competitive environment, excellence in customer service is increasingly important for driving growth. We have established a proper and effective customer redressal mechanism. The broad principles of our customer complaint resolution system are as follows:

   a) Customers must always be served with courtesy, respect, and understanding.

   b) Customers must be treated fairly, both in actual practice and perception.

   c) A structured and well-publicized mechanism is in place for customers to voice grievances.

   d) Complaints are addressed within a reasonable time frame and to the satisfaction of the customers.

   e) Continuous improvement strategies are implemented to enhance customer service and minimize the scope for grievances.

   f) Employees are sensitized to the importance of customer acquisition and retention.

2. 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	**25% (For all garments sold)**
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following: **NIL**

Particulars	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

4. Details of instances of product recalls on account of safety issues :

Particulars	Number	Reasons for recall
Voluntary recalls	There were no instances of Product recall during the year	
Forced recalls		

5. 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 Risk Management Policy is available on the Company's website at

   https://bkend.kprmilllimited.com/media/documents/RISK-MANAGEMENT-POLICY-2.pdf

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.

   During the year, there were no instances of issues in the above-mentioned areas.

7. Provide the following information relating to data breaches:
   a) Number of instances of data breaches - **NIL**
   b) Percentage of data breaches involving personally identifiable information of customers - **NIL**
   c) Impact, if any, of the data breaches – **NIL**

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.

Independent assessment done by ESG International

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.kprmilllimited.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 display only mandated product information on cartons.

   No specific survey is needed.

FOR AND ON BEHALF OF THE BOARD

K.P.Ramasamy
Chairman
DIN: 00003736

Coimbatore
12.05.2026

INDEPENDENT AUDITOR'S REPORT

To the Members of K.P.R. Mill Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of K.P.R. Mill Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, 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 SAs 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 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.

INDEPENDENT AUDITOR'S REPORT

Revenue recognition

See notes 3 and 28 to the standalone financial statements

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

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board's report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility and Sustainability report, but does not include the financial statements and auditor's report thereon.

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

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and 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. 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

INDEPENDENT AUDITOR'S REPORT

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 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 is 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 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 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.

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

INDEPENDENT AUDITOR'S REPORT

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 Section 143(11) 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 A. 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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.

e. On the basis of the written representations received from the directors as on April 01, 2026, April 07, 2026, April 15, 2026 and April 17, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer note 37 to the standalone financial statements.

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

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

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 51 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or

INDEPENDENT AUDITOR'S REPORT

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

(iii) Based on the 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), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year is in compliance accordance with Section 123 of the Act.

The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 50 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, however, the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we are unable to comment on audit trail feature of the said software.

C. 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 explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:26060573PPLHSJ1532

Place: Coimbatore
Date: 12 May 2026

INDEPENDENT AUDITOR'S REPORT

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of K.P.R. Mill Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B)The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land located at Kittampalayam and Tirunelveli admeasuring 19 acres and 8 acres respectively.	66.76	K.P.R Spinning Mill Private Limited	No	April 01, 2005	The title deeds are in the name of K.P.R Spinning Mill Private Limited, erstwhile Company that was merged with the Company under the section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court(s) of the judicature.
Freehold land located at Arasur, Thenkasi and Tirunelveli admeasuring 40.65 acres, 57.63 acres and 6 acres respectively	57.44	K.P.R Mill Private Limited	No	April 01, 2005	The title deeds are in the name of K.P.R Mill Private Limited, erstwhile Company that was merged with the Company under the section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court(s) of the judicature.
Freehold land located at Tirunelveli admeasuring 2 acres	9.61	K.P.R Knits	No	April 01, 2005	The title deeds are in the name of K.P.R Knits, (erstwhile Company that was acquired through outright purchase.)

INDEPENDENT AUDITOR'S REPORT

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, 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. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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. In our opinion, 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.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to firms, limited liability partnership or any other parties during the year. The Company has not made investments, provided security or granted advances in the nature of loans, secured or unsecured to any Company during the year. However, the Company has made investments in mutual funds during the year. The Company has granted loans and stood guarantee to Companies during the year in respect of which the requisite information, as applicable, is provided below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans and stood guarantee, to entities as below:

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any advances in the nature of loans or any security to companies, firms, limited liability partnership or any other parties during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular, where applicable. Further, the Company has not given any advance in the nature of loan to any party during the year. Also refer note 49 to the standalone financial statements.

(d) 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 overdue amount for more than ninety days in respect of loans given. Also refer note 49 to the standalone financial statements. Further, the Company has not given any advances in the nature of loans to any party during the year.

(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 overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(₹in Lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	-	-	2,232	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	-	-
Balance outstanding as at balance sheet date				
Subsidiaries*	27,544	-	2,232	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	-	-	-	-

*As per the Companies Act, 2013

INDEPENDENT AUDITOR'S REPORT

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with, where applicable.

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

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these 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 has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax ('GST'), Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute, except as follows:

(viii) According to the information 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 assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(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.

(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 the Act. The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2026.

(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 Act. The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2026.

(x) (a)The Company has not raised any moneys by way of initial public offer or further public offer (including debt

Name of the statute	Nature of the dues	Amount* (₹ in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	2.68	2016-2017	Commissioner of Income Tax (Appeals), Faceless Appeal Centre, New Delhi.
Income-tax Act, 1961	Income tax	7.23	2020-2021	Commissioner of Income Tax (Appeals), Faceless Appeal Centre, New Delhi.
Goods and Service Tax Act	GST	173.67	2014-2017	Commissioner of GST & Central Excise (Appeals), Coimbatore
Goods and Service Tax Act	GST	21.47	2017-2020	Commissioner of GST & Central Excise (Appeals), Coimbatore
Goods and Service Tax Act	GST	-	2017-2018 and 2018-2019	Commissioner of GST & Central Excise (Appeals), Coimbatore

*net of amount paid under protest

INDEPENDENT AUDITOR'S REPORT

instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information 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 fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

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

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, 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 realisation of financial assets and payment of financial liabilities, other information comprising Board's report, Management Discussion and Analysis and Corporate Governance Report, accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.:101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:26060573PPLHSJ1532

Place: Coimbatore
Date: 12 May 2026

INDEPENDENT AUDITOR'S REPORT

Annexure B to the Independent Auditor's Report on the standalone financial statements of K.P.R. Mill Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

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

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made

INDEPENDENT AUDITOR'S REPORT

only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.:101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:26060573PPLHSJ1532

Place: Coimbatore
Date: 12 May 2026

BALANCE SHEET

(₹ in Lakhs)

	Particulars	Note	As at 31.03.2026	As at 31.03.2025
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	4	1,09,942	1,08,295
	(b) Capital work-in-progress	4	5,938	3,849
	(c) Investment Property	4	584	-
	(d) Intangible assets	4	97	91
	(e) Financial assets			
	(i) Investments	5	72,873	72,873
	(ii) Loans	6	-	26,364
	(iii) Other financial assets	7	4,172	4,211
	(f) Other non - current assets	8	9,397	693
	Total non - current assets		**2,03,003**	**2,16,376**
(2)	**Current assets**			
	(a) Inventories	9	94,109	1,10,940
	(b) Financial assets			
	(i) Investments	10	3,307	22,651
	(ii) Trade receivables	11	49,773	45,773
	(iii) Cash and cash equivalents	12	3,659	7,697
	(iv) Bank balances other than Cash and cash equivalents	13	1,30,392	20,294
	(v) Loans	14	2,231	-
	(vi) Other financial assets	15	261	367
	(c) Other current assets	16	13,849	16,246
	Total current assets		**2,97,581**	**2,23,968**
	Total assets		**5,00,584**	**4,40,344**
	EQUITY AND LIABILITIES			
(1)	**Equity**			
	(a) Equity share capital	17	3,418	3,418
	(b) Other equity	18	4,25,715	3,82,203
	Total equity		**4,29,133**	**3,85,621**
	Liabilities			
(2)	**Non - current liabilities**			
	(a) Financial liabilities			
	(i) Other financial liabilities	19	125	103
	(b) Provisions	20	467	-
	(c) Deferred tax liabilities (net)	21	7,309	6,902
	(d) Other non-current liabilities	22	201	136
	Total non- current liabilities		**8,102**	**7,141**
(3)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	23	39,464	24,143
	(ii) Trade payables			
	(A)Total outstanding dues of micro enterprises and small enterprises; and	24 (A)	847	621
	(B)Total outstanding dues of creditors other than micro enterprises and small enterprises	24 (B)	6,459	9,737
	(iii) Other financial liabilities	25	31	78
	(b) Other current liabilities	26	15,732	12,694
	(c) Current tax liabilities (net)	27	816	309
	Total current liabilities		**63,349**	**47,582**
	Total Liabilities		**71,451**	**54,723**
	Total Equity and Liabilities		**5,00,584**	**4,40,344**

Material accounting policies 3

The notes from 1 to 52 are an integral part of these standalone financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer &
Managing Director
DIN : 00229137

Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2026	31.03.2025
I. Revenue from operations	28	**4,30,637**	**4,21,567**
II. Other income	29	19,779	18,084
III. Total Income (I+II)		**4,50,416**	**4,39,651**
IV. Expenses			
Cost of materials consumed	30	2,49,820	2,48,538
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, stock -in- trade and work- in-progress	31	6,400	(1,971)
Employee benefits expense	32	58,566	55,158
Finance costs	33	3,376	1,996
Depreciation and amortisation expenses	4	9,611	8,973
Other expenses	34	44,357	43,432
V. Total Expenses		**3,72,130**	**3,56,126**
VI. Profit before tax (III-V)		**78,286**	**83,525**
VII. Tax expense			
Current tax			
- Pertaining to current period		17,225	17,498
- Pertaining to prior year		52	135
Deferred tax		407	588
Total tax expense		**17,684**	**18,221**
VIII. Profit for the period (VI-VII)		**60,602**	**65,304**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
IX. Other comprehensive income for the period, net of tax		-	-
X.Total comprehensive income for the period (VIII+IX)		**60,602**	**65,304**
Earnings per equity share (EPS)			
Basic and Diluted EPS (in ₹) of face value ₹ 1/- each	42	**17.73**	**19.11**

Material accounting policies 3

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As per our report of even date attached
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Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2026	31.03.2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**60,602**	**65,304**
Adjustments for:			
Income tax expenses recognised in the statement of profit and loss		17,684	18,221
Depreciation and amortisation expenses		9,611	8,973
Net loss / (gain) on sale of property, plant and equipment		(1,394)	(105)
Finance costs		3,376	1,996
Interest income		(6,714)	(2,201)
Dividend income from non-current investments in subsidiaries		(9,715)	(12,383)
Gain on sale of investments (net)		(1,393)	(2,115)
Rental income from operating leases		(75)	(212)
Impairment loss on financial assets		530	42
Financial guarantee income		(25)	(185)
Impairment of non-current investments (including investment pending allotment)		-	188
Recovery of Bad debts		(16)	(204)
Operating profit before working capital changes		**72,471**	**77,319**
Changes in working capital:			
Adjustments for (increase) / decrease in assets:			
Inventories		16,831	5,774
Trade receivables		(4,498)	6,780
Other current assets		2,399	(117)
Other non-current financial assets		39	(40)
Other non-current assets		-	1,776
Other financial assets		97	36
Adjustments for increase / (decrease) in liabilities:			
Trade payables		(3,052)	2,537
Other financial liabilities		-	(5)
Other current liabilities		3,038	2,171
Other non-current liabilities		467	(188)
Cash generated from operations		**87,792**	**96,043**
Income taxes paid		(16,921)	(17,871)
Net cash flow from / (used in) operating activities	**(A)**	**70,871**	**78,172**
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment, including capital advances		(27,425)	(14,591)
Proceeds/ (purchase) from sale of current investments (net)		20,737	(17,332)
Decrease/ (increase) in deposit accounts (including margin money deposit)		(1,10,098)	(10,079)
Proceeds from sale of property, plant and equipment		6,225	685
Loans to / repayment from related party (net)		24,133	(26,399)
Interest received			
-Subsidiaries		344	-
Interest received from others		6,379	2,179
Dividend received from subsidiaries		9,715	12,383
Rental income		75	212
Net cash flow (used in) / from investing activities	**(B)**	**(69,915)**	**(52,942)**

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2026	31.03.2025
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from/ (repayment of) current borrowings (net)		15,305	(4,507)
Finance costs paid		(3,209)	(1,993)
Dividends paid		(17,090)	(17,090)
Net cash flow (used in) / from financing activities	**(C)**	**(4,994)**	**(23,590)**
Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	(4,038)	1,640
Add: Opening cash and cash equivalents		7,697	6,057
Closing cash and cash equivalents (refer note 12)		**3,659**	**7,697**
Closing cash and cash equivalents comprises			
(a) Balance with banks:			
i) In Current accounts		2,376	4,727
ii) In EEFC accounts		1,251	2,943
(b) Cash on hand		32	27
		3,659	**7,697**

Material accounting policies 3

The notes from 1 to 52 are an integral part of these standalone financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer &
Managing Director
DIN : 00229137

Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

CHANGES IN EQUITY

a. Equity share capital **(₹ in Lakhs)**

Balance as at 01.04.2024	3,418
Changes in equity share capital during 2024-25	-
Balance as at 31.03.2025	**3,418**
Changes in equity share capital during 2025-26	-
Balance as at 31.03.2026	**3,418**

b.Other equity **(₹ in Lakhs)**

Particulars	Reserves and Surplus				Other comprehensive income	Total Other Equity
	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance as at 01.04.2024	**-**	**1,850**	**24,716**	**3,07,423**	**-**	**3,33,989**
Profit for the year	-	-	-	65,304	-	65,304
Final dividend relating to 2023-24 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	(8,545)	-	(8,545)
Interim dividend relating to 2024-25 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	(8,545)	-	(8,545)
Balance as at 31.03.2025	**-**	**1,850**	**24,716**	**3,55,637**	**-**	**3,82,203**
Profit for the year	-	-	-	60,602	-	60,602
Final dividend relating to 2024-25 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	(8,545)	-	(8,545)
Interim dividend relating to 2025-26 paid (₹ 2.50 per share on face value of ₹1/-)	-	-	-	(8,545)	-	(8,545)
Balance as at 31.03.2026	**-**	**1,850**	**24,716**	**3,99,149**	**-**	**4,25,715**

Material accounting policies 3

The notes from 1 to 52 are an integral part of these standalone financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
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Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

ACCOUNTING POLICIES

1. CORPORATE INFORMATION

K.P.R. Mill Limited ('the Company') is one of the largest vertically integrated apparel manufacturing companies in India with its registered office situated at Coimbatore. The Company produces Yarn, Knitted Fabric, Readymade Garments and power. It has state-of-the-art production facilities in the State of Tamil Nadu, India. The Company's registered office is at No. 9, Gokul Buildings, A.K.S Nagar, Thadagam Road, Coimbatore - 641001, Tamil Nadu, India.

The Company's shares are listed in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

2. BASIS OF PREPARATION

A) STATEMENT OF COMPLIANCE

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, as amended from time to time.

These standalone financial statements for the year ended 31.03.2026 are approved for issue by the Company's Board of Directors on 12.05.2026.

Details of the Company's accounting policies, including changes thereto, are included in note 3. The Company has consistently applied the accounting policies to all the periods present in these standalone financial statements.

B) FUNCTIONAL AND PRESENTATION CURRENCY

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C) BASIS OF MEASUREMENT

These standalone financial statements have been prepared under the historical cost basis and on an accrual basis, except for the following items which are measured on an alternative basis on each reporting date:

i. Derivative financial instruments measured at fair value through profit and loss;
ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and
iii. Net defined (asset) / liability measured at fair value of plan assets less present value of obligations, limited as explained in note 3 (K).

D) USE OF JUDGEMENTS AND ESTIMATES

In preparing these standalone financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

Note 16 - classification, measurement and recognition of Government grants

Note 3(L) Leases - whether the arrangement contains a lease; and lease classification

Note 3(H) and 40: Financial instruments: Classification and measurement

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

(i) Impairment of non-financial assets:

In assessing impairment, management has estimated economic use of assets, the recoverable amount of each asset or cash- generating units based on expected future cash flows and use an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating cash flows and determination of a suitable discount rate. (also refer Note 3Q)

(ii) Useful lives of depreciable assets:

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change utility of assets (also refer note 3D).

(iii) Inventories:

Management has carefully estimated the net realizable values

ACCOUNTING POLICIES

of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes (also refer note 3A).

(iv) Defined Benefit Obligation (DBO):

The actuarial valuation of the DBO is based on a number of critical underlying management's assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (also refer note 45).

(v) Recognition and measurement of provisions and contingencies:

Key assumptions about the likelihood and magnitude of an outflow of resources (also refer note 37).

(vi) Impairment of financial assets:

Measurement of expected credit loss allowance for trade receivables, loans and other financial assets: key assumptions in determining the weighted-average loss rate. (Refer Note 3Q)

E) MEASUREMENT OF FAIR VALUES

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. The inputs used to measure the fair value of assets or a liability fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but where it not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer Note 40). The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

F) CURRENT AND NON-CURRENT CLASSIFICATION

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

A) INVENTORIES

Inventories are valued at lower of cost and net realizable value. The cost of raw materials, components, stock-in-trade, consumable stores packing material and spare parts are determined using first-in first-out / specific identification method and includes freight, taxes and duties, (net of credits) wherever applicable, and any other expenditure incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

ACCOUNTING POLICIES

The comparison of cost and net realisable value is made on an item by item basis.

B) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

C) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

D) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is stated at historical cost less any accumulated impairment losses. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises:

a. purchase price, including import duties and non-refundable taxes on purchase (goods and service tax), after deducting trade discounts and rebates.

b. any directly attributable cost of bringing the item to its working condition for its intended use, estimated costs of dismantling and removing the item and restoring the site on which it is located.

c. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain/ loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Subsequent expenditure

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

Component accounting

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over the estimated useful lives and is generally recognised in the Statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight-line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

The estimated useful life of the property, plant and equipment followed by the Company for the current and the comparative period are as follows :

Asset	Management's estimated useful life	Useful life as per Schedule II
Factory Building	~ 30 Years	~ 30 Years
Non Factory Building	~ 60 Years	~ 60 Years
Plant and Equipments	~ 10-20 Years	~ 8-20 Years
Windmill	~ 12 Years	~ 22 Years
Electricals	~ 14 Years	~ 10 Years
Furnitures and fixtures	~ 10 Years	~ 10 Years
Computers and accessories	~ 3 Years	~ 3-6 Years
Vehicles	~ 8-10 Years	~ 8-10 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if necessary, for each reporting period. Based on technical evaluation, the management believes that its estimate of useful life as given above best represent the period over which management expects to use the asset.

ACCOUNTING POLICIES

On property, plant and equipment added/ disposed off during the year, depreciation is charged on pro-rata basis for the period from/upto which the asset is ready for use/disposed off.

INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives and it is included in the statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful life of intangible assets consisting computer software is 3 years.

i. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred."

INVESTMENT PROPERTY

(i) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

ii.Reclassification from / to investment property

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

E) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company generates revenue primarily from sale of Yarn, Knitted Fabric, cotton waste, Readymade Garments and scrap. The Company also earns revenue from rendering of services.

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

1.1 Sale of products:

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over the promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

1.2 Revenue from services:

Revenue from sale of services is recognised when related services are rendered as per the terms agreed with customers.

1.3 Export incentives

Export incentives are accounted in the year of exports based on eligibility and expected amount on realisation.

F) OTHER INCOME

Dividend income from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Rental income under operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the lease except where another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

ACCOUNTING POLICIES

Interest income is recognised using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to: the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

G) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in the statement of profit and loss.

H) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities are initially recognised when they are originated.

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

However, if the Company has an unconditional right to an amount that differs from the transaction price (e.g. due to the Company's refund policy), the trade receivable will be initially measured at the amount of that unconditional right.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVTOCI) – debt investment
- Fair value through other comprehensive income (FVTOCI) – equity investment; or
- Fair value through profit and loss (FVTPL)

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(ii) Classification and subsequent measurement

a) Non-derivative financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

(a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt investment at FVTOCI

A debt Investment will be measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

(a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(b) its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

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Equity instruments at FVTOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other comprehensive income ('OCI'). This election is made on an investment-by-investment basis.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. .

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets are not reclassified subsequent to their initial

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recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in standalone statement of profit and loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in standalone statement of profit and loss. Any gain or loss on derecognition is recognised in standalone statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in stndalone statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to standalone statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to standalone statement of profit and loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in standalone statement of profit and loss. Any gain or loss on derecognition is also recognised in standalone statement of profit and loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in standalone statement of profit and loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign

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currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

I) GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

Government grants and subsidies related to assets, including non-monetary grants, are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in statement of profit and loss as other operating revenue / other income on a systematic basis.

Government grants received in relation to assets are presented as a reduction to the carrying amount of the related asset and the same is recognised in statement of profit and loss over the life of a depreciable asset as a reduced depreciation expense. Repayment of a grant related to an asset is recognised by increasing the carrying amount of the asset and the cumulative additional depreciation that would have been recognised in the statement of profit and loss in the absence of the grant is recognised immediately in the statement of profit and loss.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they intended to compensate and presented in other operating revenue.

Grants that compensate the Company for expenses incurred are recognised in profit and loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

J) INVESTMENTS

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount.

K) EMPLOYEE BENEFITS

(a) Short term employee benefits:

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plan

Provident Fund and Employee State Insurance

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Company makes specified contributions towards Government administered provident fund and employee state insurance schemes. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(c) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Post employment benefit comprises of Gratuity which is accounted for as follows:

Gratuity Fund

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic

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benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in standalone statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

L) LEASES

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

i) As a lessee:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflects the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value

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guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revision in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities separately in balance sheet within "Financial liabilities".

Short term leases and low value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, then the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

M) BORROWING COSTS

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are considered as adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the year in which they are incurred.

N) SEGMENT REPORTING

The Company is engaged in manufacture and sale of Yarn, Knitted Fabric and Readymade Garments and thus the Company has only one reportable segment (i.e.) Textile business.

O) EARNINGS PER SHARE

(i) Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split '(consolidation of shares).

(ii) Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income '(net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares"

P) INCOME TAXES

Income tax expense comprises current and deferred tax. It is recognised in standalone statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

ACCOUNTING POLICIES

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the the best estimate of the tax amount expected to be paid or received that reflects the uncertainty related to income taxes, if any. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax liabilities and current tax assets are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

"Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
- is not a business combination; and
- at the time of the transaction (i) affects neither accounting nor taxable profit or loss and

(ii) does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Such reductions are reversed when the probability of future taxable profit improves.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property is presumed to be recovered through sale.

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 same tax authority on same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or its tax assets and liabilities will be realised simultaneously.

iii) Recognition

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Q) IMPAIRMENT

Impairment of Financial instruments and contract assets

The Company recognises loss allowance for expected credit loss on financial assets measured at amortised cost.

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At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company assumes that credit risk on a financial asset has increased significantly if it is past due.

The Company considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is past due.

Measurement of expected credit losses

Expected credit losses are a probability - weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of Non-Financial Assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss

ACCOUNTING POLICIES

is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.

R) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Contingent liabilities:

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets:

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date

S) ONEROUS CONTRACTS

A contract is said to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3A Recent pronouncements

Ind AS 1 – Presentation of Financial Statements

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Accounting Estimates and Errors."

4. Property, plant and equipment, Intangible assets and Capital work-in-progress

(₹ in Lakhs)

Particulars	Leased Asset - Land	Property, Plant & Equipment										Capital work-in-progress	Intangible assets (Computer software)
		Freehold Land	Factory Building	Non-factory Building	Plant and Equipment	Windmill	Electricals	Furniture and Fixture	Computers and accessories	Vehicles	Total		
Gross carrying amount													
As at 31.03.2024	**550**	**13,539**	**25,256**	**12,985**	**1,03,986**	**12,845**	**5,372**	**4,014**	**821**	**1,741**	**1,81,109**	**9,572**	**311**
Additions	-	5,269	719	271	12,443	-	118	416	206	1,019	20,461	3,849	67
Disposals / adjustments	-	(11)	-	-	(1,236)	-	(7)	(27)	(14)	(14)	(1,309)	(9,572)	-
As at 31.03.2025	**550**	**18,797**	**25,975**	**13,256**	**1,15,193**	**12,845**	**5,483**	**4,403**	**1,013**	**2,746**	**2,00,261**	**3,849**	**378**
Additions	-	3,311	133	372	11,557	-	56	492	94	66	16,081	5,938	6
Disposals / adjustments	-	(4,488)	-	(200)	(3,568)	-	(6)	(31)	(44)	(15)	(8,352)	(3,849)	-
As at 31.03.2026	**550**	**17,620**	**26,108**	**13,428**	**1,23,182**	**12,845**	**5,533**	**4,864**	**1,063**	**2,797**	**2,07,990**	**5,938**	**384**
Accumulated depreciation and amortisation													
As at 31.03.2024	**28**	**-**	**7,199**	**1,771**	**56,409**	**11,062**	**3,681**	**2,071**	**614**	**928**	**83,763**	**-**	**246**
Depreciation and amortisation expenses	6	-	943	214	6,820	-	308	299	87	255	8,932	-	41
Disposals / adjustments	-	-	-	-	(682)	-	(5)	(20)	(11)	(11)	(729)	-	-
As at 31.03.2025	**34**	**-**	**8,142**	**1,985**	**62,547**	**11,062**	**3,984**	**2,350**	**690**	**1,172**	**91,966**	**-**	**287**
Depreciation and amortisation expenses	6	-	957	220	7,515	-	195	320	137	261	9,611	-	-
Disposals / adjustments	-	-	-	(190)	(3,255)	-	(5)	(25)	(41)	(13)	(3,529)	-	-
As at 31.03.2026	**40**	**-**	**9,099**	**2,015**	**66,807**	**11,062**	**4,174**	**2,645**	**786**	**1,420**	**98,048**	**-**	**287**
Net carrying amount													
As at 31.03.2025	**516**	**18,797**	**17,833**	**11,271**	**52,646**	**1,783**	**1,499**	**2,053**	**323**	**1,574**	**1,08,295**	**3,849**	**91**
As at 31.03.2026	**510**	**17,620**	**17,009**	**11,413**	**56,375**	**1,783**	**1,359**	**2,219**	**277**	**1,377**	**1,09,942**	**5,938**	**97**

Notes:

1. Refer note 23 for assets given as securities for borrowings.
2. Property, plant and equipment includes right-of-use assets of ₹ 510 Lakhs as at 31.03.2026 (Pr.Yr. ₹ 516 Lakhs) related to leased properties that do not meet the definition of investment property.

4.1 Title deeds of Immovable Properties not held in name of the Parent Company

(a)

Particulars	As at 31.03.2026	As at 31.03.2025
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	66.76	66.76
(iv) Title deeds held in the name of	K.P.R. Spinning Mill Private Limited	K.P.R. Spinning Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

(b)

Particulars	As at 31.03.2026	As at 31.03.2025
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	57.44	64.47
(iv) Title deeds held in the name of	K.P.R. Mill Private Limited	K.P.R. Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

(c)

Particulars	As at 31.03.2026	As at 31.03.2025
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	9.61	9.61
(iv) Title deeds held in the name of	K.P.R. Knits	K.P.R. Knits
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Knits, erstwhile company that was acquired through out-right purchase.	The title deeds are in the name of K.P.R. Knits, erstwhile company that was acquired through out-right purchase.
(viii) Whether disputed	No	No

4.2 Capital work-in-progress (CWIP) ageing schedule

As at 31.03.2026

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,217	1,721	-	-	**5,938**
Projects temporarily suspended	-	-	-	-	-

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.

As at 31.03.2025

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,302	547	-	-	**3,849**
Projects temporarily suspended	-	-	-	-	-

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.

4.3 Investment Property:

A Reconciliation

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Cost		
As at 31.03.2025	-	-
Additions	584	-
Deletions	-	-
As at 31.03.2026	584	-
Carrying value		
As at 31.03.2025	-	-
As at 31.03.2026	584	-

Note : Investment property represents freehold land towards which depreciation charge is not applicable. Accordingly, the carrying amount (net) is equivalent to the gross carrying amount as at the respective balance sheet date. There is no impairment in respect of investment property. There were no immovable properties where the title deeds are not held in the name of the Company.

B Fair value

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
As at 31.03.2025	-	-
As at 31.03.2026	584	-

Fair valuation of investment property is based on the valuation using market comparable approach, based on recent market prices without any significant adjustments being made to the market observable data. The fair value measurement for the investment property has been categorised as a Level 2.

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
5	**FINANCIAL ASSETS**		
	INVESTMENTS		
	(See accounting policy in note 3((H) and note 3(J))		
	A) Investments measured at cost:		
	Unquoted (all fully paid-up)		
	a) In Equity instruments		
	i) Indian subsidiaries		
	1,00,000 (Pr.Yr. 1,00,000) equity shares of ₹ 10 each in Quantum Knits Private Limited.	10	10
	50,000 (Pr.Yr. 50,000) equity shares of ₹ 10 each in Galaxy Knits Limited.	5	5
	15,10,000 (Pr.Yr. 15,10,000) equity shares of ₹ 10 each in Jahnvi Motor Private Limited.	151	151
	4,16,666 (Pr.Yr. 4,16,666) equity shares of ₹ 10 each at a premium of ₹ 20 each in Jahnvi Motor Private Limited.	125	125
	10,50,000 (Pr.Yr. 10,50,000) equity shares of ₹ 10 each at a premium of ₹ 140 per share in K.P.R. Sugar Mill Limited.	1,575	1,575
	10,00,000 (Pr.Yr. 10,00,000) equity shares of ₹ 10 each in K.P.R.Sugar Mill Limited.	100	100
	10,00,000 (Pr. Yr. 10,00,000) equity shares of ₹ 10 each in KPR Sugar and Apparels Limited.	100	100
	Deemed equity in Jahnvi Motor Private Limited, K.P.R.Sugar Mill Limited and KPR Sugar and Apparels Limited (refer note 5.2 below).	657	657
	ii)Foreign subsidiaries		
	7,98,885 (Pr.Yr. 1,68,855) equity shares of Birr 100 each in KPR Exports PLC. Ethiopia.	1,900	1,900
	Less : Provision for impairment of investment in KPR Exports PLC, Ethiopia	(1,900)	(1,900)
	b) Investment in Preference shares of subsidiaries		
	70,00,000 (Pr.Yr.70,00,000) 7% Optionally Convertible Non - Cumulative Redeemable Preference shares of ₹ 100 each at a premium of ₹ 900 per share in KPR Sugar and Apparels Limited.	70,000	70,000
	B) Investment measured at fair value through profit and loss		
	Unquoted (all fully paid-up)		
	Investment in equity shares of other entity		
	1,50,000 (Pr.Yr. 1,50,000) equity shares of ₹ 100 each of Somanur Water Scheme Pvt Ltd.	150	150
	Total (A + B)	**72,873**	**72,873**
	Aggregate amount of unquoted investments	**74,773**	**74,773**
	Aggregate amount of impairment in value of investments	**(1,900)**	**(1,900)**
	Aggregate amount of quoted investments in market value thereof	**-**	**-**
5.1	Information about the Company's fair value measurement is included in note 40.		
5.2	The amount shown as deemed equity investments is in respect of financial guarantee given without any consideration.		
5.3	Also, refer note 41 for transactions with related parties.		
5.4	Also, refer note 47.		
5.5	**Proportion of ownership interest in subsidiaries**		

Name of investees	Principal place of business	As at 31.03.2026	As at 31.03.2025
Quantum Knits Private Limited	India	100%	100%
K.P.R.Sugar Mill Limited	India	100%	100%
Jahnvi Motor Private Limited	India	100%	100%
Galaxy Knits Limited	India	100%	100%
KPR Sugar and Apparels Limited	India	100%	100%
KPR Exports Plc, Ethiopia	Ethiopia	100%	100%

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
6	**LOANS**		
	(See accounting policy in note 3(H))		
	Loans to related parties		
	KPR Sugar and Apparels Limited	-	26,364
		-	**26,364**
	Non-current Loans	-	26,364
	Current Loans	-	-
	Information about the Company's exposure to credit risk and market risk are disclosed in note 40. For terms and conditions relating to related party loans, refer note 41.		
7	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Security deposits	4,172	4,211
		4,172	**4,211**
	Information about the Company's exposure to credit risk and market risk are disclosed in note 40.		
8	**OTHER NON - CURRENT ASSETS**		
	Capital advances	9,397	693
		9,397	**693**
9	**INVENTORIES**		
	(See accounting policy in note 3(A))		
	Raw materials	59,922	70,710
	Work-in-progress *	4,283	4,036
	Finished goods	25,333	31,980
	Stores, spares, packing and others	4,571	4,214
		94,109	**1,10,940**
	* Includes Cotton ₹ 3,100 Lakhs (Pr. Yr. ₹ 3,163 Lakhs), Fabric ₹ 37 Lakhs (Pr. Yr. ₹ 41 Lakhs) and Garments ₹ 1,146 Lakhs (Pr. Yr. ₹ 832 Lakhs)		
	The mode of valuation of inventories has been stated in note 3(A).		
	Refer note 23 for assets given as security for borrowings.		
10	**FINANCIAL ASSETS**		
	CURRENT INVESTMENTS		
	(See accounting policy in note 3(H))		
	Investments in mutual funds (quoted)		
	Investments measured at fair value through profit and loss		
	Investments in mutual funds	3,307	22,651
	Aggregate amount of quoted investments and market value thereof	**3,307**	**22,651**
	Aggregate amount of unquoted investments	**-**	**-**
	Aggregate amount of impairment in value of investments	**-**	**-**
	The Company's exposure to credit risk and market risk related to investments has been disclosed in note 40		
11	**TRADE RECEIVABLES**		
	(See accounting policy in note 3(H))		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	49,773	45,773
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	612	182
	Total Trade receivables	**50,385**	**45,955**

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S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	Less: Loss allowance	(612)	(182)
	Net trade receivables	**49,773**	**45,773**
	Movement of loss allowance in trade receivables		
	Opening balance	182	273
	Allowances made / (reversed) during the year	452	-
	Written off	(22)	(91)
	Closing balance	**612**	**182**

Trade receivables ageing schedule:

As at 31.03.2026 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	49,342	213	200	18	-	**49,773**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	612	-	**612**
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	**-**	**49,342**	**213**	**200**	**630**	**-**	**50,385**
Loss allowance	-	-	-	-	(612)	-	**(612)**
Net trade receivables	**-**	**49,342**	**213**	**200**	**18**	**-**	**49,773**

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As at 31.03.2025 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	44,830	436	507	-		**45,773**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	160	-	22	**182**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	**-**	**44,830**	**436**	**667**	**-**	**22**	**45,955**
Loss allowance	-	-	-	(160)	-	(22)	**(182)**
Net trade receivables	**-**	**44,830**	**436**	**507**	**-**	**-**	**45,773**

(i) For trade receivables secured against borrowings, refer note 23.
(ii) The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 40.
(iii) For terms and conditions relating to related party receivables, refer note 41.
(iv) Also refer note 34.

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
12	**CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks		
	i) In current accounts	2,376	4,727
	ii) In EEFC accounts	1,251	2,943
	Cash on hand	32	27
		3,659	**7,697**
13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks held as margin money deposit	52	101
	Deposits with banks with original maturity of more than three months but less than twelve months	1,30,340	20,193
		1,30,392	**20,294**
14	**LOANS**		
	(See accounting policy in note 3(H))		
	Loan to Related Parties		
	KPR Sugar and Apparels Limited	2,231	-
		2,231	**-**
	*Refer note 41.		
15	**OTHER FINANCIAL ASSETS**		
	Interest accrued on bank deposits and other deposits	261	270
	Technology upgradation fund subsidy receivable	-	97
		261	**367**
	Information about the Company's exposure to credit risk and market risk are disclosed in note 40.		

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(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
16	**OTHER CURRENT ASSETS**		
	Advances other than capital advances:		
	Advance to suppliers	8,068	5,068
	Balances with government authorities	3,654	6,819
	Service tax refund receivable	-	286
	Export incentive receivable	1,519	1,256
	Others (CSR pre - spent)*	227	1,777
	Others (primarily prepaid expenses)	381	1,040
		13,849	**16,246**
	*Refer note 39.		
17	**SHARE CAPITAL**		
	a) Authorised		
	45,00,00,000 (Pr.Yr. 45,00,00,000) equity shares of ₹1 (₹1) each with voting rights.	4,500	4,500
	10,00,000 (Pr.Yr.10,00,000) 7% Redeemable Cumulative Non-Convertible Preference shares of ₹ 100 each.	1,000	1,000
		5,500	**5,500**
	b) Issued, subscribed and fully paid up		
	34,18,14,000 (Pr.Yr. 34,18,14,000) equity shares of ₹1 (₹1) each fully paid-up with voting rights.	3,418	3,418
		3,418	**3,418**

17.1 Term / rights to shares

Equity shares

34,18,14,000 (Pr.Yr. 34,18,14,000) equity shares of ₹ 1 (₹ 1) each with voting rights. The holder of each equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

The Board declared and paid an interim dividend of ₹ 2.50 per share (face value of ₹ 1/- each) for the year 2025-26 (Pr.Yr. ₹2.50 per share) (face value of ₹ 1/- each).

The Board has recommended a final dividend of 250% (₹ 2.50/- per share of the face value of ₹ 1/- each) for the year 2025-26 (Pr.Yr. ₹ 2.50 per share) subject to the approval of the shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after settling the dues of preferential shareholders and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.2 Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares with voting rights	As at 31.03.2026		As at 31.03.2025	
Particulars	**Number of shares**	**(₹ in Lakhs)**	**Number of shares**	**(₹ in Lakhs)**
At the beginning of the year	34,18,14,000	3,418	34,18,14,000	3,418
Issued during the year	-	-	-	-
Changes during the year	-	-	-	-
At the end of the year	**34,18,14,000**	**3,418**	**34,18,14,000**	**3,418**

17.3 Details of shareholders holding more than 5% of shares in the Company

Equity shares

Particulars	As at 31.03.2026		As at 31.03.2025	
	Number of shares	**% of total shares**	**Number of shares**	**% of total shares**
Sri K.P.Ramasamy	6,59,30,816	19.29	6,95,30,816	20.34
Sri KPD Sigamani	6,59,31,217	19.29	6,95,31,217	20.34
Sri P.Nataraj	6,59,31,217	19.29	6,95,31,217	20.34
SBI Multi Cap Fund	1,90,55,100	5.57	2,49,76,443	7.31

NOTES

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares as at the balance sheet date.

17.4 **For the period of five years immediately preceeding the date at which the Balance Sheet is prepared:**

(i) The Company has not issued any shares without payment being received in cash.

(ii) The Company has not issued any bonus shares.

(iii) The aggregate number of equity shares bought back by the Company during the year is Nil (Previous Years 3,50,14,920 shares of ₹ 1/- each, fully paid up).

17.5 **Shareholding of promoters** **(₹ in Lakhs)**

Promoter Name	As at 31.03.2026			As at 31.03.2025		
	Number of shares	% of total shares	% of change during the year	Number of shares	% of total shares	% of change during the year
Equity shares:						
Sri K.P.Ramasamy	6,59,30,816	19.29	(1.05)	6,95,30,816	20.34	(1.02)
Sri KPD Sigamani	6,59,31,217	19.29	(1.05)	6,95,31,217	20.34	(1.02)
Sri P.Nataraj	6,59,31,217	19.29	(1.05)	6,95,31,217	20.34	(1.02)

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
18	**OTHER EQUITY**		
	Capital redemption reserve		
	Opening balance	1,850	1,850
	Changes during the year	-	-
	Closing balance (A)	**1,850**	**1,850**
	Balance in capital redemption reserve represents an amount equal to the nominal value of share bought back. The same may be utilised in accordance with the provisions of the Companies Act, 2013.		
	General reserve		
	Opening balance	24,716	24,716
	Closing balance (B)	**24,716**	**24,716**
	The General reserve represents an amount transferred from retained earnings from time to time for appropriation purpose which can be utilised for meeting future obligations. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.		
	Retained earnings		
	Opening balance	3,55,637	3,07,423
	Add: Profit for the year	60,602	65,304
	Less:		
	Interim dividend ₹ 2.50 per share (Pr.Yr. ₹ 2.50 per share)	8,545	8,545
	Final dividend for the FY 2024-25 paid ₹ 2.50 per share(Pr.Yr ₹ 2.50 per share)	8,545	8,545
	Closing balance (C)	**3,99,149**	**3,55,637**
	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.		
	Total (A+B+C)	**4,25,715**	**3,82,203**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	NON - CURRENT LIABILITIES		
	FINANCIAL LIABILITIES		
19	**OTHER FINANCIAL LIABILITIES**		
	Financial guarantee liability	125	103
		125	**103**
20	**PROVISIONS**		
	Gratuity Provision	**467**	**-**
		467	**-**
	Refer Note 45		
21	**DEFERRED TAX LIABILITIES (net)**		
	(See accounting policy in note 3(P))		
	Deferred tax liabilities	7,309	6,902
	Net deferred tax liabilities	**7,309**	**6,902**
22	**OTHER NON - CURRENT LIABILITIES**		
	Payables on purchase of property, plant and equipment	201	136
		201	**136**
	CURRENT LIABILITIES		
	FINANCIAL LIABILITIES		
23	**BORROWINGS**		
	(See accounting policy in note 3(H))		
	Loans repayable on demand from banks - secured		
	Working capital loans	2	3
	Packing credit loans	34,849	24,140
	Bills discounted on a with recourse basis	3,774	-
	Buyers Credit	839	-
		39,464	**24,143**

Information about the company's exposure to currency, interest rate and liquidity risks is included in note 40.

23.1 i) Loans for working capital and packing credit are secured by pari-passu first charge on the current assets of the Company and pari-passu second charge on entire block of assets of the Company.

ii) The Company has not defaulted in its repayments of the loans and interest during the year.

iii) Interest rate relating to working capital loans are in the range of 8.30% to 8.75% per annum (Pr.Yr. 8.90% to 11.25%). Interest rates relating to INR packing credit loans are in the range of 5.50% to 6.30% per annum (Pr.Yr. 6.55% to 7.30%).

(₹ in Lakhs)

23.2	**Reconciliation of cash flows from financing activities**		
	Cash and cash equivalents	3,659	7,697
	Current borrowings	(39,464)	(24,143)
	Net debt*	**(35,805)**	**(16,446)**

NOTES

(₹ in Lakhs)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 01.04.2025	**7,697**	**-**	**(24,143)**	**(16,446)**
Net cash flows	(4,038)	-	(15,321)	(19,359)
Net debt as at 31.03.2026	**3,659**	**-**	**(39,464)**	**(35,805)**
Net debt as at 01.04.2024	**6,057**	**-**	**(28,651)**	**(22,594)**
Net cash flows	1,640	-	4,508	6,148
Net debt as at 31.03.2025	**7,697**	**-**	**(24,143)**	**(16,446)**

* Net debt is calculated as sum of non-current borrowings and current borrowings less cash and cash equivalents.

23.3 Short-term loans availed have not been utilised for long-term purposes by Company.

23.4 Quarterly returns or statements of current assets filed by the Company for the sanctioned borrowings with banks or financial institutions are in agreement with the books of accounts.

24 TRADE PAYABLES	As at 31.03.2026	As at 31.03.2025
(See accounting policy in note 3(H))		
(A) Total outstanding dues of micro enterprises and small enterprises ('MSME'); and	847	621
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,459	9,737
	7,306	**10,358**

Trade payables ageing schedule:
As at 31.03.2026

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
MSME	-	847	-	-	-	**847**
Others	-	6,459	-	-	-	**6,459**
Disputed dues						
MSME	-	-	-	-	-	**-**
Others	-	-	-	-	-	**-**
Total	**-**	**7,306**	**-**	**-**	**-**	**7,306**

As at 31.03.2025

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
MSME	-	621	-	-	-	**621**
Others	-	9,722	15	-	-	**9,737**
Disputed dues						
MSME	-	-	-	-	-	**-**
Others	-	-	-	-	-	**-**
Total	**-**	**10,343**	**15**	**-**	**-**	**10,358**

(i) All the trade payables are current and non-interest bearing.

(ii) Refer note 38 for details of dues to micro enterprises and small enterprises.

(iii) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 40.

(iv) For terms and conditions relating to related party payables, refer note 41.

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
25	**OTHER FINANCIAL LIABILITIES**		
	Premium on financial guarantee (refer note 19)	22	69
	Others	9	9
		31	**78**
26	**OTHER CURRENT LIABILITIES**		
	Advance payment from customers	4,620	1,879
	Statutory dues payable	2,614	2,646
	Employee benefits payable	8,498	8,169
		15,732	**12,694**
	Notes:		
	(i) Revenue recognised during the year that was included in the contract liability balance at the beginning of the year amounts to ₹1,879 lakhs (Pr.Yr ₹3,602 lakhs).		
	(ii) For terms and conditions relating to related parties refer note 41.		
27	**CURRENT TAX LIABILITIES (NET)**		
	(See accounting policy in note 3(P))		
	Provision for tax (net of advance tax)	816	309
		816	**309**
28	**REVENUE FROM OPERATIONS**		
	(See accounting policy in note 3(E))		
	Sale of products	4,09,426	3,99,905
	Sale of services	5,783	6,367
	Other operating revenues	15,428	15,295
	Revenue from operations	**4,30,637**	**4,21,567**
	Disaggregation of revenue from contracts with customers		
	In the following disclosure, revenue from contract with customers has been disaggregated based on the nature and type of goods sold.		
28.1	**Sale of products**		
	Garment	1,76,977	1,68,471
	Yarn	1,75,770	1,70,693
	Fabric	36,919	43,986
	Cotton waste	19,753	17,462
	Accessories and others	21	17
		4,09,440	**4,00,629**
	Less: Discount allowed	14	724
		4,09,426	**3,99,905**
28.2	**Sale of services**		
	Processing and fabrication income	5,783	6,367
		5,783	**6,367**
28.3	**Other operating revenues**		
	Export incentives	12,087	11,733
	Others (primarily scrap sales)	3,341	3,562
		15,428	**15,295**
	Refer note 41 for sales made to related parties.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
29	**OTHER INCOME**		
	(See accounting policy in note 3(F))		
	Interest income on financial assets measured at amortised cost:		
	- Balance with banks held as margin money deposit	6,102	844
	- Others	612	1,357
	Dividend income from non-current investments in subsidiaries	9,715	12,383
	Gain on sale of investments (net)	1,393	2,115
	Net gain on sale of property, plant and equipment	1,394	105
	Rental income (refer note 44)	75	212
	Miscellaneous income	472	864
	Recovery of bad debts & credit written back	16	204
		19,779	**18,084**
	Refer note 41 for transactions with related parties.		
30	**COST OF MATERIALS CONSUMED**		
	a) Inventory of materials at the beginning of the period		
	Cotton	54,803	63,044
	Dyes and chemicals	709	739
	Yarn, fabric, polyester and Visocse	15,198	14,279
		70,710	**78,062**
	b) Add: Purchases		
	Cotton	1,76,456	1,77,180
	Dyes and chemicals	8,464	9,953
	Yarn, fabric, polyester, Viscose and garments	32,214	32,257
	Trims, packing and others (consumption)	21,899	21,796
		2,39,033	**2,41,186**
	c) Less : Inventory of materials at the end of the period		
	Cotton	48,218	54,803
	Dyes and chemicals	754	709
	Yarn, fabric, polyester and Viscose	10,951	15,198
		59,923	**70,710**
	Cost of materials consumed (a + b - c)	**2,49,820**	**2,48,538**
	Refer note 41 for transactions with related parties.		
31	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK- IN- TRADE AND WORK-IN-PROGRESS**		
	a) Inventories at the beginning of the Period		
	Finished goods	31,980	29,568
	Work-in-progress	4,036	4,477
		36,016	**34,045**
	b) Inventories at the end of the period		
	Finished goods	25,333	31,980
	Work-in-progress	4,283	4,036
		29,616	**36,016**
	Net decrease / (increase)	**6,400**	**(1,971)**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
32	**EMPLOYEE BENEFITS EXPENSE**		
	(See accounting policy in note 3(K))		
	Salaries, wages and bonus	46,106	44,165
	Contribution to provident and other funds	4,244	3,774
	Staff welfare expenses	8,216	7,219
		58,566	**55,158**
	Refer note 41 for transactions with related parties.		
33	**FINANCE COSTS**		
	(See accounting policy in note 3(M))		
	Interest expense on financial liabilities measured at amortised cost:		
	Borrowings from banks/others:		
	- Term loans	97	-
	- Working capital loans and packing credit loans	2,457	1,269
	Interest on shortfall in payment of income tax	151	4
	Other borrowing costs	671	723
		3,376	**1,996**
34	**OTHER EXPENSES**		
	Manufacturing expenses		
	Power and fuel	20,401	20,952
	Consumption of stores, spares and packing materials	3,772	3,309
	Repairs and maintenance		
	Building	1,391	1,574
	Machinery	7,079	7,118
	Others	1,558	1,171
	Insurance	573	466
	Administration Expenses		
	Legal and professional charges	321	291
	Rent (refer note 41 and 44)	1,526	1,397
	Rates and taxes	216	245
	Payment to auditors (refer note 35)	30	30
	Travelling and conveyance	976	872
	Expenditure on Corporate Social Responsibility (CSR) (Refer Note 39)	1,599	1,680
	Donations	94	27
	Impairment loss on financial assets	530	42
	Impairment loss on non-current investment (net)	-	188
	Miscelleneous expenses	627	637
	Selling Expenses		
	Freight and forwarding	2,037	2,042
	Sales commission	1,442	1,292
	Other selling expenses	185	99
		44,357	**43,432**
	Refer note 41 for transactions with related parties.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
35	**Payment to Auditors**		
	Statutory audit fees	30	30
	Reimbursement of expenses	-	-
	Total	**30**	**30**
36	**Income tax**		
36.1	**Income tax recognised in the statement of profit and loss**		
	Current tax		
	Current income tax charge	17,225	17,498
	Tax expense relating to prior years	52	135
	Total (A)	**17,277**	**17,633**
	Deferred tax		
	(Benefits) / charge attributable to origination and reversal of temporary differences	407	588
	Total (B)	**407**	**588**
	Total (A + B)	**17,684**	**18,221**
	There are no items of income tax recognised in other comprehensive income.		

36.2 Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	Effective tax rate		Amount	
	2025-26	2024-25	2025-26	2024-25
Profit before tax	-	-	78,286	83,525
Tax using the Company's domestic tax rate	25.17%	25.17%	19,703	21,022
Effect of deductions under Chapter VI-A of the Income-tax Act, 1961	(3.2%)	(4.1%)	(2,495)	(3,401)
Effect of non-deductible expenses and others	0.54%	0.56%	424	465
	22.52%	21.65%	17,632	18,086
Effect of tax expense relating to earlier years	0.07%	0.16%	52	135
Income tax recognised in the statement of profit and loss	**22.59%**	**21.82%**	**17,684**	**18,221**

36.3 Movement in deferred tax liabilities :

(₹ in Lakhs)

Particulars	Balance as at 31.03.2024	Recognised in P&L during 2024-25	Recognised in OCI during 2024-25	Balance as at 31.03.2025	Recognised in P&L during 2025-26	Recognised in OCI during 2025-26	Balance as at 31.03.2026
Property, plant and equipment	6,314	588	-	6,902	407	-	7,309
Total	**6,314**	**588**	**-**	**6,902**	**407**	**-**	**7,309**

NOTES

37 Contingent liabilities and commitments (to the extent not provided for)

I. Contingent liabilities **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
(a) Claims against the Company not acknowledged as debt		
(i) Income tax matters	10	10
(ii) Goods and services tax matters	193	479
(b) Bank guarantees in favour of parties outstanding		
(i) Tamil Nadu Generation and Distribution Corporation [TANGEDCO]	164	164
(ii) New Tirupur Area Water Development Corporation Limited	84	84
(iii) Central Government Samarth Scheme	1	2
(c) Letter of credit facility in favour of suppliers		
(i) Foreign letter of credit	1,293	3,077
(d) Discounted sales invoices	**3,774**	**3,570**

(e) Provident fund:

Pursuant to the Supreme Court judgement dated February 28, 2019 on the inclusion of special allowances for contribution to provident fund, the Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has not recorded a provision for the prior years.

Notes:

(i) Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in these standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

II. Commitments

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	(a) Capital commitments		
	(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Property, plant and equipment: ₹ 2,699 Lakhs (Pr.Yr. ₹ 5,318 Lakhs)) and (Intangible assets: Nil (Pr.Yr. ₹ Nil))	1,305	2,699
	(b) Other commitments		
	(i) The Company has given corporate guarantees to banks/ financial institutions / others on behalf of M/s. Jahnvi Motor Private Limited, M/s. K.P.R.Sugar Mill Limited and M/s. KPR Sugar and Apparels Limited	27,545	96,200
	(ii) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance Authorisation scheme for import of raw materials. The duty implication involved is ₹ 4,172 Lakhs (Pr.Yr. ₹ 2,302 Lakhs)	25,032	13,810

NOTES

Note: Disclosure under section 186 (4) of the Companies Act, 2013:

(₹ in Lakhs)

Name of the party	31.03.2026	31.03.2025
M/s. K.P.R.Sugar Mill Limited	-	2,500
M/s. Jahnvi Motor Private Limited	-	200
M/s. KPR Sugar and Apparels Limited	27,545	93,500
Total	**27,545**	**96,200**

The recipients utilise the guarantee for availing term loans and working capital facilities from banks/ financial institutions/ others. Also refer note 5 and 41.

38 Disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006

This information has been determined to the extent such parties have been identified on the basis of information available with the Company

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
1.The principal amount remaining unpaid to any supplier at the end of each accounting year	847	621
2.Interest due remaining unpaid to any supplier at the end of each accounting year	-	-
3.The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
4.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 MSMED Act, 2006	-	-
5.The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
6.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 a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

39 Corporate social responsibility expenditure

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Companies Act, 2013 amounts to ₹ 1,552 Lakhs (Pr.Yr. ₹ 1,647 Lakhs). Amount spent during the year on CSR activities (included in note 32 of the statement of profit and loss) as under:

The amount approved by the Board to be spent during the year towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Companies Act, 2013 amounts to ₹ 1,599 Lakhs (Pr.Yr. ₹ 1,680 Lakhs).

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2026	31.03.2025
Promotion of education	1,595	1,680
Promotion of Healthcare	2	-
Protection of Flora & Fauna	2	-
Total	**1,599**	**1,680**

NOTES

Details of corporate social responsibility expenditure:

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2026	31.03.2025
(i) shortfall at the end of the year	-	-
(ii) total of previous years shortfall	-	-
(iii) reason for shortfall	NA	NA
(iv) details of related party transactions	NA	NA
(v) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

Disclosure under section 135(5) of the Companies Act, 2013

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2026	31.03.2025
(i) Opening balance (excess) / shortfall	**(1,777)**	**(3,423)**
(ii) Amount required to be spent during the year	1,552	1,647
(iii) Amount spent during the year (also refer note 16 and 34)	-	-
iv) Amount recorded as CSR expenditure during the year (also refer note 16 and 34)	1,599	1,680
(v) Closing balance (excess)* / shortfall	**(227)**	**(1,777)**

* Out of the excess closing balance in the table above, balance of ₹ 227 lakhs (Pr Yr ₹ 1,777 lakhs) represents CSR pre-spent in earlier financial years to be adjusted against the Company's future CSR obligation in accordance with the provisions of Companies Act, 2013.

The Company has spent an amount of ₹ 47 Lakhs (Pr.Yr. ₹ 33 Lakhs) which was not carried forward as CSR pre-spent for adjustment towards future CSR obligation stated above.

40 Financial instruments

Accounting classification and fair values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31.03.2026

(₹ in Lakhs)

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets -amortised cost	Other financial liabilities		
Financial assets measured at fair value					
Non-current investments (excluding investments in subsidiaries)	150	-	-	150	Level 2
Current investments	3,307	-	-	3307	Level 1
Financial assets not measured at fair value					
Loans #	-	2,231	-	2,231	-
Trade receivables #	-	49,773	-	49,773	-
Cash and cash equivalents #	-	3,659	-	3,659	-
Bank balances other than Cash and cash equivalents #	-	1,30,392	-	1,30,392	-
Other financial assets # (excluding investments in subsidiaries)	-	4,433	-	4,433	-

NOTES

(₹ in Lakhs)

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets -amortised cost	Other financial liabilities		
Financial liabilities not measured at fair value					
Borrowings #	-	-	39,464	39,464	-
Payable for capital expenditure #	-	-	201	201	-
Trade payables #	-	-	7,306	7,306	-
Other financial liabilities #	-	-	156	156	-

31.03.2025 (₹ in Lakhs)

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets -amortised cost	Other financial liabilities		
Financial assets measured at fair value					
Non-current investments (excluding investments in subsidiaries)	150	-	-	150	Level 2
Current investments	22,651	-	-	22,651	Level 1
Financial assets not measured at fair value					
Loans #	-	26,364	-	26,364	-
Trade receivables #	-	45,773	-	45,773	-
Cash and cash equivalents #	-	7,697	-	7,697	-
Bank balances other than Cash and cash equivalents #	-	20,294	-	20,294	-
Other financial assets # (excluding investments in subsidiaries)	-	4,578	-	4,578	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	24,143	24,143	-
Payable for capital expenditure #	-	-	136	136	-
Trade payables #	-	-	10,358	10,358	-
Other financial liabilities #	-	-	181	181	-

For financial assets and liabilities not measured at fair value, the Company has not disclosed the fair values of financial instruments, since their carrying amounts are reasonable approximations of their fair values.

Note: There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous year.Refer note 2E to the standalone financial statements.

Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of borrowings and equity.

The capital structure of the Company consists of net debt (borrowings as detailed in note 23 which is off set by cash and bank balances as defined below) and Total Equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's Net Debt to Total Equity ratio as at 31.03.2026 was as follows

NOTES

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
(i) Debt *	39,464	24,143
(ii) Less: Cash and Bank Balances *	1,34,051	27,991
(iii) Net Debt (i - ii)	**(94,587)**	**(3,848)**
(iv) Total Equity	4,29,133	3,85,621
(v) Net Debt to Equity Ratio (iii / iv)	**0.00%**	**0.00%**

* Debt is defined as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 23. Cash and Bank balances include cash and cash equivalents and Bank balances other than Cash and cash equivalents as described in note 12 and note 13.

Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Market risk (see A below)
- Credit risk (see B below)
- Liquidity risk (see C below)

Risk Management Framework

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic and International financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivatives financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Board of Directors are assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of holding of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

The Company's sales and purchases activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into plain vanilla forward contracts to manage its exposure to foreign currency risk.

NOTES

Details of hedged and unhedged foreign currency exposures

(a) Outstanding forward exchange contracts for hedging purposes as on 31.03.2026

Currency	Cross currency	Amount (₹ in Lakhs)	Buy / sell
USD	INR	13,831 (3,500)	Sell Sell
USD	INR	292 (1,207)	Buy Buy

Note: Figures in brackets relates to the previous year.

(b) The year- end unhedged foreign currency exposures are given below

Foreign currency denominated financial assets and liabilities (including firm commitments, if any) which exposes the Company to currency risk are disclosed below. The amounts shown are those reported translated at the closing rate. Unhedged foreign currency risk exposure at the end of the reporting period has been expressed in Indian Rupees.

(₹ in Lakhs)

	USD	Euro	GBP	Total
As at 31.03.2026				
Trade receivables	60,376	1,301	-	61,677
Trade payables	(1,081)	(986)	-	(2,067)
	59,295	**315**	**-**	**59,610**

(₹ in Lakhs)

	USD	Euro	GBP	Total
As at 31.03.2025				
Trade receivables	66,975	-	-	66,975
Trade payables	(1,911)	-	-	(1,911)
	65,064	-	**-**	**65,064**

Note: Trade receivables and Trade payables includes firm commitments.

Sensitivity analysis:

Sensitivity analysis is carried out for un-hedged foreign exchange risk as at 31.03.2026. For every 1% strengthening / weakening of Indian Rupees against all relevant uncovered foreign currency transactions, profit before tax and equity would be impacted as follows:

(₹ in Lakhs)

Increase/ (decrease) in profit and equity	Strengthening		Weakening	
	Year ended 31.03.2026	Year ended 31.03.2025	Year ended 31.03.2026	Year ended 31.03.2025
USD	(593)	(651)	593	651
Euro	(3)	-	3	-
Total	**(596)**	**(651)**	**596**	**651**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Interest rate exposure

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Non-current borrowings	-	-
Current borrowings	39,464	24,143
Total	**39,464**	**24,143**

NOTES

Sensitivity analysis:

Sensitivity analysis is carried out for floating rate borrowings as at March 31, 2026. For every 1% increase in average interest rates, profit before tax would be impacted by loss of approximately ₹ 395 lakhs (Pr.Yr: ₹ 241 Lakhs). Similarly, for every 1% decrease in average interest rates there would be an equal and opposite impact on the profit before tax. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

The Company does not expect any change in interest rates on fixed rate borrowings and accordingly have not presented any sensitivities on such borrowings.

(iii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. As at 31.03.2026, the investments in mutual funds amounts to ₹ 3,307 lakhs (Pr.Yr: ₹ 22,651 Lakhs).

As regards Company's investments in unquoted equity instruments, the management contends that such investments do not expose the Company to price risks. In general, these securities are not held for trading purposes.

Sensitivity analysis:

For every 1% increase in price, profit before tax would be impacted by gain of approximately ₹ 33 lakhs (Pr.Yr: ₹ 227 Lakhs). Similarly, for every 1% decrease in price there would be an equal and opposite impact on the profit before tax.

B. Credit risk management

Credit risk is the risk that the counterparty to a financial instrument will not meet its contractual obligations, leading to a financial loss. Credit risk primarily arises from the Company's trade receivables, loans, investments, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables: **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
Trade receivables	49,773	45,773

The Company mitigates credit risk by strict receivable management procedures and policies. The Company has a dedicated independent team to review credit and monitor collection of receivables. In addition, the Company mitigates credit risk substantially through availment of credit insurance for both domestic and export buyers.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, the management believes that unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to customers that have defaulted on their payments to the Company are not expected to be able to pay their outstanding dues, mainly due to economic circumstances.

The concentration of credit risk is limited due to the customer base being large and unrelated. Further, the Company constantly evaluates the quality of trade receivables and provides impairment loss on financial assets (trade receivables) based on expected credit loss model.

For movement of loss allowance in trade receivables, refer note 11.

Loans **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
Loans to related parties	2,231	26,364

The Company extended loans to its wholly-owned subsidiaries which are engaged in potential ventures. Also refer note 6, 14 and 48.

NOTES

Investments:

Investments of surplus funds are made only with approval of Board of Directors. This primarily include investments in equity instruments of an unlisted entity and mutual funds. The Company does not expect significant credit risks arising from these investments.

Cash and cash equivalents and Bank balances other than Cash and cash equivalents:

The Company held cash and cash equivalents and margin money deposits with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of the banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets:

Other financial assets primarily consists of Investment in wholly-owned subsidiary pending allotment, Interest accrued on bank deposits and other deposits, security deposits and term deposit with Non-Banking Financial Companies. The Company does not expect any loss from non-performance by these counter-parties.

C. Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

All current financial liabilities are repayable within one year.

41. Related Party Disclosures

Disclosures under "Ind AS" 24 – Related Party Disclosure, as identified and disclosed by the Management and relied upon by the Auditors

41.1. Name of related parties and nature of relationships

Key Managerial Personnel	Sri. K.P.Ramasamy Sri. KPD Sigamani Sri. P.Nataraj Sri. C.R.Anandakrishnan Sri. E.K.Sakthivel
Relatives of Key Managerial Personnel	Smt. D.Geetha (Daughter of Sri.KPD Sigamani) Sri. T.N.Arun (Son of Sri P.Nataraj)
Enterprises owned by Key Management Personnel / Directors or their relatives	M/s. K.P.R.Developers Limited M/s. K P R Cements Private Limited M/s. K P R Holdings Private Limited M/s. K P R Agro Farms Private Limited M/s. KPR Info Solutions Private Limited M/s. KPR Capital Cares Limited
Subsidiary Companies	M/s. Quantum Knits Private Limited M/s. K.P.R.Sugar Mill Limited M/s. Jahnvi Motor Private Limited M/s. Galaxy Knits Limited M/s. KPR Exports PLC, Ethiopia M/s. KPR Sugar and Apparels Limited

NOTES

41.2. Transactions during the year and the balance outstanding at the balance sheet date

Nature of transaction	Enterprises owned by key management personnel / Directors or their relatives	Key Managerial Personnel	Relatives to Key Managerial Personnel	Subsidiaries	Total as on 31.03.2026
Transactions during the year					
Purchase of goods	- -	- -	- -	4,179 (60)	4,179 (60)
Purchase of property, plant and equipment	- -	- -	- -	17 (79)	17 (79)
Sale of products	- -	- -	- -	34,581 (35,111)	34,581 (35,111)
Sale of property, plant and equipment	4,750 -	- -	- -	1 -	4,751 -
Repairs and maintenance	- -	- -	- -	21 (28)	21 (28)
Processing and fabrication Income	- -	- -	- -	3,110 (3,215)	3,110 (3,215)
Miscellaneous income	- -	- -	- -	24 (185)	24 (185)
Processing and fabrication Expenses	- -	- -	- -	84 (0.34)	84 -
Interest income on financial assets measured at amortised cost	- -	- -	- -	344 (1,071)	344 (1,071)
Lease rentals paid	- -	- -	- -	1,203 (1,203)	1,203 (1,203)
Loans given (net)	- -	- -	- -	2,231 (26,364)	2,231 -
Lease rentals received	- -	- -	- -	27 (27)	27 (27)
Dividend income	- -	- -	- -	9,715 (12,383)	9,715 (12,383)
Remuneration / salary	- -	5,058 (5,058)	18 (18)	- -	5,076 (5,076)
Proceeds from redemption of preference shares	- -	- -	- -	- -	- -
Balances outstanding as at the balance sheet date					
Non-current investments	- -	- -	- -	72,723 (72,723)	72,723 (72,723)
Loans	- -	- -	- -	2,231 (26,364)	2,231 (26,364)
Advance to suppliers	- -	- -	- -	0 (229)	0 (229)
Trade receivables	- -	- -	- -	- -	- -
Trade payables	- -	- -	- -	951 (156)	951 (156)
Employee benefits payable	- -	3,045 (3,035)	- -	- -	3,045 (3,035)
Advance from customers	- -	- -	- -	3,917 (1,456)	3,917 (1,456)

(Previous year figures are shown in brackets)

NOTES

41.3. Details of transactions with related parties **(₹ in Lakhs)**

Name	2025-26	2024-25
a. Purchase of goods		
M/s. K.P.R.Sugar Mill Limited	16	-
M/s. KPR Sugar and Apparels Limited	4,163	60
Total	**4,179**	**60**
b. Purchase of property, plant and equipment		
M/s. K.P.R. Sugar Mill Limited	17	54
M/s. KPR Sugar and Apparels Limited	-	25
Total	**17**	**79**
c. Sale of products		
M/s. K.P.R.Sugar Mill Limited	14,888	14,793
M/s. Quantum Knits Pvt Limited	-	489
M/s. KPR Sugar and Apparels Limited	19,693	19,829
Total	**34,581**	**35,111**
d. Sale of property, plant and equipment		
M/s. KPR Sugar and Apparels Limited	1	-
K.P.R.Developers Limited	4,750	-
Total	**4,751**	**-**
e. Repairs and maintenance		
M/s. Jahnvi Motor Private Limited	21	28
Total	**21**	**28**
f. Processing and fabrication income		
M/s. KPR Sugar and Apparels Limited	3,110	3,215
Total	**3,110**	**3,215**
g. Miscellaneous income		
M/s. K.P.R.Sugar Mill Limited	2	59
M/s. KPR Sugar and Apparels Limited	22	126
Total	**24**	**185**
h. Processing and fabrication expenses		
M/s. KPR Sugar and Apparels Limited	84	0.34
Total	**84**	**0.34**

NOTES

(₹ in Lakhs)

Name	2025-26	2024-25
i. Interest income on financial assets measured at amortised cost		
M/s. KPR Sugar and Apparels Limited	344	1,071
Total	**344**	**1071**
j. Lease rentals paid		
M/s. K.P.R.Sugar Mill Limited	1,200	1,200
M/s. KPR Sugar and Appaerls Limited	3	3
Total	**1203**	**1203**
k. Loans given during the year (net)		
M/s. KPR Sugar and Appaerls Limited	2,231	26,364
Total	**2,231**	**26,364**
l. Lease rentals received		
M/s. K.P.R.Sugar Mill Limited	1	1
M/s. Quantum Knits Pvt Limited	1	1
M/s. KPR Sugar and Apparels Limited - Factory	12	-
M/s. KPR Sugar and Apparels Limited - Office	13	25
Total	**27**	**27**
m. Dividend income		
M/s. K.P.R.Sugar Mill Limited	9,225	8,200
M/s. KPR Sugar and Apparels Limited	490	3,990
M/s. Jahnvi Motor Private Limited	-	193
Total	**9,715**	**12,383**
n. Remuneration / salary (Short-term employee benefits)		
Sri. K.P.Ramasamy	1,672	1,672
Sri. KPD Sigamani	1,672	1,672
Sri. P.Nataraj	1,672	1,672
Sri. C.R.Anandakrishnan	24	24
Sri. E.K.Sakthivel	18	18
Smt. D.Geetha	6	6
Sri T.N.Arun	12	12
Total	**5,076**	**5,076**

Note: Amount attributable to post employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

NOTES

41.4. Balances outstanding as at the balance sheet date:

a. Non-current investments **(₹ in Lakhs)**

Name	2025-26	2024-25
Equity shares		
M/s. K.P.R.Sugar Mill Limited	1,675	1,675
M/s. Jahnvi Motor Private Limited	276	276
M/s. Quantum Knits Private Limited	10	10
M/s. Galaxy Knits Limited	5	5
M/s. KPR Sugar and Apparels Limited	100	100
Deemed equity in Jahnvi Motor Private Limited, K.P.R.Sugar Mill Limited and KPR Sugar and Apparels Limited	657	657
Preference shares		
M/s. KPR Sugar and Apparels Limited	70,000	70,000
Total	**72,723**	**72,723**

b. Loans **(₹ in Lakhs)**

Name	31.03.2026	31.03.2025
M/s. KPR Sugar and Apparels Limited	2,231	26,364
Total	**2,231**	**26,364**

Refer note 39 for disclosure under Section 186 (4) of the Companies Act, 2013.
The recipients utilise the loan for principal business activities.
Also refer note 5.5 and 48.

c. Advance to suppliers **(₹ in Lakhs)**

Name	31.03.2026	31.03.2025
M/s. KPR Sugar and Apparels Limited	-	229
Total	**-**	**229**

d. Trade payable **(₹ in Lakhs)**

Name	31.03.2026	31.03.2025
M/s. Jahnvi Motor Private Limited	3	-
M/s. Quantum Knits Private limited	162	156
M/s. KPR Sugar and Apparels Limited	786	-
Total	**951**	**156**

e. Advance from customers **(₹ in Lakhs)**

Name	31.03.2026	31.03.2025
M/s. K.P.R.Sugar Mill Limited	2,292	1,456
M/s. KPR Sugar and Apparels Limited	1,625	-
Total	**3,917**	**1,456**

f. Employee benefits payable **(₹ in Lakhs)**

Name	31.03.2026	31.03.2025
Sri. K.P.Ramasamy	1019	1011
Sri. KPD Sigamani	1016	1009
Sri. P.Nataraj	1008	1012
Sri. C.R.Anandakrishnan	2	2
Sri. E.K.Sakthivel	-	1
Smt. D.Geetha	-	0
Total	**3,045**	**3,035**

NOTES

41.5. Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period ended are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

41.6. Transfer pricing

The Company has transactions with related parties. For the financial year ended 31.03.2025, the Company has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act,1961 and has filed the same with the tax authorities. For the year ended 31.03.2026, the Company maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

42 Earnings per share (EPS)

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Profit for the year attributable to equity shareholders (₹ in Lakhs)	60,602	65,304
Weighted average number of equity shares (refer note (a))	34,18,14,000	34,18,14,000
Face value per share (₹)	1.00	1.00
Earnings per share (₹) - Basic and Diluted	17.73	19.11

Notes:

a. The Company does not have any potential equity shares. Accordingly basic and diluted earnings per share would remain the same.

43. Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company is engaged in only one business i.e. manufacturing and sale of textiles. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these standalone financial statements are reflective of the information required by the Ind AS 108 for textiles.

43.1. Revenue from sale of products and services by geographic location of customers:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
India	2,55,679	2,55,455
Overseas	1,59,530	1,50,817
	4,15,209	**4,06,272**
Regionwise Export		
Europe	79,144	71,245
North America	27,111	31,510
Australia	41,477	38,452
Others	11,798	9,610
Total	**1,59,530**	**1,50,817**

NOTES

The Company's operations are entirely carried out in India and as such all its property, plant and equipment are located in India.

43.2. Information about Major Customers **(₹ in Lakhs)**

Name of the Customer	% of Sales	
	2025-26	2024-25
Hennes Mauritz	12.67%	11.68%

44. Operating lease disclosure

44.1. As lessee:

The Company has taken factory premises, office spaces, plant and equipment and vehicles on cancellable operating leases. The leases are for varied periods which are classified as short-term leases under Ind AS 116. The Company has incurred ₹1,526 lakhs (Pr.Yr: ₹ 1,397 Lakhs) for the year ended 31.03.2026 towards expenses relating to short-term leases. The total cash outflow for leases is ₹ 1,526 lakhs (Pr.Yr: ₹ 1,397 Lakhs) for the year ended 31.03.2026, including cash outflow of short-term leases. Also refer note 33.

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Minimum lease payments not later than one year	903	903
Later than one year but not later than five years	-	-
More than five years	-	-

44.2 As lessor:

The Company has given certain non-factory building on cancellable operating leases and has earned rental income of ₹ 75 lakhs (Pr.Yr: ₹ 212 Lakhs) for the year ended 31.03.2026. Since the aforesaid leases are short-term in nature, there are no lease payments receivable after one year as at 31.03.2026. The expected amount of minimum lease payments to be received within one year is ₹ 75 lakhs (Pr.Yr: ₹ 212 Lakhs). Also refer note 29.

45. Disclosure of employee benefits

45.1. Defined contribution plans(₹ in Lakhs) **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
Provident fund	3,500	3,419
Employee state insurance	860	849

45.2. Defined benefit plan - gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company's obligation towards Gratuity is a defined benefit plan and the details of actuarial valuation as at the year-end are given below:

Reconciliation of the net defined benefit (asset)/ liability

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

(₹ in Lakhs)

Sl.No	Particulars	31.03.2026	31.03.2025
A	**Reconciliation of present value of defined benefit obligation**		
	Present value of obligation as at the beginning of the year	1490	1306
	Current service cost	99	90
	Interest cost	110	94
	Benefits paid	-	-
	Past service cost	663	-
	Actuarial (gains) / losses on obligations	(408)	-
	Balance at the end of the year	**1,954**	**1,490**

NOTES

Sl.No	Particulars	31.03.2026	31.03.2025
B	**Reconciliation of fair value of plan assets:**		
	Balance at the beginning of the year	1490	1306
	Interest income	90	93
	Actuarial gains / (losses) on plan assets	(105)	-
	Benefits paid	-	-
	Contributions paid into the plan	13	91
	Fair value of plan asset as at the end of the year	**1,488**	**1,490**
	Plan assets comprises of :		
	Investment with insurer	1,488	1,490
C	**Net Asset/(Liability) recognized in the Balance Sheet**		
	Present value of obligation as at end of the year	1,954	1,490
	Fair value of Plan Asset as at end of the year	1,488	1,490
	Funded status [surplus/(deficit)]	(466)	-
D	**Expenses recognized in the statement of profit and loss**		
	Current service cost	99	90
	Interest cost	110	94
	Past service cost	663	-
	Expected return on plan assets	(90)	(93)
	Actuarial (gains) / losses on obligations and plan assets	(303)	-
		479	**91**
E	**Remeasurement recognised in other comprehensive income:**		
	Actuarial / (gains) losses on defined benefit obligation	-	-
	Actuarial / (gains) losses on plan assets	-	-
F	**Actuarial assumptions**		
	Discount rate (per annum)	7.24%	7.04%
	Rate of increase in compensation levels (per annum)	7.04%	7.50%
	Rate of return on plan assets (per annum)	7.50%	7.04%
	Attrition rate (per annum)	4.00%	4.00%
	Expected average remaining working lives of employees (years)	20.11	25.12
	Demographic assumptions - based on Indian Assured Lives Mortality (2012-14)		

The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market.

45.3 Disclosure of Employee Benefits (Continued)

Asset-liability matching strategies

The Company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the insurance company and the asset values as informed by the insurance company has been taken for valuation purpose. The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rates (in particular, the significant fall in interest rates, which should result in a increase in liability without a corresponding increase in the asset).

Expected contributions to the plan for the next annual reporting period

The expected benefits are based on the same assumptions as are used to measure Company's defined benefit plan obligations as at 31.03.2026. The Company is expected to contribute ₹ 140 lakhs (Pr.Yr: ₹ 221 Lakhs) to defined benefit plan obligations funds for the year ending 31.03.2027.

NOTES

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Weighted average duration of the defined benefit obligation	13.80	16.23 years
Disclosure related to indication of effect of the defined benefit plan on the entity's undiscounted future cash flows Payout in the next		
1 year	102	60
1-2 years	101	52
2-3 years	120	58
3-4 years	113	66
4-5 years	123	61
5 years and beyond	4,150	4,058

Sensitivity analysis

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

Particulars	31.03.2026		31.03.2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(18)	212	(166)	201
Salary growth (1% movement)	192	(170)	194	(163)
Attrition rate (1% movement)	(10)	13	(20)	23

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

46. Details of current investments in mutual funds (quoted)

(₹ in Lakhs)

Particulars	2025-26		2024-25	
	Units	Amount	Units	Amount
Nippon India Mutual Fund	-	-	1,22,316	7,763
HDFC Mutual Fund	61,126	3,307	1,26,462	6,440
LIC Mutual Fund	-	-	1,79,383	8,448
	61,126	**3,307**	**4,28,162**	**22,651**

Also refer note 10.

47. Disclosure as per Schedule V of Regulation 34 of the listing regulations - Investments

(₹ in Lakhs)

Name of the Company	31.03.2026	31.03.2025
M/s. Quantum Knits Private Limited	10	10
M/s. K.P.R.Sugar Mill Limited	1,675	1,675
M/s. Jahnvi Motor Private Limited	276	276
M/s. Galaxy Knits Limited	5	5
M/s. KPR Sugar and Apparels Limited	70,100	70,100
	72,066	**72,066**

Also refer note 5.

NOTES

48. Disclosure as per Schedule V of Regulation 34 of the listing regulations - Loans **(₹ in Lakhs)**

Name of the Company	As at 31.03.2026	Maximum outstanding during the year 2025-26	As at 31.03.2025	Maximum outstanding during the year 2024-25
M/s. KPR Exports PLC, Ethiopia (also refer note 47)	-	-	-	188
M/s. KPR Sugar and Apparels Limited	2,231	26,614	26,364	26,364
Total	**2,231**	**26,614**	**26,364**	**26,552**

Also refer note 6 and 14.

49 Impairment assessment of KPR Exports PLC, Ethiopia

During the year ended 31.03.2025, the Company performed an impairment assessment for investments made in KPR Exports PLC, Ethiopia, due to changes in business environment as a result of civil unrest in Ethiopia. Further to such evaluation, the Company has recognized a provision for impairment loss on such investments aggregating to INR 188 lakhs. Also refer note 5 and 34 to the standalone financial statements.

50 Events after reporting period :

The Board of Directors have recommended a final dividend of ₹ 8,545 Lakhs (₹ 2.50 per share of the face value of ₹ 1/- each (250%)) for the year 2025-26 subject to the approval of the shareholders in Annual General Meeting.

51 Other statutory information

a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b) The Company does not have any transactions with companies struck off.

c) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

d) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

e) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(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"

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

g) The Company does 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).

h) The Company has not have been declared as wilful defaulters by any bank or financial institution or government or any government authority.

i) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

j) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

k) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

NOTES

52 Ratios as per the Schedule III requirements :

a) Current ratio = Total current assets divided by Total current liabilities

Particulars	31.03.2026	31.03.2025
Total current assets - ₹ in Lakhs	2,97,581	2,23,968
Total current liabilities - ₹ in Lakhs	63,349	47,582
Ratio	**4.70**	**4.71**
% Change from previous year	**-0.20%**	

b) Debt Equity Ratio = Total Debt divided by Total equity wherein Total Debt refers to sum of current and non-current borrowings

Particulars	31.03.2026	31.03.2025
Total debt - ₹ in Lakhs	39,464	24,143
Total equity - ₹ in Lakhs	4,29,133	3,85,621
Ratio	**0.09**	**0.06**
% Change from previous year	**46.89%**	

Reason for change more than 25%: The ratio has increased from 0.06 for the year ended 31.03.2025 to 0.09 for the year ended 31.03.2026 on account of increased workng capital availments.

c) Debt Service Coverage Ratio = Earnings available for debt service divided by the Total interest and principal repayments

Particulars	31.03.2026	31.03.2025
Profit after tax - ₹ in Lakhs	60,602	65,304
Add: Non - cash operating expenses and finance cost		
- Depreciation and amortisation expenses - ₹ in Lakhs	9,611	8,973
- Finance costs - ₹ in Lakhs	3,376	1,996
Earnings available for debt service - ₹ in Lakhs	**73,589**	**76,273**
- Finance costs relating to term loans - ₹ in Lakhs	-	-
- Principal repayments relating to term loans - ₹ in Lakhs	-	-
Total interest and principal repayments relating to term loans - ₹ in Lakhs	-	-
Ratio	-	-
% Change from previous year	**0.00%**	

d) Return on Equity Ratio = Profit after tax divided by Average total equity

Particulars	31.03.2026	31.03.2025
Profit after tax - ₹ in Lakhs	60,602	65,304
Average total equity (refer note below) - ₹ in Lakhs	4,07,377	3,61,514
Ratio	14.88%	18.06%
% Change from previous year	**-17.65%**	

Note: Average total equity = (Total equity as at the beginning of respective year + Total equity as at the end of respective year) divided by 2

e) Inventory turnover ratio = Sales divided by Average inventory

Particulars	31.03.2026	31.03.2025
Sales (refer note 1 below) - ₹ in Lakhs	4,30,637	4,21,567
Average inventory (refer note 2 below) - ₹ in Lakhs	1,02,525	1,13,827
Ratio	**4.20**	**3.70**
% Change from previous year	**13.41%**	

Note 1: Sales represents revenue from operations.

Note 2: Average inventory = (Total inventories as at the beginning of respective year + Total inventories as at the end of respective year) divided by 2.

NOTES

f) Trade receivables turnover ratio = Sales divided by Average trade receivables

Particulars	31.03.2026	31.03.2025
Sales - ₹ in Lakhs (Refer note 1 below)	4,18,550	4,09,834
Average trade receivables - ₹ in Lakhs (Refer note 2 below)	47,773	49,082
Ratio	**8.76**	**8.35**
% Change from previous year	**4.93%**	

Note 1: Sales for the purpose of the table above represents revenue from operations excluding export incentives.

Note 2: Average trade receivables = (Total trade receivables as at the beginning of respective year + Total trade receivables as at the end of respective year) divided by 2.

g) Trade payables turnover ratio = Purchases divided by Average trade payables

Particulars	31.03.2026	31.03.2025
Purchases (refer note 1 below) - ₹ in Lakhs	2,39,033	2,41,186
Average trade payables (refer note 2 below)- ₹ in Lakhs	8,832	9,090
Ratio	**27.06**	**26.53**
% Change from previous year	**2.00%**	

Note 1: Purchases represents purchases forming part of cost of materials consumed.

Note 2: Average trade payables = (Total trade payables as at the beginning of respective year + Total trade payables as at the end of respective year) divided by 2.

h) Net capital turnover ratio = Revenue from operations divided by Working capital wherein Working capital = Total current assets less Total current liabilities

Particulars	31.03.2026	31.03.2025
Revenue from operations - ₹ in Lakhs	4,30,637	4,21,567
Working capital - ₹ in Lakhs	2,34,232	1,76,386
Ratio	**1.84**	**2.39**
% Change from previous year	**-23.08%**	

i) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	31.03.2026	31.03.2025
Net profit after tax - ₹ in Lakhs	60,602	65,304
Revenue from operations - ₹ in Lakhs	4,30,637	4,21,567
Ratio	**14.07%**	**15.49%**
% Change from previous year	**-9.15%**	

j) Return on capital employed= Earnings before interest and taxes (EBIT) divided by Capital employed

Particulars	31.03.2026	31.03.2025
Earnings before interest and taxes (refer note 1 below) - ₹ in Lakhs	81,662	85,521
Capital employed (refer note 2 below) - ₹ in Lakhs	4,75,968	4,16,666
Ratio	**17.16%**	**20.53%**
% Change from previous year	**-16.41%**	

Note 1: EBIT= Profit before taxes + Finance costs

Note 2: Capital employed = Total equity + Total debt (current borrowings and non-current borrowings) + Deferred tax liabilities

k) Return on investment ('ROI')

i) ROI on mutual fund = Income generated from invested funds divided by average invested funds in mutual funds

Particulars	31.03.2026	31.03.2025
Income generated from invested funds - ₹ in Lakhs	1,393	2,115
Invested funds in mutual funds (refer note below) - ₹ in Lakhs	12,979	12,928
Ratio	**10.73%**	**16.36%**
% Change from previous year	**-34.40%**	

NOTES

Note: Invested funds in mutual funds = (Investment in mutual fund as at the beginning of respective year + Investment in mutual fund as at the end of respective year) divided by 2

Reason for change more than 25%: The Company invests temporary funds in mutual funds. During the year, the overall decrease in income from such invested funds resulted in decreased return.

ii) ROI on treasury funds = Income generated from invested funds divided by average invested funds in treasury funds

Particulars	31.03.2026	31.03.2025
Income generated from treasury funds - ₹ in Lakhs	6,102	844
Invested funds in treasury funds (refer note below) - ₹ in Lakhs	75,267	15,180
Ratio	**8.11%**	**5.56%**
% Change from previous year	**45.81%**	

Note: Invested funds in treasury funds = (Investment in margin money deposit, term deposit with Non-Banking Financial Companies and in deposits with original maturity of less than three months as at the beginning of respective year + Investment in margin money deposit, term deposit with Non-Banking Financial Companies and in deposits with original maturity of less than three months as at the end of respective year) divided by 2.

Reason for change more than 25%: Increase in ROI on treasury funds from 5.56% for the year ended 31.03.2025 to 8.11% in for the year ended 31.03.2026 is on account of increase in income generated from bank deposits.

The notes from 1 to 52 are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer &
Managing Director
DIN : 00229137

Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

Coimbatore
12.05.2026

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of K.P.R. Mill Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of K.P.R. Mill 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 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including 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 such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and 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 SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in 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.

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Revenue recognition

See notes 3 and 27 to the standalone financial statements

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

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Board's report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility and Sustainability report, but does not include the financial statements and auditor's reports thereon.

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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 Management and 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 the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and 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 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 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities 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

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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 / financial information of six subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs.264,449 Lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of Rs.276,401 Lakhs and total net profit after tax (before consolidation adjustments) of Rs. 35,763 Lakhs and net cash outflows (before consolidation adjustments) amounting to Rs.1,030 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by 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.

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 matter with respect to our reliance on the work done and the reports of the other auditors.

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 Section 143(11) 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 A. 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, to the extent applicable, 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   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 relevant 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.

   e. On the basis of the written representations received from the directors of the Holding Company as on April 01, 2026, April 07, 2026, April 15, 2026 and April 17,

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

2026 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 the Group companies incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. 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 B".

B. 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 the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer note 36 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2026.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the note 51 to the consolidated financial statements, 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 any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the note 51 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements/financial information have been audited under the Act, nothing has come to our or the other auditors notice that has caused us or the

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Holding Company and its subsidiary companies during the year is in compliance accordance with Section 123 of the Act.

The final dividend paid by the Holding Company and its subsidiary company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 50 to the consolidated financial statements, the respective Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and such subsidiaries incorporated in India have used an accounting software for maintaining its books of account, however, the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we and respective auditors of such subsidiary companies are unable to comment on audit trail feature of the said software.

C. 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 explanations given to us and based on the reports of the statutory auditors of such subsidiary companies 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 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.:101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:26060573QXPBPP7108

Place: Coimbatore
Date: 12 May 2026

ANNEXURE TO THE AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of K.P.R. Mill Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, has certain remarks given by its auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	K.P.R. Mill Limited	L17111TZ2003PLC010518	Holding company	Clause(i)(c)*

*This clause pertains to title deeds of certain immovable properties not held in the name of the Holding Company.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.:101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:26060573QXPBPP7108

Place: Coimbatore
Date: 12 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of K.P.R. Mill Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of K.P.R. Mill Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the 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.

ANNEXURE TO THE AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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 financial statements insofar as it relates to five 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 B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.:101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:26060573QXPBPP7108

Place: Coimbatore
Date: 12 May 2026

CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

Particulars	Note	As at 31.03.2026	As at 31.03.2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	2,39,519	2,45,947
(b) Capital work-in-progress	4	6,314	4,035
(c) Investment Property	4	584	-
(d) Goodwill	42	70	70
(e) Intangible assets	4	97	91
(f) Financial assets			
(i) Investments	5	150	150
(ii) Other financial assets	6	4,498	4,571
(g) Other tax assets (net)	7	31	67
(h) Other non - current assets	8	13,597	8,581
Total non - current assets		**2,64,860**	**2,63,512**
(2) Current assets			
(a) Inventories	9	1,84,399	1,86,852
(b) Financial assets			
(i) Investments	10	6,263	26,261
(ii) Trade receivables	11	63,991	58,615
(iii) Cash and cash equivalents	12	6,386	11,454
(iv) Bank balances other than Cash and cash equivalents	13	1,30,445	20,364
(v) Other financial assets	14	872	1,013
(c) Other current assets	15	26,068	28,081
Total current assets		**4,18,424**	**3,32,640**
Total assets		**6,83,284**	**5,96,152**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16	3,418	3,418
(b) Other equity	17	5,66,342	4,96,782
Total equity		**5,69,760**	**5,00,200**
Liabilities			
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	2,581	5,383
(b) Provisions	19	467	-
(c) Deferred tax liabilities (net)	20	14,534	12,899
(d) Other non-current liabilities	21	242	150
Total non- current liabilities		**17,824**	**18,432**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	57,033	41,213
(ii) Trade payables			
(A)Total outstanding dues of micro enterprises and small enterprises; and	23 (A)	1,610	1,259
(B)Total outstanding dues of creditors other than micro enterprises and small enterprises	23 (B)	21,650	20,548
(iii) Other financial liabilities	24	131	9
(b) Other current liabilities	25	14,192	13,374
(c) Current tax liabilities (net)	26	1,084	1,117
Total current liabilities		**95,700**	**77,520**
Total Liabilities		**1,13,524**	**95,952**
Total Equity and Liabilities		**6,83,284**	**5,96,152**

Material accounting policies 3

The notes from 1 to 51 are an integral part of these consolidated financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer &
Managing Director
DIN : 00229137

Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2026	31.03.2025
I. Revenue from operations	27	**6,65,037**	**6,38,788**
II. Other income	28	13,392	7,438
III. Total Income (I+II)		**6,78,429**	**6,46,226**
IV. Expenses			
Cost of materials consumed	29	4,10,134	3,86,132
Purchase of stock-in-trade		4,959	5,494
Changes in inventories of finished goods, stock -in- trade and work- in-progress	30	(11,098)	(2,652)
Employee benefits expense	31	78,304	67,190
Finance costs	32	5,160	4,977
Depreciation and amortisation expenses	4	21,560	20,787
Other expenses	33	56,010	58,020
V. Total Expenses		**5,65,029**	**5,39,948**
VI. Profit before tax (III-V)		**1,13,400**	**1,06,278**
VII. Tax expense			
Current tax			
- Pertaining to current period		25,085	23,324
- Pertaining to prior year		30	357
Deferred tax		1,635	1,086
Total tax expense		**26,750**	**24,767**
VIII. Profit for the period (VI-VII)		**86,650**	**81,511**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
IX. Other comprehensive income for the period, net of tax		-	-
X.Total comprehensive income for the period (VIII+IX)		**86,650**	**81,511**
Earnings per equity share (EPS)			
Basic and Diluted EPS (in ₹) of face value ₹ 1/- each	41	**25.35**	**23.85**
Material accounting policies	3		

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Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2026	31.03.2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**86,650**	**81,511**
Adjustments for:			
Income tax expenses recognised in the statement of profit and loss		26,750	24,767
Depreciation and amortisation expenses		21,560	20,787
Net loss / (gain) on sale of property, plant and equipment		(1,373)	(111)
Finance costs		5,160	4,977
Interest income		(6,394)	(1,776)
Net (gain)/ loss on sale of current investments		(2,031)	(2,182)
Rental income from operating leases		(47)	(184)
Recovery of Bad debts		(16)	(204)
Impairment loss on financial assets		530	42
Operating profit before working capital changes		**1,30,789**	**1,27,627**
Changes in working capital:			
Adjustments for (increase) / decrease in assets:			
Inventories		2,453	3,673
Trade receivables		(5,890)	8,475
Other current assets		2,016	6,379
Other non-current financial assets		73	(183)
Other non-current assets		3,667	4,005
Other financial assets		140	(64)
Adjustments for increase / (decrease) in liabilities:			
Trade payables		1,453	10,309
Other current liabilities		818	3,860
Other financial liabilities		122	(5)
Other non-current liabilities		467	(35)
Cash generated from operations		1,36,108	1,64,041
Income taxes paid		(25,324)	(23,909)
Net cash generated from operating activities	**(A)**	**1,10,784**	**1,40,132**
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment, including capital advances		(31,482)	(16,869)
Proceeds from / (purchase of) current investments (net)		22,029	(20,875)
(Increase) /decrease in margin deposit accounts		(1,10,081)	(9,977)
Proceeds from sale of property, plant and equipment		6,260	775
Interest received		6,395	1,759
Rental income received from operating leases		47	184
Net cash flow from / (used in) investing activities	**(B)**	**(1,06,832)**	**(45,003)**

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2026	31.03.2025
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from / (Repayment of) non-current borrowings (net)		(2,816)	(24,184)
Proceeds from / (repayment of) current borrowings (net)		15,817	(45,093)
Finance costs paid		(4,931)	(4,821)
Dividends paid		(17,090)	(17,090)
Nnet cash flow from / (used in) financing activities	**(C)**	**(9,020)**	**(91,188)**
Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	(5,068)	3,941
Add: Opening cash and cash equivalents		11,454	7,513
Closing cash and cash equivalents (Refer note 12)		**6,386**	**11,454**
Closing cash and cash equivalents comprises			
(a) Cash on hand		64	44
(b) Balance with Banks:			
i) In Current accounts		4,271	7,613
ii) In EEFC accounts		2,051	3,797
		6,386	**11,454**

Material accounting policies 3

The notes from 1 to 51 are an integral part of these consolidated financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

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Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

CHANGES IN EQUITY

a. Equity share capital **(₹ in Lakhs)**

Balance as at 01.04.2024	3,418
Changes in equity share capital during 2024-25	-
Balance as at 31.03.2025	**3,418**
Changes in equity share capital during 2025-26	-
Balance as at 31.03.2026	**3,418**

b.Other equity **(₹ in Lakhs)**

Particulars	Reserves and Surplus					Other comprehensive income	Total Other Equity
	Securities Premium	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance as at 01.04.2024	**3,863**	**293**	**2,228**	**24,845**	**4,01,176**	**-**	**4,32,405**
Profit for the year	-	-	-	-	81,511	-	81,511
Exchange differences on financial statements of foreign operations	-	-	-	-	(44)	-	(44)
Final dividend relating to 2023-24 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	-	(8,545)	-	(8,545)
Interim dividend relating to 2024-25 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	-	(8,545)	-	(8,545)
Balance as at 31.03.2025	**3,863**	**293**	**2,228**	**24,845**	**4,65,553**	**-**	**4,96,782**
Profit for the year	-	-	-	-	86,650	-	86,650
Final dividend relating to 2024-25 paid (₹ 2.50 per share on face value of ₹ 1/-)	-	-	-	-	(8,545)	-	(8,545)
Interim dividend relating to 2025-26 paid (₹ 2.50 per share on face value of ₹1/-)	-	-	-	-	(8,545)	-	(8,545)
Balance as at 31.03.2026	**3,863**	**293**	**2,228**	**24,845**	**5,35,113**	**-**	**5,66,342**

Material accounting policies 3

The notes from 1 to 51 are an integral part of these consolidated financial statements

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

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Membership No. : 060573

Coimbatore
12.05.2026

PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

ACCOUNTING POLICIES

1. CORPORATE INFORMATION

K.P.R. Mill Limited is one of the largest vertically integrated apparel manufacturing companies in India with its registered office situated at Coimbatore. The Company produces Yarn, Knitted Fabric, Readymade Garments and power. It has state-of-the-art production facilities in the State of Tamil Nadu, India. The Company's registered office is at No. 9, Gokul Buildings, A.K.S Nagar, Thadagam Road, Coimbatore - 641001, Tamil Nadu, India. It has seven wholly owned subsidiary companies as follows:

a) Quantum Knits Private Limited deals in Readymade Garments.

b) K.P.R.Sugar Mill Limited produces sugar along with Green energy viz ., Co-Gen Power. Its plant is Located at Vijayapur District, Karnataka State. The Company also has Garment manufacturing facility at Arasur, Coimbatore and commenced its operations from November 2013.

c) Jahnvi Motor Private Limited is the authorised dealers of AUDI cars in Coimbatore and Madurai Region.

d) Galaxy Knits Limited has not commenced any major business activity.

e) KPR Exports PLC has Garment manufacturing facility at Ethiopia, and commenced its operation from January 2019.

f) KPR Sugar and Apparels Limited, was incorporated on October 1, 2020 to produce Sugar, manufacture Garments and Yarn.

The Consolidated Financial Statements relate to K.P.R. Mill Limited ('the Company') and its wholly owned subsidiary companies Quantum Knits Private Limited, K.P.R.Sugar Mill Limited, Galaxy Knits Limited, Jahnvi Motor Private Limited, KPR Exports PLC, Ethiopia, and KPR Sugar and Apparels Limited. The Company and its subsidiaries are hereinafter collectively referred to as "the Group".

The Company's shares are listed in BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

2. BASIS OF PREPARATION

A. STATEMENT OF COMPLIANCE

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, as amended from time to time.

These consolidated financial statements for the year ended 31.03.2026 are approved for issue by the Company's Board of directors on 12.05.2026.

Details of the Group's accounting policies,including changes thereto, are included in note 3. The Group has consistently applied the accounting policies to all the periods present in these consolidated financial statements.

B. BASIS OF CONSOLIDATION

(i) Subsidiaries

Subsidiaries are entity controlled by the group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Consolidation procedure followed is as under:

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined on a like-to-like basis. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interests ('NCI') and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement of profit and loss.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) Goodwill on consolidation

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of

ACCOUNTING POLICIES

equity in the subsidiaries, is recognised as "Goodwill on Consolidation" in the consolidated financial statements. The said goodwill is not amortized, however it is tested for impairment at each balance sheet date, and impairment loss if any, is provided for.

C) FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All financial information has been rounded-off to the nearest lakhs, unless otherwise indicated

D) BASIS OF MEASUREMENT

These consolidated financial statements have been prepared under the historical cost basis and on an accrual basis, except for the following items which are measured on an alternative basis on each reporting date:

i. Derivative financial instruments measured at fair value through profit or loss;

ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and

iii. Net defined (asset) / liability measured at fair value of plan assets less present value of obligations as explained in note 3 (J).

E) USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 16 - classification, measurement and recognition of Government grants

Note 20 - recognition and measurement of deferred tax liabilities

Note 3(M) and 45 - Leases - whether the arrangement contains a lease; and lease classification

Note 3(H) and 39: Financial instruments: Classification and measurement

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

(i) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues.

(ii) Impairment of non-financial assets

In assessing impairment, management has estimated economic use of assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating cash flows and determination of a suitable discount rate. (also refer note 3P)

(iii) Useful lives of depreciable assets

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change utility of assets (also refer note 3D).

(iv) Inventories:

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes (also refer note 3A).

(v) Defined benefit obligation (DBO):

The actuarial valuation of the DBO is based on a number of critical underlying management's assumptions such as standard rates of inflation, mortality, discount rate and

ACCOUNTING POLICIES

anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (also refer note 46)

(vi) Recognition and measurement of provisions and contingencies:

Key assumptions about the likelihood and magnitude of an outflow of resources (also refer note 36).

(vii) Impairment of financial assets - Refer note 3

F) MEASUREMENT OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. The inputs used to measure the fair value of assets or a liability fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management based on its assumptions on observable data as far as possible but where it not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer Note 39). The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

G) CURRENT AND NON-CURRENT CLASSIFICATION

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset 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 when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

3) SUMMARY OF MATERIAL ACCOUNTING POLICIES

A) INVENTORIES

Inventories are valued at lower of cost and net realizable value. The cost of raw materials, components, stock-in-trade, consumable stores and spare parts are determined using first-in first-out / specific identification method and includes freight, taxes and duties, net of duty credits wherever applicable, and any other expenditure incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished

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goods will exceed their net realizable value.

The comparison of cost and net realisable value is made on an item by item basis.

B) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

C) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

D) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Freehold land is stated at historical cost less any accumulated impairment losses. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises:

a. purchase price, including import duties and non-refundable taxes on purchase (goods and service tax), after deducting trade discounts and rebates.

b. any directly attributable cost of bringing the item to its working condition for its intended use, estimated costs of dismantling and removing the item and restoring the site on which it is located.

c. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain/ loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Component accounting

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values over the estimated useful lives using the straight-line method over the estimated useful lives and is generally recognised in Statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight-line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

The estimated useful life of the property, plant and equipment followed by the Group for the current and the comparative period are as follows :

Asset	Management's estimated useful life	Useful life as per Schedule II
Factory Building	~ 30 Years	~ 30 Years
Non Factory Building	~ 60 Years	~ 60 Years
Plant and Equipments	~ 10-20 Years	~ 8-20 Years
Windmill	~ 12 Years	~ 22 Years
Electricals	~ 14 Years	~ 10 Years
Furnitures and fixtures	~ 10 Years	~ 10 Years
Computers and accessories	~ 3 Years	~ 3-6 Years
Vehicles	~ 8-10 Years	~ 8-10 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if necessary,

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for each reporting period. Based on technical evaluation and consequent advice, the management believes that its estimate of useful life as given above best represent the period over which management expects to use the asset.

On property, plant and equipment added/ disposed off during the year, depreciation is charged on pro-rata basis for the period from/upto which the asset is ready for use/disposed off.

Capital work-in-progress

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives and it is included in the statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful life of intangible assets consisting computer software is 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

E) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group generates revenue primarily from sale of Yarn, Knitted Fabric, Readymade Garments, Sugar, Ethanol and Power. The Group also earns revenue from rendering of services. Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

1.1 Sale of products:

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. Invoices are usually payable within 180 days depending upon the individual contract with the customers.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

1.2 Revenue from services:

Revenue from sale of services is recognised when related services are rendered as per the terms agreed with customers.

1.3 Export incentives

Export incentives are accounted in the year of exports based on eligibility and expected amount on realisation.

1.4 Sales returns

Our customers have the contractual right to return goods only when authorised by the Group.

F) OTHER INCOME

Dividend income from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Rental income under operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the lease except where another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

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Interest income is recognised using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt.The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to: the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

G) FOREIGN CURRENCY

i) Foreign Currency Transactions And Translations

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the statement of profit and loss.Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in the statement of profit and loss.

ii) Foreign operation

The assets and liabilities of foreign operations (subsidiaries) and fair value adjustments arising on acquisition, are translated into INR, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency differences are recognised in OCI and accumulated in the equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in translation reserve related to that foreign operation reclassifed to statement of profit and loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to statement of profit and or loss.

H) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities are initially recognised when they are originated.

All other financial assets and financial liabilities are intially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The 'trade payable' is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVTOCI) – debt investment;
- Fair value through other comprehensive income (FVTOCI) – equity investment; or
- Fair value through profit and loss (FVTPL)

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

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The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

(a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments at FVTOCI

A debt investment will be measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

(a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(b) its contractual terms of the give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Equity instruments at FVTOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in Other comprehensive income ('OCI'). This election is made on an investment-by-investment basis.

If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interestFor the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely

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payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit and loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in cosolidated statement of profit and loss. Any gain or loss on derecognition is recognised in consolidated statement of profit and loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of profit and loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of

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the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

On a derecognition of a financial liability,The difference between the extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) and the new financial liability with modified terms is recognised in statement profit and loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(I) GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

The Group recognises an unconditional government grant in profit or loss as other income when the grant becomes receivable.

Government grants received in relation to assets are presented as a reduction to the carrying amount of the related asset and the same is recognised in statement of profit and loss over the life of a depreciable asset as a reduced depreciation expense. Repayment of a grant related to an asset is recognised by increasing the carrying amount of the asset and the cumulative additional depreciation that would have been recognised in the statement of profit and loss in the absence of the grant is recognised immediately in the statement of profit and loss.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they intended to compensate and presented in other operating revenue.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

J) EMPLOYEE BENEFITS

(a) Short term employee benefits:

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plan

Provident Fund and Employee State Insurance

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.The Group makes specified contributions towards Government administered provident fund employee state insurance schemes. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service

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is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(c) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Post employment benefit comprise of Gratuity which is accounted for as follows:

Gratuity Fund

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

K) BORROWING COSTS

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are considered as adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the year in which they are incurred.

L) SEGMENT REPORTING

The Group has classified its operations primarily into three reportable segments viz., Textile, Sugar and Others based on 'Management Approach' as defined in Ind-AS 108. These segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the reportable segments, the respective Company's Board of Directors reviews internal management reports on atleast a quarterly basis.The reported operating segments:

a. engage in business activities from which the Group earns revenues and incur expenses,

b. have their operating results regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and

c. have discrete financial information available.

M) LEASE

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 uses the definition of a lease in Ind AS 116.

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i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflects the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities separately in balance sheet within "Financial liabilities".

Short term leases and low value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises lease payments associated with these leases are recognized as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term.

ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is

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the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.If an arrangement contains lease and non-lease components, then the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

N) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

O) INCOME TAXES

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects the uncertainty, related to income taxes, if any. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.Current tax liabilities and current tax assets are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, 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 tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Such reductions are reversed when the probability of future taxable profits improves.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws)

ACCOUNTING POLICIES

that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 same tax authority on same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or its tax assets and liabilities will be realised simultaneously.

iii) Recognition

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

P) IMPAIRMENT

Impairment of Financial Instruments and contract assets

The Group recognises loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;

- a breach of contract such as a default or being past due;

- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information. The Group assumes that credit risk on a financial asset has increased significantly if it is past due.

The Group considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is past due.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write- off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Impairment of Non-Financial Assets

ACCOUNTING POLICIES

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions:

Provisions are recognised, when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Contingent liabilities:

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets:

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

R) ONEROUS CONTRACTS

A contract is said to be onerous when the expected economic benefits to be derived by the group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with the contract.

ACCOUNTING POLICIES

3A) Recent pronouncements

Ind AS 1 – Presentation of Financial Statements

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Accounting Estimates and Errors.

4. Property Plant and equipment, Intangible assets and Capital Work-in-Progress (₹ in Lakhs)

Particulars	Leased Asset - Land	Property, Plant & Equipment										Capital work-in-progress	Intangible assets (Computer software)
		Freehold Land	Factory Building	Non-factory Building	Plant and Equipment	Windmill	Electricals	Furniture and Fixture	Computers and accessories	Vehicles	Total		
Gross carrying amount													
As at 31.03.2024	**550**	**15,970**	**70,066**	**34,955**	**2,17,012**	**12,845**	**12,555**	**6,366**	**1,628**	**2,535**	**3,74,482**	**11,751**	**311**
Additions	-	5,315	1,699	618	13,758	-	1,330	468	225	1,150	24,563	4,035	67
Disposals / adjustments	-	(11)	-	-	(1,370)	-	(7)	(57)	(14)	(19)	(1,478)	(11,751)	-
As at 31.03.2025	**550**	**21,274**	**71,765**	**35,573**	**2,29,400**	**12,845**	**13,878**	**6,777**	**1,839**	**3,666**	**3,97,567**	**4,035**	**378**
Additions	-	3,551	650	1,373	13,524	-	208	550	113	66	20,035	6,314	6
Disposals / adjustments	-	(4,488)	-	(200)	(3,625)	-	(8)	(74)	(62)	(62)	(8,519)	(4,035)	-
As at 31.03.2026	**550**	**20,337**	**72,415**	**36,746**	**2,39,299**	**12,845**	**14,078**	**7,253**	**1,890**	**3,670**	**4,09,083**	**6,314**	**384**
Accumulated depreciation and amortisation													
As at 31.03.2024	**28**	**-**	**12,634**	**3,252**	**93,362**	**11,062**	**5,852**	**3,080**	**1,139**	**1,277**	**1,31,686**	**-**	**246**
Depreciation and amortisation expenses	6	-	2,342	589	15,883	-	897	489	204	336	20,746	-	41
Disposals / adjustments	-	-	-	-	(758)	-	(5)	(25)	(11)	(13)	(812)	-	-
As at 31.03.2025	**34**	**-**	**14,976**	**3,841**	**1,08,487**	**11,062**	**6,744**	**3,544**	**1,332**	**1,600**	**1,51,620**	**-**	**287**
Depreciation and amortisation expenses	6	-	2,386	605	16,697	-	786	502	214	364	21,560	-	-
Disposals / adjustments	-	-	-	(190)	(3,281)	-	(6)	(46)	(58)	(35)	(3,616)	-	-
As at 31.03.2026	**40**	**-**	**17,362**	**4,256**	**1,21,903**	**11,062**	**7,524**	**4,000**	**1,488**	**1,929**	**1,69,564**	**-**	**287**
Net carrying amount													
As at 31.03.2025	**516**	**21,274**	**56,789**	**31,732**	**1,20,913**	**1,783**	**7,134**	**3,233**	**507**	**2,066**	**2,45,947**	**4,035**	**91**
As at 31.03.2026	**510**	**20,337**	**55,053**	**32,490**	**1,17,396**	**1,783**	**6,554**	**3,253**	**402**	**1,741**	**2,39,519**	**6,314**	**97**

Notes:

1. Property, plant and equipment include non-factory building given on lease with a gross carrying amount of ₹ 16,328 Lakhs as at 31.03.2026 (Pr.Yr. ₹ 16,405 Lakhs) and a net carrying amount of ₹ 11,032 Lakhs as at 31.03.2026 (Pr.Yr.₹ 11,602 lakhs).
2. Refer note 18 and 22 for assets given as securities for borrowings.
3. Property, plant and equipment includes right-of-use assets of ₹ 510 Lakhs as at 31.03.2026 (Pr.Yr. ₹ 516 Lakhs) related to leased properties that do not meet the definition of investment property.

4.1 Title deeds of Immovable Properties not held in name of the Parent Company:

(a)

Particulars	As at 31.03.2026	As at 31.03.2025
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	66.76	66.76
(iv) Title deeds held in the name of	K.P.R. Spinning Mill Private Limited	K.P.R. Spinning Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Spinning Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

(b)

Particulars	As at 31.03.2026	As at 31.03.2025
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	57.44	64.47
(iv) Title deeds held in the name of	K.P.R. Mill Private Limited	K.P.R. Mill Private Limited
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.	The title deeds are in the name of K.P.R. Mill Private Limited, erstwhile Company that was merged with the Company under section 391 to 394 of the Companies Act, 1956 in terms of the approval of Honourable High Court(s) of judicature.
(viii) Whether disputed	No	No

(c)

Particulars	As at 31.03.2026	As at 31.03.2025
(i) Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
(ii) Description of item of property	Freehold Land	Freehold Land
(iii) Gross carrying value (₹ in Lakhs)	9.61	9.61
(iv) Title deeds held in the name of	K.P.R. Knits	K.P.R. Knits
(v) Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director	No	No
(vi) Property held since which date	01.04.2005	01.04.2005
(vii) Reason for not being held in the name of the Company	The title deeds are in the name of K.P.R. Knits, erstwhile company that was acquired through out-right purchase.	The title deeds are in the name of K.P.R. Knits, erstwhile company that was acquired through out-right purchase.
(viii) Whether disputed	No	No

4.2 Capital work-in-progress (CWIP) ageing schedule

As at 31.03.2026

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,593	1,721	-	-	**6,314**
Projects temporarily suspended	-	-	-	-	-

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.

As at 31.03.2025

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,488	547	-	-	**4,035**
Projects temporarily suspended	-	-	-	-	-

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.

4.3 Investment Property:

A. Reconciliation

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Cost		
As at 31.03.2025	-	-
Additions	584	-
Deletions	-	-
As at 31.03.2026	584	-
Carrying value		
As at 31.03.2025	-	-
As at 31.03.2026	584	-

Note : Investment property represents freehold land towards which depreciation charge is not applicable. Accordingly, the carrying amount (net) is equivalent to the gross carrying amount as at the respective balance sheet date. There is no impairment in respect of investment property. There were no immovable properties where the title deeds are not held in the name of the Company.

B. Fair value

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
As at 31.03.2025	-	-
As at 31.03.2026	584	-

Fair valuation of investment property is based on the valuation using market comparable approach, based on recent market prices without any significant adjustments being made to the market observable data. The fair value measurement for the investment property has been categorised as a Level 2.

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(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	FINANCIAL ASSETS		
5	**INVESTMENTS**		
	(See accounting policy in note 3(H))		
	Investment measured at fair value through profit and loss		
	Unquoted (all fully paid-up)		
	Investment in equity shares of other entity		
	1,50,000 (Pr.Yr. 1,50,000) equity shares of ₹ 100 each of Somanur Water Scheme Pvt Ltd.	150	150
	Aggregate amount of unquoted investments	**150**	**150**
	Aggregate amount of impairment in value of investments	**-**	**-**
	Aggregate amount of quoted investments in market value thereof	**-**	**-**
	Information about the Group's fair value measurement is included in note 39.		
6	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Security deposits	4,498	4,571
		4,498	**4,571**
7	**OTHER TAX ASSETS (NET)**		
	Advance tax (net of provision for tax)	31	67
		31	**67**
8	**OTHER NON - CURRENT ASSETS**		
	Capital advances	9,400	717
	Prepaid expenses	18	145
	Balances with government authorities	4,179	7,719
		13,597	**8,581**
9	**INVENTORIES**		
	(See accounting policy in note 3(A))		
	Raw materials	63,895	77,554
	Work-in-progress *	5,293	5,086
	Finished goods	1,06,073	95,168
	Stock-in-trade	1,335	1,348
	Stores, spares, packing and others	7,803	7,696
		1,84,399	**1,86,852**
	* Includes Cotton and viscose ₹ 3,173 Lakhs (Pr. Yr. ₹ 3,197 Lakhs), Fabric ₹ 37 Lakhs (Pr. Yr. ₹ 41 Lakhs), Garments ₹1,957 Lakhs (Pr. Yr. ₹ 1,848 Lakhs) and Ethanol Rs.126 Lakhs (Pr.Yr. Nil).		
	The mode of valuation of inventories has been stated in note 3(A).		
	Refer note 18 and 22 for assets given as security for borrowings.		
10	**FINANCIAL ASSETS**		
	CURRENT INVESTMENTS		
	(See accounting policy in note 3(H))		
	Investments in mutual funds (quoted)		
	Investments measured at fair value through profit and loss		
	Investments in mutual funds	6,263	26,261
	Aggregate amount of quoted investments and market value thereof	**6,263**	**26,261**
	The Group's exposure to credit risk and price risk related to investments has been disclosed in note 39.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
11	**TRADE RECEIVABLES**		
	(See accounting policy in note 3(H))		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	63,991	58,615
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables - credit impaired	612	182
	Total Trade receivables	**64,603**	**58,797**
	Less: Loss allowance	(612)	(182)
	Net trade receivables	**63,991**	**58,615**
	Movement of loss allowance in trade receivables		
	Opening balance	182	182
	Allowances made / (reversed) during the year	452	-
	Written off	(22)	-
	Closing balance	**612**	**182**

Trade receivables ageing schedule:

As at 31.03.2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	63,440	225	244	56	26	**63,991**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	612	-	-	612
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	**-**	**63,440**	**225**	**856**	**56**	**26**	**64,603**
Loss allowance	-	-	-	(612)	-	-	(612)
Net trade receivables	**-**	**63,440**	**225**	**244**	**56**	**26**	**63,991**

NOTES

As at 31.03.2025 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	57,474	572	543	17	9	**58,615**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	160	-	22	**182**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total Trade receivables	**-**	**57,474**	**572**	**703**	**17**	**31**	**58,797**
Loss allowance	-	-	-	(160)	-	(22)	**(182)**
Net trade receivables	**-**	**57,474**	**572**	**543**	**17**	**9**	**58,615**

(i) For receivables secured against borrowings, refer note 18 and note 22.
(ii)The Group's exposure to credit risks, currency risks and loss allowances related to trade receivables are disclosed in note 39.
(iii) For terms and conditions relating to related party receivables, refer note 40.

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
12	**CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks		
	i) In current accounts	4,271	7,613
	ii) In EEFC accounts	2,051	3,797
	Cash on hand	64	44
		6,386	**11,454**
13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	(See accounting policy in note 3(B))		
	Balance with banks held as margin money deposit	105	171
	Deposits with banks with original maturity of more than three months but less than twelve months	1,30,340	20,193
		1,30,445	**20,364**
14	**OTHER FINANCIAL ASSETS**		
	(See accounting policy in note 3(H))		
	Interest accrued on bank deposits and other deposits	272	273
	Technology upgradation fund subsidy receivable	-	97
	Interest subvention receivable	509	552
	Others	91	91
		872	**1,013**
	Information about the Group's exposure to credit risk and market risk are disclosed in note 39.		

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(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
15	**OTHER CURRENT ASSETS**		
	Advances other than capital advances:		
	Advance to suppliers	12,272	8,522
	Balances with government authorities	3,706	7,031
	Service tax refund receivable	-	286
	Export incentive receivable	2,493	2,459
	Investment subsidy receivable	6,784	6,571
	Others (CSR pre - spent)*	227	1,981
	Others (primarily prepaid expenses)	586	1,231
		26,068	**28,081**
	*Refer note 33 and 38.		
16	**EQUITY SHARE CAPITAL**		
	a) Authorised		
	45,00,00,000 (Pr.Yr. 45,00,00,000) equity shares of ₹ 1 (₹ 1) each with voting rights.	4,500	4,500
	10,00,000 (Pr.Yr.10,00,000) 7% Redeemable Cumulative Non-Convertible Preference shares of ₹ 100 each.	1,000	1,000
		5,500	**5,500**
	b) Issued, subscribed and fully paid up		
	34,18,14,000 (Pr.Yr. 34,18,14,000) equity shares of ₹ 1 (₹ 1) each fully paid-up with voting rights.	3,418	3,418
		3,418	**3,418**

16.1 Term / rights to shares

Equity shares

The Company has issued only one class of equity shares having a face value of ₹ 1 per share. The holder of each equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The Board declared and paid an interim dividend of ₹ 2.50 per share (face value of ₹ 1/- each) for the year 2025-26 (Pr.Yr. ₹ 2.50 per share) (face value of ₹ 1/-each).

The Board has recommended a final dividend of 250 % (₹ 2.50/- per share of the face value of ₹ 1/- each) for the year 2025-26 (Pr.Yr. ₹2.50/- per share) subject to the approval of the shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after settling the dues of preferential and other creditors as priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.2 Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares with voting rights	As at 31.03.2026		As at 31.03.2025	
Particulars	**Number of shares**	**(₹ in Lakhs)**	**Number of shares**	**(₹ in Lakhs)**
At the beginning of the year	34,18,14,000	3,418	34,18,14,000	3,418
Changes during the year	-	-	-	-
At the end of the year	**34,18,14,000**	**3,418**	**34,18,14,000**	**3,418**

16.3 Details of shareholders holding more than 5% of shares

Equity shares

Particulars	As at 31.03.2026		As at 31.03.2025	
	Number of shares	**% of total shares**	**Number of shares**	**% of total shares**
Sri K.P.Ramasamy	6,59,30,816	19.29	6,95,30,816	20.34
Sri KPD Sigamani	6,59,31,217	19.29	6,95,31,217	20.34
Sri P.Nataraj	6,59,31,217	19.29	6,95,31,217	20.34
SBI Multi Cap Fund	1,90,55,100	5.57	2,49,76,443	7.31

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares as at the balance sheet date.		
16.4	**For the period of five years immediately preceeding the date at which the Balance Sheet is prepared:**		
	(i) The Company has not issued any shares without payment being received in cash.		
	(ii) The Company has not issued any bonus shares.		
	(iii) The aggregate number of equity shares bought back by the Company during the year is Nil (Previous Years 3,50,14,920 shares of ₹ 1/- each, fully paid up).		
16.5	**Shareholding of promoters**		

Promoter Name	As at 31.03.2026			As at 31.03.2025		
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
Equity shares:						
Sri K.P.Ramasamy	6,59,30,816	19.29	(1.05)	6,95,30,816	20.34	(1.02)
Sri KPD Sigamani	6,59,31,217	19.29	(1.05)	6,95,31,217	20.34	(1.02)
Sri P.Nataraj	6,59,31,217	19.29	(1.05)	6,95,31,217	20.34	(1.02)

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
17	**OTHER EQUITY**		
	Capital reserve		
	Opening balance	293	293
	Closing balance (A)	**293**	**293**
	Securities premium		
	Opening balance	3,863	3,863
	Changes during the year	-	-
	Closing balance (B)	**3,863**	**3,863**
	Balance in securities premium represents amount received on issue of shares in excess of par value. The same may be utilised in accordance with the provisions of the Companies Act, 2013.		
	Capital redemption reserve		
	Opening balance	2,228	2,228
	Add: Addition during the year (refer note below)	-	-
	Closing balance (C)	**2,228**	**2,228**
	Balance in capital redemption reserve represents an amount equal to the nominal value of share bought back and redemption of preference share capital. The same may be utilised by the Company for issuing fully paid bonus shares.		
	General reserve		
	Opening balance	24,845	24,845
	Closing balance (D)	**24,845**	**24,845**
	The General reserve represents an amount transferred from retained earnings from time to time for appropriation purpose which can be utilised for meeting future obligations. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.		
	Retained earnings		
	Opening balance	4,65,553	4,01,176
	Add: Profit for the year	86,650	81,511
	Add: Exchange differences on financial statements of foreign operations	-	(44)

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	Less:		
	Final dividend paid ₹ 2.50 per share (Pr.Yr. ₹ 2.50 per share)	8,545	8,545
	Interim dividend paid ₹ 2.50 per share (Pr.Yr. ₹ 2.50 per share)	8,545	8,545
	Closing balance (E)	**5,35,113**	**4,65,553**
	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.		
	Total (A+B+C+D+E)	**5,66,342**	**4,96,782**
	NON - CURRENT LIABILITIES		
	FINANCIAL LIABILITIES		
18	**BORROWINGS**		
	(See accounting policy in note 3(H))		
	Term loans - measured at amortised cost		
	Secured		
	From banks	4,432	11,866
	Less: amount included under current borrowings (refer note 22)	(2,214)	(6,872)
		2,218	4,994
	From others (unsecured) - Interest free sales tax loan - NPV	363	389
		2,581	**5,383**
	Information about the Group's exposure to interest rate and liquidity risks is included in note 39.		
18.1	Term loans from banks are secured by pari-passu first charge on fixed assets and second charge on current assets of the Group.		
18.2	i) The KPR Sugar Mill Limited has availed a term loan from HDFC Bank in respect of which balance as at 31.03.2026 was ₹ 4,387 lakhs (Pr.Yr. ₹ 6,581). The loan is repayable in 16 quarterly installments commencing from April 2024. This term loan is secured by first charge on the fixed assets created out the loan.		
	ii) KPR Sugar and Apparels Limited has availed a term loan from ICICI Bank Limited in respect of which balance as at 31.03.2026 was ₹ Nil (Pr.Yr. ₹ 4,375 Lakhs). The loan is repayable in 16 quarterly installments commencing from April 2022. This term loan is secured by first charge of hypothecation of all moveable assets of Ethanol Division. First pari-passu charge by equitable mortgage and hypothecation of immovable fixed assets of Ethanol Division.		
	iii) KPR Sugar and Apparels Limited has availed a term loan from ICICI Bank Limited in respect of which balance as at 31.03.2026 was ₹ 45 Lakhs (Pr.Yr. ₹ 910 Lakhs). The loan is repayable in 20 quarterly installments commencing from June 2023. This term loan is secured by first charge of hypothecation of all moveable assets or Garment Division. First pari-passu charge by equitable mortgage and hypothecation of immovable fixed assets of Garment Division.		
18.3	Interest rate relating to term loans from banks is in the range of 6.41 % to 8.65 % (Pr.Yr. 7.56% to 8.52%).		
18.4	The Group has not defaulted in the repayment of principal and interest during the year.		
19	**NON CURRENT PROVISION**		
	Gratuity Provision	467	-
		467	**-**
	Refer Note 46		
20	**DEFERRED TAX LIABILITIES (net)**		
	(See accounting policy in note 3(O))		
	Deferred tax liabilities	14,534	12,899
	Net deferred tax liabilities	**14,534**	**12,899**
	For movement in deferred tax liabilities, refer note 35.		
21	**OTHER NON - CURRENT LIABILITIES**		
	Payables on purchase of Property, plant and equipment	242	136
	Deferred revenue arising from government grants	-	14
		242	**150**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
	CURRENT LIABILITIES		
	FINANCIAL LIABILITIES		
22	**BORROWINGS**		
	(See accounting policy in note 3(H))		
	Loans repayable on demand from banks - secured		
	Working capital loans	2	3
	Packing credit loans	47,051	32,658
	From others		
	Bills discounted on a with recourse basis	6,019	-
	Buyers Credit	839	-
	Loans repayable on demand from others	908	1,680
	Current maturities of non-current borrowings	2,214	6,872
		57,033	**41,213**
	Information about the group's exposure to currency, interest rate and liquidity risks is included in note 39.		
22.1	i) Loans for working capital and packing credit are secured by pari-passu first charge on the current assets of the Group and pari-passu second charge on entire block of assets of the Group.		
	ii) The Group has not defaulted in its repayments of the loans and interest during the year.		
	iii) Interest rate relating to working capital loans are in the range of 7.80% to 9.10% per annum (Pr.Yr. 8.05% to 11.25%). Interest rates relating to INR packing credit are in the range of 5.50% to 7.40% per annum (Pr.Yr. 6.55% to 7.85%). Interest rates relating to short term loans are in the range of 8.00% to 8.50% per annum (Pr.Yr. 8.25% to 8.50%)		
22.2	**Reconciliation of cash flows from financing activities**		
	Cash and cash equivalents	6,386	11,454
	Non-current borrowings	(2,581)	(5,383)
	Current borrowings	(57,033)	(41,213)
	Net debt*	**(53,228)**	**(35,142)**

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 01.04.2025	11,454	(5,383)	(41,213)	(35,142)
Net cash flows	(5,068)	2,802	(15,820)	(18,086)
Net debt as at 31.03.2026	**6,386**	**(2,581)**	**(57,033)**	**(53,228)**
Net debt as at 01.04.2024	7,513	(29,522)	(86,320)	(1,08,329)
Net cash flows	3,941	24,139	45,107	73,187
Net debt as at 31.03.2025	**11,454**	**(5,383)**	**(41,213)**	**(35,142)**

	* Net debt is calculated as sum of non-current borrowings and current borrowings less cash and cash equivalents.		
22.3	Term loans were applied for the purpose they were obtained. Further, short-term loans availed have not been utilised for long-term purposes by the Group.		
22.4	Quarterly returns or statements of current assets filed by the Group for the sanctioned borrowings with banks or financial institutions are in agreement with the books of accounts.		
23	**TRADE PAYABLES**		
	(See accounting policy in note 3(H))		
	(A) Total outstanding dues of micro enterprises and small enterprises ('MSME'); and	1,610	1,259
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	21,650	20,548
		23,260	**21,807**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025

Trade payables ageing schedule:
As at 31.03.2026

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
MSME	-	1,610	-	-	-	**1,610**
Others	-	21,638	8	-	4	**21,650**
Disputed dues						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**-**	**23,248**	**8**	**-**	**4**	**23,260**

As at 31.03.2025

Particulars	Outstanding for following periods from the due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
MSME	-	1,259	-	-	-	**1,259**
Others	-	20,464	35	41	8	**20,548**
Disputed dues						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**-**	**21,723**	**35**	**41**	**8**	**21,807**

(i) All the trade payables are current and non-interest bearing.
(ii) Refer note 36 for details of dues to micro enterprises and small enterprises.
(iii) The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 39.
(iv) For terms and conditions relating to related party payables, refer note 40.

24	**OTHER FINANCIAL LIABILITIES**		
	(See accounting policy in note 3(H))		
	VAT/GST Payable	122	-
	Others	9	9
		131	**9**

Information about the Group's exposure to currency, interest rate and liquidity risks is included in note 39.

25	**OTHER CURRENT LIABILITIES**		
	Advance payment from customers	1,044	857
	Statutory dues payable	3,043	3,352
	Employee benefits payable	10,105	9,165
		14,192	**13,374**

Note:
(i) Revenue recognised during the year that was included in the contract liability balance at the beginning of the year amounts to ₹ 857 lakhs. (Pr.Yr ₹ 1,094 lakhs)
(ii) For terms and conditions relating to related party, refer note 40.

26	**CURRENT TAX LIABILITIES (Net)**		
	(See accounting policy in note 3(O))		
	Provision for tax (net of advance tax)	1,084	1,117
		1,084	**1,117**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
27	**REVENUE FROM OPERATIONS**		
	(See accounting policy in note 3(E))		
	Sale of products	6,34,289	6,09,692
	Sale of services	3,475	3,881
	Other operating revenues	27,273	25,215
	Revenue from operations	**6,65,037**	**6,38,788**
	Disaggregation of revenue from contracts with customers		
	In the following disclosure, revenue from contract with customers has been disaggregated based on the nature and type of goods sold.		
27.1	**Sale of products**		
	Garment	2,87,838	2,64,712
	Yarn	1,81,436	1,77,999
	Fabric	23,448	29,698
	Sugar	59,348	63,401
	Co-Gen power	3,668	6,921
	Ethanol	49,803	40,895
	Automobile	7,234	7,973
	Cotton waste	19,753	17,476
	Accessories and others	2,462	2,308
		6,34,990	**6,11,383**
	Less: Discount allowed	701	1,691
		6,34,289	**6,09,692**
27.2	**Sale of services**		
	Processing and fabrication income	2,960	3,314
	Automobile service income	515	567
		3,475	**3,881**
27.3	**Other operating revenues**		
	Export incentives	20,994	19,226
	Others (primarily scrap sales)	6,279	5,989
		27,273	**25,215**
	Refer note 40 for sales made to related parties.		
28	**OTHER INCOME**		
	(See accounting policy in note 3(F))		
	Interest income on financial assets measured at amortised cost:		
	- Balance with banks held as margin money deposit	6,118	848
	- Others	276	928
	Gain on sale of current investments (net)	2,031	2,182
	Investment promotion subsidy	833	833
	Net gain on sale of property, plant and equipment	1,373	111
	Recovery of bad debts	16	204
	Sugar Subsidy	2,075	1,310
	Rental income (refer note 45)	47	184
	Capital subsidy	45	-
	Miscellaneous income	578	838
		13,392	**7,438**
	Refer note 40 for transactions with related parties.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
29	**COST OF MATERIALS CONSUMED**		
	a) Inventory of materials at the beginning of the period		
	Cotton	54,803	63,044
	Dyes and chemicals	709	739
	Yarn, fabric, polyester and Visocse	22,042	19,674
		77,554	83,457
	b) Add: Purchases		
	Cotton	1,76,456	1,77,180
	Dyes and chemicals	8,464	9,953
	Yarn, fabric, polyester, Viscose and garments	68,294	72,154
	Trims, packing and others (consumption)	36,683	36,062
	Sugar cane and coal	1,06,579	83,500
	Molasses Purchase	-	1,380
		3,96,476	3,80,229
	c) Less : Inventory of materials at the end of the period		
	Cotton	48,218	54,803
	Dyes and chemicals	754	709
	Yarn, fabric, polyester and Viscose	14,924	22,042
		63,896	77,554
	Cost of materials consumed (a + b - c)	**4,10,134**	**3,86,132**
30	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK- IN- TRADE AND WORK-IN-PROGRESS**		
	a) Inventories at the beginning of the Period		
	Finished goods	95,168	91,838
	Work-in-progress	5,086	5,509
	Stock-in-trade	1,348	1,603
		1,01,602	98,950
	b) Inventories at the end of the period		
	Finished goods	1,06,073	95,168
	Work-in-progress	5,292	5,086
	Stock-in-trade (Refer note 49)	1,335	1,348
		1,12,700	1,01,602
	Net decrease / (increase)	**(11,098)**	**(2,652)**
31	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages and bonus	61,701	52,881
	Contribution to provident and other funds	5,677	4,985
	Staff welfare expenses	10,926	9,324
		78,304	**67,190**
	Refer note 40 for transactions with related parties.		

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
32	**FINANCE COSTS**		
	(See accounting policy in note 3(K))		
	Interest expense on financial liabilities measured at amortised cost		
	Borrowings from banks/others:		
	- Term loans	381	1,098
	- Working capital loans and packing credit loans	3,637	2,668
	Interest on shortfall in payment of income tax	212	170
	Interest on interest free sales tax loan	14	45
	Other borrowing costs	916	996
		5,160	**4,977**
33	**OTHER EXPENSES**		
	Manufacturing expenses		
	Power and fuel	18,195	22,715
	Consumption of stores and packing materials	9,743	8,786
	Repairs and maintenance		
	Building	1,571	1,887
	Machinery	9,305	9,492
	Others	1,790	1,420
	Insurance	872	753
	Administration Expenses		
	Legal and professional charges	472	548
	Rent (refer note 45)	479	359
	Rates and taxes	574	502
	Payment to auditor (refer note 34)	38	38
	Travelling and conveyance	1,361	1,260
	Expenditure on Corporate Social Responsibility (CSR) (Refer Note 38)	2,400	2,345
	Donations	124	30
	Impairment loss on financial assets (refer note 11 and 39)	530	42
	Impairment Loss on Investment	-	188
	Miscelleneous expenses	1,124	1,067
	Selling Expenses		
	Freight and forwarding	5,518	4,888
	Sales commission	1,611	1,487
	Other selling expenses	303	213
		56,010	**58,020**
34	**Payment to auditors (including payment to subsidiaries' auditors)**		
	Statutory audit fees	38	38
	Reimbursement of expenses	-	-
	Total	**38**	**38**

NOTES

(₹ in Lakhs)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
35	**Income tax**		
35.1	**Income tax recognised in the statement of profit and loss**		
	Current tax		
	Current income tax charge	25,085	23,324
	Tax expense relating to prior years	30	357
	Total (A)	**25,115**	**23,681**
	Deferred tax		
	(Benefits) / charge attributable to origination and reversal of temporary differences	1,635	1,086
	Total (B)	**1,635**	**1,086**
	Total (A + B)	**26,750**	**24,767**
	There are no items of income tax recognised in other comprehensive income.		

35.2 Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	Effective tax rate		Amount	
	2025-26	2024-25	2025-26	2024-25
Profit before tax			1,13,400	1,06,278
Tax using the Group's domestic tax rate	24.90%	26.19%	28,233	27,835
Effect of deductions under Chapter VI-A of the Income-tax Act, 1961	(2.9%)	(3.8%)	(3,272)	(4,080)
Effect of non-deductible expenses and others	1.55%	0.62%	1,759	655
	23.56%	22.97%	26,720	24,410
Effect of tax expense relating to earlier years	0.03%	0.34%	30	357
Income tax recognised in the statement of profit and loss	**23.59%**	**23.30%**	**26,750**	**24,767**

Note:

Pursuant to the amendment in Income-tax Act, 1961 effective 20.09.2019, which provides for an option to domestic companies to pay income tax at reduced rates, the Company exercised the option permitted under section 115 BAA of the Income Tax Act,1961.

35.3 Movement in deferred tax liabilities :

(₹ in Lakhs)

Particulars	Balance as at 01.04.2024	Recognised in P&L during 2024-25	Balance as at 31.03.2025	Recognised in P&L during 2025-26	Balance as at 31.03.2026
Property, plant and equipment	11,813	1,085	12,899	1,635	14,534
Total	**11,813**	**1,085**	**12,899**	**1,635**	**14,534**

NOTES

36 Contingent liabilities and commitments (to the extent not provided for)

I. Contingent liabilities **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
(a) Claims against the Group not acknowledged as debt		
(i) Income tax matters	1,603	1,149
(ii) Goods and services tax matters	226	484
(b) Bank guarantees in favour of parties outstanding		
(i) Tamil Nadu Generation and Distribution Corporation [TANGEDCO]	164	164
(ii) New Tirupur Area Water Development Corporation Limited	84	84
(iii) Indian Oil Corporation Limited	424	211
(iv) Bharat Petroleum Corporation Limited	369	798
(v) Hindustan Petroleum Corporation Limited	263	320
(vi) Central Government Samarth Scheme	1	2
(c) Letter of credit facility in favour of suppliers		
(i) Foreign letter of credit	1,293	3,077
(ii) Inland letter of credit	-	-
(d) Discounted sales invoices	6,019	11,555

(e) Provident fund:

Pursuant to the Supreme Court judgement dated February 28, 2019 on the inclusion of special allowances for contribution to provident fund, the Group has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Group has not recorded a provision for the prior years.

Notes:

(i) Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(ii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in these consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

II. Commitments

(₹ in Lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
(a) Capital commitments (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Property, plant and equipment: ₹ 1,320 Lakhs (Pr.Yr. ₹ 2,699 Lakhs)) and (Intangible assets: Nil (Pr.Yr. ₹ Nil))	1,320	2,699
(b) Other commitments (i) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance Authorisation scheme for import of raw material. The duty implication involved is ₹ 4,172 Lakhs (Pr.Yr. ₹ 3,358 Lakhs)	27,545	20,144

37 Disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED Act, 2006") is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Group. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

NOTES

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
1. The principal amount remaining unpaid to any supplier at the end of each accounting year	1,610	1,259
2. Interest due remaining unpaid to any supplier at the end of each accounting year	-	-
3. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
4. 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 MSMED Act, 2006	-	-
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
6. 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 a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

38 Corporate social responsibility expenditure

The gross amount required to be spent by the Group during the year towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Companies Act, 2013 amounts to ₹ 2,344 Lakhs (Pr.Yr. ₹ 2,306 Lakhs). Amount spent during the year on CSR activities (included in note 32 of the Statement of Profit and Loss) as under:

The amount approved by the Board to be spent during the year towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Companies Act, 2013 amounts to ₹ 2,400 Lakhs (Pr.Yr. ₹ 2,345 Lakhs).

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2026	31.03.2025
Promotion of education	2,396	2,343
Promotion of Healthcare	2	-
Protection of Flora & Fauna	2	2
Total	**2,400**	**2,345**

Details of corporate social responsibility expenditure:

Particulars	For the year ended	
	31.03.2026	31.03.2025
(i) shortfall at the end of the year	-	-
(ii) total of previous years shortfall	-	-
(iii) reason for shortfall	NA	NA
(iv) details of related party transactions	NA	NA
(v) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

NOTES

Disclosure under section 135(5) of the Companies Act, 2013

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2026	31.03.2025
(i) Opening balance (excess) / shortfall	**(2,054)**	**(4,018)**
(ii) Amount required to be spent during the year	2,344	2,306
(iii) Amount spent during the year (also refer note 8, 15 and 33)	-	-
iv) Amount recorded as CSR expenditure during the year (also refer note 8,15 and 33)	2,400	2,345
(v) Closing balance (excess)* / shortfall	**(227)**	**(2,054)**

* Out of the excess closing balance in the table above, balance of ₹ 227 lakhs (Pr.Yr. ₹ 2,054 lakhs) represents CSR pre-spent during the financial year 2022-23 to be adjusted against the Company's future CSR obligation in accordance with the provisions of Companies Act, 2013.

The Group had spent an amount of ₹ 56 Lakhs (Pr.Yr. ₹ 39 Lakhs) which was not carried forward as CSR pre-spent for adjustment towards future CSR obligation stated above.

39 Financial instruments

Accounting classification and fair values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31.03.2026 **(₹ in Lakhs)**

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets -amortised cost	Other financial liabilities		
Financial assets measured at fair value					
Non-current investments	150	-	-	150	Level 2
Current investments	6,263	-	-	6,263	Level 1
Financial assets not measured at fair value					
Trade receivables #	-	63,991	-	63,991	-
Cash and cash equivalents #	-	6,386	-	6,386	-
Bank balances other than Cash and cash equivalents #	-	1,30,445	-	1,30,445	-
Other financial assets #	-	5,370	-	5,370	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	59,614	59,614	-
Payable for capital expenditure #	-	-	242	242	-
Trade payables #	-	-	23,261	23,261	-
Other financial liabilities #	-	-	131	131	-

NOTES

31.03.2025 (₹ in Lakhs)

Particulars	Carrying amount			Total carrying amount	Fair value hierarchy
	Mandatorily at FVTPL - Others	Other financial assets -amortised cost	Other financial liabilities		
Financial assets measured at fair value					
Non-current investments	150	-	-	150	Level 2
Current investments	26,261	-	-	26,261	Level 1
Financial assets not measured at fair value					
Trade receivables #	-	58,615	-	58,615	-
Cash and cash equivalents #	-	11,454	-	11,454	-
Bank balances other than Cash and cash equivalents #	-	20,364	-	20,364	-
Other financial assets #	-	5,584	-	5,584	-
Financial liabilities not measured at fair value					
Borrowings #	-	-	46,596	46,596	-
Payable for capital expenditure #	-	-	136	136	-
Trade payables #	-	-	21,807	21,807	-
Other financial liabilities #	-	-	9	9	-

For financial assets and liabilities not measured at fair value, the Group has not disclosed the fair values of financial instruments, since their carrying amounts are reasonable approximations of their fair values.

Note: There have been no transfers between Level 1and Level 2 during the current and previous year.

Refer note 2E to the consolidated financial statements.

Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through optimisation of borrowings and equity.

The capital structure of the Group consists of net debt (borrowings as detailed in note 18 and note 22 which is off set by cash and bank balances as defined below) and Total Equity of the Group.

The Group is not subject to any externally imposed capital requirements.

The Group's net debt to equity ratio as at 31.03. 2026 was as follows:

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
(i) Debt *	59,614	46,596
(ii) Less: Cash and Bank Balances *	1,36,831	31,818
(iii) Net Debt (i - ii)	**(77,217)**	**14,778**
(iv) Total Equity	5,69,760	5,00,200
(v) Net Debt to Equity Ratio (iii / iv)	**0.00%**	**2.95%**

NOTES

* Debt is defined as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 18 and note 22. Cash and Bank balances include cash and cash equivalents and bank balances other than cash and cash equivalents as described in note 12 and note 13.

Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

- Market risk (see A below)
- Credit risk (see B below)
- Liquidity risk (see C below)

Risk Management Framework

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and International financial markets, monitors and manages the financial risk relating to the operation of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivatives financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instrument, including derivative financial instruments, for speculative purposes.

The respective Company's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The respective Company's Board of Directors are assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of holding of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

The Group's sales and purchases activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group enters into plain vanilla forward contracts to manage its exposure to foreign currency risk.

Details of hedged and unhedged foreign currency exposures

(a) Outstanding forward exchange contracts for hedging purposes as on 31.03.2026

Currency	Cross currency	Amount (₹ in Lakhs)	Buy / sell
USD	INR	18,091 (19,622)	Sell Sell
EURO	INR	18,521 (12,596)	Sell Sell
GBP	INR	8,367 (11,957)	Sell Sell
USD	INR	292 (1,207)	Buy Buy

Note: Figures in brackets relates to the previous year.

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(b) The year-end unhedged foreign currency exposures are given below

Foreign currency denominated financial assets and liabilities (including firm commitments, if any) which expose the Group to currency risk are disclosed below. The amounts shown are those reported translated at the closing rate. Unhedged foreign currency risk exposure at the end of the reporting period has been expressed in Indian Rupees.

(₹ in Lakhs)

Particulars	USD	Euro	GBP	Total
As at 31.03.2026				
Trade receivables	71,970	10,088	5,518	87,576
Trade payables	(1,873)	(986)	-	(2,859)
Total	**70,097**	**9,102**	**5,518**	**84,717**

Particulars	USD	Euro	GBP	Total
As at 31.03.2025				
Trade receivables	76,582	6,788	7,176	90,546
Trade payables	(2,111)	-	-	(2,111)
Total	**74,471**	**6,788**	**7,176**	**88,435**

Note: Trade receivables and Trade payables includes firm commitments.

Sensitivity analysis:

Sensitivity analysis is carried out for un-hedged foreign exchange risk as at 31.03.2026. For every 1% strengthening / weakening of Indian Rupees against all relevant uncovered foreign currency transactions, profit before tax and equity would be impacted as follows:

(₹ in Lakhs)

Increase/ (decrease) in profit and equity	Strengthening		Weakening	
	Year ended 31.03.2026	Year ended 31.03.2025	Year ended 31.03.2026	Year ended 31.03.2025
USD	(701)	(745)	701	745
Euro	(91)	(68)	91	68
GBP	(55)	(72)	55	72
	(847)	**(885)**	**847**	**885**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

Interest rate exposure

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Non-current borrowings	2,581	5,383
Current borrowings	57,033	41,213
Total	**59,614**	**46,596**

NOTES

Sensitivity analysis:

Sensitivity analysis is carried out for floating rate borrowings as at March 31, 2026. For every 1% increase in average interest rates, profit before tax would be impacted by loss of approximately ₹ 596 lakhs (Pr.Yr: ₹ 466 Lakhs). Similarly, for every 1% decrease in average interest rates, there would be an equal and opposite impact on the profit before tax. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

(iii) Price risk

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. As at March 31, 2026, the investments in mutual funds amounts to ₹ 6,263 lakhs (Pr.Yr. ₹ 26,261 lakhs).

As regards Group's investments in unquoted equity investments, the management contends that such investments do not expose the Group to price risks. In general, these securities are not held for trading purposes.

Sensitivity analysis:

For every 1% increase in price, profit before tax would be impacted by gain of approximately ₹ 63 lakhs (Pr.Yr. ₹ 263 lakhs). Similarly, for every 1% decrease in price there would be an equal and opposite impact on the profit before tax.

B. Credit risk management

Credit risk is the risk that the counterparty to a financial instrument will not meet its contractual obligations, leading to a financial loss. Credit risk primarily arises from the Group's trade receivables, investments, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables: **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
Trade receivables	63,991	58,615

The Group mitigates credit risk by strict receivable management procedures and policies. The Group has a dedicated independent team to review credit and monitor collection of receivables. In addition, the Group mitigates credit risk substantially through availment of credit insurance for both domestic and export buyers.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, the management believes that unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to customers that have defaulted on their payments to the Group are not expected to be able to pay their outstanding dues, mainly due to economic circumstances.

The concentration of credit risk is limited due to the customer base being large and unrelated. Further, the Group constantly evaluates the quality of trade receivable and provides impairment loss on financial assets (trade receivables) based on expected credit loss model.

For movement of loss allowance in trade receivables, refer note 11.

Investments :

Investments of surplus funds are made only with approval of Board of Directors. This primarily include investments in equity instruments of an unlisted entity and mutual funds. The Group does not expect significant credit risks arising from these investments.

Cash and cash equivalents and Bank balances other than Cash and cash equivalents:

The Group held cash and cash equivalents and margin money deposits with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of the banks and financial

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institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets :

Other financial assets primarily consists of Interest accrued on bank deposits and other deposits, security deposits and term deposit with Non-Banking Financial Companies. The Group does not expect any loss from non-performance by these counter-parties.

C. Liquidity risk management

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

All current financial liabilities are repayable within one year. The contractual maturities of non current financial liabilities are disclosed in note 18.

40. Related Party Disclosures

Disclosures under "Ind AS" 24– Related Party Disclosure, as identified and disclosed by the Management and relied upon by the Auditors:

40.1 Name of related parties and nature of relationships

Key Managerial Personnel	Sri. K.P.Ramasamy Sri. KPD Sigamani Sri. P.Nataraj Sri. C.R.Anandakrishnan Sri. E.K.Sakthivel
Relatives of Key Managerial Personnel	Smt. D.Geetha (Daughter of Sri.KPD Sigamani) Sri. T.N.Arun (Son of Sri P.Nataraj)
Enterprises owned by Key Management Personnel / Directors or their relatives	M/s. K.P.R.Developers Limited M/s. K P R Cements Private Limited M/s. K P R Holdings Private Limited M/s. K P R Agro Farms Private Limited M/s. KPR Info Solutions Private Limited M/s. KPR Capital Cares Limited

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40.2. Transactions during the year and the balance outstanding at the balance sheet date **(₹ in Lakhs)**

Nature of transaction	Enterprises owned by key management personnel / Directors or their relatives	Key Managerial Personnel	Relatives to Key Managerial Personnel	Total as on 31.03.2026
Transactions during the year				
Sale of property, plant and equipment	4,750 -	- -	- -	4,750 -
Remuneration / salary	- -	5,058 (5,058)	18 (18)	5,076 (5,076)
Balances outstanding as at the balance sheet date				
Employee benefits payable	- -	3,045 (3,035)	- -	3,045 (3,035)

(Previous year figures are shown in brackets)

40.3. Details of transactions with related parties

a. Sale of property, plant and equipment **(₹ in Lakhs)**

Name	2025-26	2024-25
K.P.R.Developers Limited	4,750	-
Total	**4,750**	**-**

b. Remuneration / salary (Short-term employee benefits) **(₹ in Lakhs)**

Name	2025-26	2024-25
Sri. K.P.Ramasamy	1,672	1,672
Sri. KPD Sigamani	1,672	1,672
Sri. P.Nataraj	1,672	1,672
Sri. C.R.Anandakrishnan	24	24
Sri. E.K.Sakthivel	18	18
Smt. D.Geetha	6	6
Sri. T.N.Arun	12	12
Total	**5,076**	**5,076**

Note: Amount attributable to post employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Balances outstanding as at the balance sheet date:

c. Employee benefits payable **(₹ in Lakhs)**

Name	31.03.2026	31.03.2025
Sri. K.P.Ramasamy	1,019	1,011
Sri. KPD Sigamani	1,016	1,009
Sri. P.Nataraj	1,008	1,012
Sri. C.R.Anandakrishnan	2	2
Sri. E.K.Sakthivel	-	1
Smt. D.Geetha	-	0.40
Total	**3,045.00**	**3,035.40**

NOTES

40.4. Transactions eliminated in consolidation procedures (intra-group transactions) and consequently not forming part of consolidated financial statements

(i) Transactions between the Parent Company and other Group entities:

a. Loans (net)

(₹ in Lakhs)

Name	2025-26	2024-25
M/s. KPR Sugar and Apparels Limited	2,231	26,364
Total	**2,231**	**26,364**

Balances outstanding as at the balance sheet date:

In the books of the Holding company

a. Non-current investments

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
Equity shares		
M/s. K.P.R.Sugar Mill Limited	1,675	1,675
M/s. Jahnvi Motor Private Limited	276	276
M/s. Quantum Knits Private Limited	10	10
M/s. Galaxy Knits Limited	5	5
M/s. KPR Sugar and Apparels Limited	100	100
Deemed equity in Jahnvi Motor Private Limited, K.P.R.Sugar Mill Limited and KPR Sugar and Apparels Limited	657	657
Preference shares		
M/s. KPR Sugar and Apparels Limited	70,000	70,000
Total	**72,723**	**72,723**

b. Loans

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. KPR Sugar and Apparels Limited	2,231	26,364
Total	**2,231**	**26,364**

Note: Disclosure under Section 186 (4) of the Companies Act, 2013:
The recipients utilise the loan for principal business activities.
Also refer note below.

c. Trade payable

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. Jahnvi Motor Private Limited	3	6
M/s. Quantum Knits Private limited	162	156
M/s. KPR Sugar and Apparels Limited	786	-
Total	**951**	**162**

d. Advance from customers

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. K.P.R.Sugar Mill Limited	2,292	1,456
M/s. KPR Sugar and Apparels Limited	1,625	-
Total	**3,917**	**1,456**

In the books of M/s K.P.R.Sugar Mill Limited

e. Loan receivable

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. KPR Sugar and Apparels Limited	-	5,992
Total	**-**	**5,992**

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f. Advance from customers

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. KPR Sugar and Apparels Limited	2,000	-
Total	**2,000**	**-**

In the books of M/s. KPR Sugar and Apparels Limited

g. Advance to Suppliers

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. KPR Sugar Mill Limited	2,000	-
Total	**2,000**	**-**

h. Loan payable

(₹ in Lakhs)

Name	31.03.2026	31.03.2025
M/s. KPR Sugar Mill Limited	-	5,992
Total	**-**	**5,992**

40.5. Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period ended are unsecured and interest free and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40.6. Transfer pricing

The Group has transactions with related parties. For the financial year ended 31.03.2025, the Holding company and its subsidiaries have obtained the Accountant's report from a Chartered Accountant, where relevant and applicable as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the year ended 31.03.2026, the Group maintains documents as prescribed by the Income-tax Act to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

41. Earnings per share (EPS)

Particulars	31.03.2026	31.03.2025
Profit for the year attributable to equity shareholders (₹ in Lakhs)	86,650	81,511
Weighted average number of equity shares	34,18,14,000	34,18,14,000
Face value per share (₹)	1	1
Earnings per share (₹) - Basic and Diluted	25.35	23.85

Notes:

The Company does not have any potential equity shares. Accordingly basic and diluted earnings per share would remain the same.

42. Goodwill on consolidation

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Opening balance	70	70
Add: On acquisition of subsidiaries during the year	-	-
Total	**70**	**70**
Less: On disposal of subsidiaries during the year	-	-
Less: Impairment	-	-
Closing balance	**70**	**70**

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43. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the respective Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance. The Board of Directors are considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 - Operating Segments.

The Group has classified its operations primarily into three reportable segments viz., Textile, Sugar and Others based on 'Management Approach' as defined in Ind-AS 108. These segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the reportable segments, the respective Company's Board of Directors reviews internal management reports on atleast a quarterly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the respective Company's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

43.1. **(₹ in Lakhs)**

Particulars	For the year ended 31.03.2026			
	Textile	Sugar	Others	Total
External revenue	5,43,532	1,17,288	8,354	6,69,174
	(5,18,467)	(1,11,467)	(8,882)	(6,38,816)
Inter-segment revenue	-	-	-	4,137
	-	-	-	(28)
Total	5,43,532	1,17,288	8,354	6,65,037
	(5,18,467)	(1,11,467)	(8,882)	(6,38,788)
Segment results before other income, finance costs and tax	95,197	9,592	379	1,05,168
	(97,991)	(5,648)	(178)	(1,03,817)
Unallocable expenses (net)				-
				-
Operating income				1,05,168
				(1,03,817)
Less: Finance costs				5,160
				(4,977)
Add: Other income (net)				13,392
				(7,438)
Profit before tax				1,13,400
				(1,06,278)
Less: Tax expense				26,750
				(24,767)
Profit for the year				86,650
				(81,511)

Note: Figures in bracket relates to previous year

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43.2. **(₹ in Lakhs)**

Particulars	For the year ended 31.03.2026			
	Textile	Sugar	Others	Total
Segment assets	5,00,514 (4,19,834)	1,79,526 (1,72,464)	3,161 (3,771)	6,83,201 (5,96,069)
Unallocable assets				16 (83)
Total assets				6,83,217 (5,96,152)
Segment liabilities	80,336 (34,252)	24,329 (52,707)	1,392 (2,188)	1,06,057 (89,147)
Unallocable liabilities				7,400 (6,805)
Total liabilities				1,13,457 (95,952)
Capital employed (Segment asset - Segment liabilities)				5,69,760 (5,00,200)
Other information Capital expenditure	18018 (22,256)	2566 (2,217)	41 (157)	20,625 (24,630)
Depreciation and amortisation	12,445 (11,789)	9,014 (8,890)	101 (108)	21,560 (20,787)

Note: Figures in bracket relate to the previous year

44. Geographic information

The geographic information analyses the Group's revenues and non-current assets by the Company's country of domicile and overseas. In presenting the geographical information, segment revenue has been determined based on the geographical location of the customers and non - current assets has been determined based on the geographical location of the assets.

Revenue from sale of products and services by geographic location of customers

(₹ in Lakhs)

Particulars	2025-26	2024-25
India	3,58,664	3,57,222
Overseas	2,79,100	2,56,351
	6,37,764	6,13,573
Regionwise Export		
Europe	1,76,042	1,49,238
North America	43,736	53,881
Australia	41,327	38,542
Others	17,995	14,690
Total	**2,79,100**	**2,56,351**

Non-current assets* by geographic location of assets **(₹ in Lakhs)**

Particulars	31.03.2026	31.03.2025
India	2,64,710	2,63,362
Overseas	-	-
Total	**2,64,710**	**2,63,362**

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*Non-current assets exclude financial instruments and deferred tax assets.

No single customer contributed 10% or more to the Group's revenue for both the financial years 2025-26 and 2024-25.

45. Operating lease disclosure

45.1. As lessee:

The Group has taken factory premises, office spaces, plant and equipment and vehicles on cancellable operating leases. The leases are for varied periods which are classified as short-term leases under Ind AS 116. The Group has incurred ₹ 479 lakhs (Pr.Yr ₹ 359 lakhs) for the year ended 31.03.2026 towards expenses relating to short-term leases. The total cash outflow for leases is ₹ 479 lakhs (Pr.Yr ₹ 359 lakhs) for the year ended 31.03.2026, including cash outflow of short-term leases. Also refer note 33.

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Minimum lease payments not later than one year	87	104
Later than one year but not later than five years	-	85
More than five years	-	-

45.2. As lessor:

The Group has given certain non-factory building on cancellable operating leases and has earned rental income of ₹ 47 lakhs (Pr.Yr:₹ 184 lakhs) for the year ended 31.03.2026. Since the aforesaid leases are short-term in nature, there are no lease payments receivable after one year as at 31.03.2026. The expected amount of minimum lease payments to be received within one year is ₹ 47 lakhs (Pr.Yr: ₹ 184 lakhs). Also refer note 28.

46. Disclosure of employee benefits

46.1. Defined contribution plans

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Provident fund	4,855	4,567
Employee state insurance	1,161	1,570

46.2. Defined benefit plan - gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Group's obligation towards Gratuity is a defined benefit plan and the details of actuarial valuation as at the year-end are given below:

46.3. Reconciliation of the net defined benefit (asset)/ liability

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

(₹ in Lakhs)

Sl.No	Particulars	31.03.2026	31.03.2025
A	**Changes in present value of defined benefit obligation**		
	PV of obligation as at the beginning of the year	1,587	1,403
	Current service cost	99	90
	Interest cost	110	94
	Benefits paid	-	-
	Past service cost	663	-
	Actuarial (gains) / losses on obligations	(408)	-
	Balance at the end of the year	**2,051**	**1,587**

NOTES

Sl.No	Particulars	31.03.2026	31.03.2025
B	**Reconciliation of fair value of plan assets:**		
	Balance at the beginning of the year	1,585	1,402
	Interest income	90	92
	Actuarial gains / (losses) on plan assets	(105)	-
	Benefits paid		
	Contributions paid into the plan	13	91
	Fair value of plan asset as at the end of the year	**1,583**	**1,585**
	Plan assets comprises of :		
	Investment with insurer	1,583	1,585
C	**Net Asset/(Liability) recognized in the Balance Sheet**		
	Present value of obligation as at end of the year	2,051	1,587
	Fair value of Plan Asset as at end of the year	1,583	1,585
	Funded status [surplus/(deficit)]	**(468)**	**(2)**
D	**Expense recognized in the consolidated statement of profit and loss**		
	Current service cost	99	90
	Interest cost	110	94
	Past service cost	663	-
	Expected return on plan assets	(90)	(92)
	Actuarial (gains) / losses on obligations and plan assets	(303)	-
		479	**92**
E	**Remeasurement recognised in other comprehensive income:**		
	Actuarial / (gains) losses on defined benefit obligation	-	-
	Actuarial / (gains) losses on plan assets	-	-
F	**Actuarial assumptions**		
	Discount rate (per annum)	7.24%	7.04%
	Rate of increase in compensation levels (per annum)	7.04%	7.50%
	Rate of return on plan assets (per annum)	7.50%	7.04%
	Attrition rate (per annum)	4.00%	4.00%
	Expected average remaining working lives of employees (years)	20.11	25.12
	Demographic assumptions - based on Indian Assured Lives Mortality (2012-14)		

The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotions and other relevant factors including supply and demand in the employment market.

Disclosure of Employee Benefits (Continued)

Asset-liability matching strategies

The Group has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the insurance company and the asset values as informed by the insurance company has been taken for valuation purpose. The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rates (in particular, the significant fall in interest rates, which should result in a increase in liability without a corresponding increase in the asset).

Expected contributions to the plan for the next annual reporting period

The expected benefits are based on the same assumptions as are used to measure Company's defined benefit plan obligations as at 31.03.2026. The Company is expected to contribute ₹ 140 lakhs (Pr.Yr: ₹ 221 Lakhs) to defined benefit plan obligations funds for the year ending 31.03.2027

NOTES

(₹ in Lakhs)

Particulars	31.03.2026	31.03.2025
Weighted average duration of the defined benefit obligation	13.80	16.23 years
Disclosure related to indication of effect of the defined benefit plan on the entity's undiscounted future cash flows		
Payout in the next		
1 year	102	60
1-2 years	101	52
2-3 years	120	58
3-4 years	113	66
4-5 years	123	61
5 years and beyond	4,150	4,058

Sensitivity analysis

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

Particulars	31.03.2026		31.03.2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(18)	212	(166)	201
Salary growth (1% movement)	192	(170)	194	(163)
Attrition rate (1% movement)	(10)	13	(20)	23

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

47. Details of current investments in mutual funds (quoted)

(₹ in Lakhs)

Particulars	31.03.2026		31.03.2025	
	Units	Amount	Units	Amount
Nippon India Mutual Fund	-	-	1,22,316.22	7,763
HDFC Mutual Fund	61,125.84	3,307	1,26,462.46	6,440
LIC Mutual Fund	-	-	2,56,048.46	12,058
Bank of Baroda Mutual Fund	93,063.84	2,956	-	-
Total	**1,54,189.69**	**6,263**	**5,04,827.15**	**26,261**

Also refer note 10.

NOTES

48. Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, containing salient features of financial statements of subsidiary companies

2025-26

(₹ in Lakhs)

Particulars	Quantum Knits Private Limited	K.P.R.Sugar Mill Limited	Galaxy Knits Limited	Jahnvi Motor Private Limited	KPR Sugar and Apparels Limited	KPR Exports PLC
Country of incorporation	India	India	India	India	India	Ethiopia
Reporting currency	INR	INR	INR	INR	INR	BIRR
Exchange rate	1	1	1	1	1	1.48
Share capital	10	205	5	193	7,100	1,900
Other equity	176	66,097	(3)	1,570	1,37,231	(1751)
Total assets	186	84,481	3	3,161	1,76,618	149
Total liabilities	-	18,179	-	1,398	32,287	
Revenue from operations	6	73,058	-	8,354	1,94,983	-
Profit / (Loss) before tax	5	10,194	-	252	34,378	-
Tax expense / (credit)	-	2,645	-	67	6,354	-
Profit / (loss) after tax	5	7,549	-	185	28,024	-
Dividend - Interim ₹ in Lakhs	-	9,225	-	-	-	-
% of Shareholding	100	100	100	100	100	100

2024-25

(₹ in Lakhs)

Particulars	Quantum Knits Private Limited	K.P.R.Sugar Mill Limited	Galaxy Knits Limited	Jahnvi Motor Private Limited	KPR Sugar and Apparels Limited	KPR Exports PLC
Country of incorporation	India	India	India	India	India	Ethiopia
Reporting currency	INR	INR	INR	INR	INR	BIRR
Exchange rate	1	1	1	1	1	1.48
Share capital	10	205	5	193	7,100	1,900
Other equity	171	67,773	(2)	1,385	1,09,697	(1751)
Total assets	181	83,048	3	3,771	1,75,685	149
Total liabilities	-	15,070	-	2,193	58,888	
Revenue from operations	511	72,597	-	8,882	1,73,694	-
Profit / (Loss) before tax	9	9,747	-	33	25,348	-
Tax expense / (credit)	-	2,573	-	6	3,967	-
Profit / (loss) after tax	9	7,174	-	27	21,381	-
Dividend - Interim ₹ in Lakhs	-	8,200	-	193	3,500	-
% of Shareholding	100	100	100	100	100	100

NOTES

49. Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries

2025-26

(₹ in Lakhs)

Particulars	Net assets, i.e., Total Assets minus Total Liabilities		Share of profit or loss		Share in other comprehensive income		Share in total other comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit / Loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total OCI	Amount
Parent								
M/s. K.P.R.Mill Limited	66.86%	4,29,133	62.89%	60,602	-	-	62.89%	60,602
Subsidiaries - Indian								
1. M/s. Quantum Knits Private Limited	0.03%	186	0.01%	5	-	-	0.01%	5
2. M/s. K.P.R.Sugar Mill Limited	10.33%	66,302	7.83%	7,549	-	-	7.83%	7,549
3. M/s. Jahnvi Motor Private Limited	0.27%	1,763	0.19%	185	-	-	0.19%	185
4. M/s. Galaxy Knits Limited	0.00%	2	0.00%	-	-	-	0.00%	-
5. M/s. KPR Sugar and Apparels Limited	22.49%	1,44,331	29.08%	28,024	-	-	29.08%	28,024
Subsidiaries - Foreign								
M/s. KPR Exports Plc, Ethiopia	0.02%	149	0.00%	-	-	-	0.00%	-
Less : Eliminations		(72,106)		(9,715)				(9,715)
	100%	**5,69,760**	**100%**	**86,650**	**-**	**-**	**100%**	**86,650**

2024-25

(₹ in Lakhs)

Particulars	Net assets, i.e., Total Assets minus Total Liabilities		Share of profit or loss		Share in other comprehensive income		Share in total other comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit / Loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total OCI	Amount
Parent								
M/s. K.P.R.Mill Limited	67.38%	3,85,621	69.78%	65,304	-	-	69.78%	65,304
Subsidiaries - Indian								
1. M/s. Quantum Knits Private Limited	0.03%	181	0.01%	9	-	-	0.01%	9
2. M/s. K.P.R.Sugar Mill Limited	11.88%	67,978	7.67%	7,174	-	-	7.67%	7,174
3. M/s. Jahnvi Motor Private Limited	0.27%	1,578	0.03%	27	-	-	0.03%	27
4. M/s. Galaxy Knits Limited	0.00%	3	0.00%	(1)	-	-	0.00%	(1)
5. M/s. KPR Sugar and Apparels Limited	20.41%	1,16,797	22.85%	21,381	-	-	22.85%	21,381
Subsidiaries - Foreign								
M/s. KPR Exports Plc, Ethiopia	0.03%	149	-0.33%	(306)	-	-	-0.33%	(306)
Less : Eliminations		(72,107)		(12,077)				(12,077)
	100%	**5,00,200**	**100%**	**81,511**	**-**	**-**	**100%**	**81,511**

NOTES

50. Events after reporting period :

The Board of Directors have recommended a final dividend of ₹ 8,545 Lakhs (₹ 2.50 per share of the face value of ₹ 1/- each (Pr.Yr. 250%)) for the year 2025-26 subject to the approval of the shareholders in Annual General Meeting.

51. Other statutory information

a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b) The Group did not have transactions with outstanding balances with companies struck off.

c) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

d) The Group has not traded or invested in Crypto currency or virtual currency during the financial year.

e) 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 Group 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 Group or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) No funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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 Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

g) The Group does 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).

h) The Group has not have been declared as wilful defaulters by any bank or financial institution or government or any government authority.

I) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

j) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

k) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

The notes from 1 to 51 are an integral part of these consolidated financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration Number : 101248W/W-100022

For and on behalf of the Board of Directors of
K.P.R. Mill Limited
CIN : L17111TZ2003PLC010518

K.P.Ramasamy
Chairman
DIN: 00003736

KPD Sigamani
Managing Director
DIN: 00003744

P.Nataraj
Chief Executive Officer &
Managing Director
DIN : 00229137

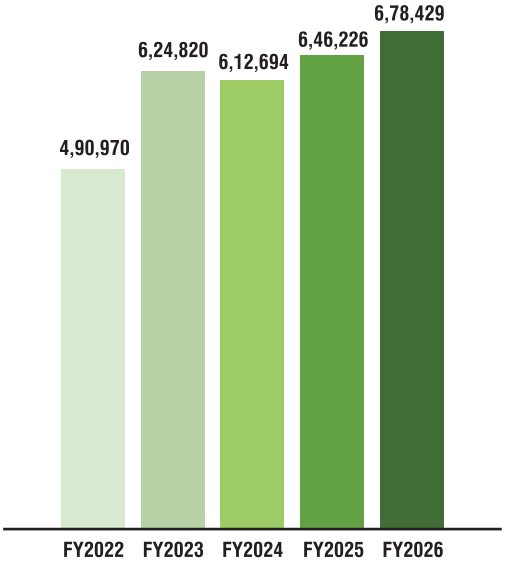
Sampad Guha Thakurta
Partner
Membership No. : 060573

Coimbatore
12.05.2026

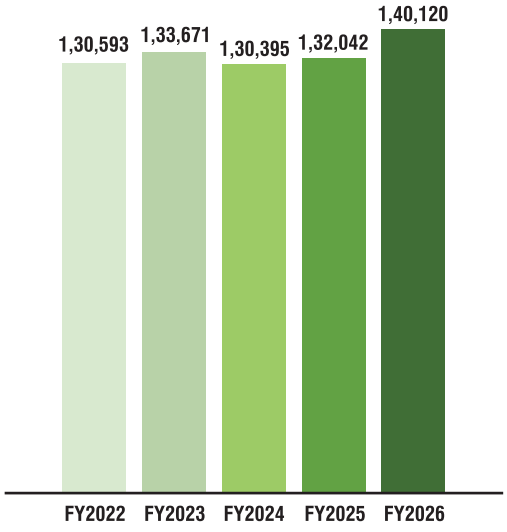
PL Murugappan
Chief Financial Officer

P.Kandaswamy
Company Secretary

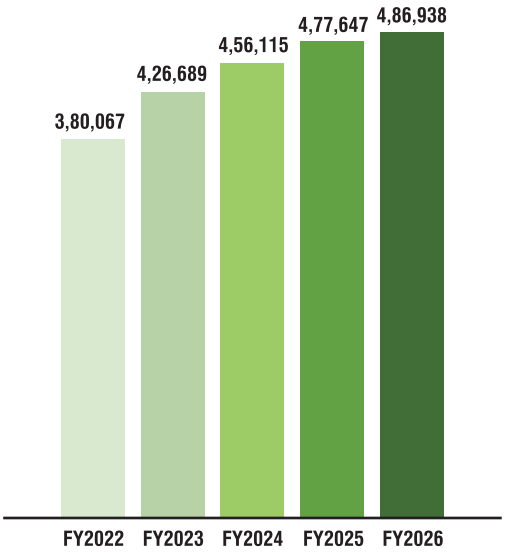
TURNOVER *



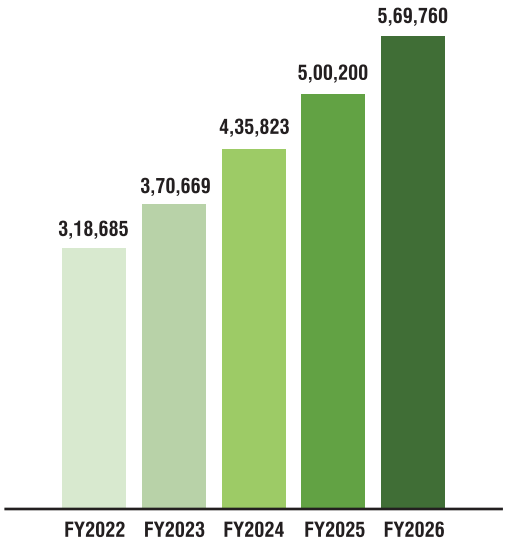
EBITDA *



INVESTMENT IN FIXED ASSETS *

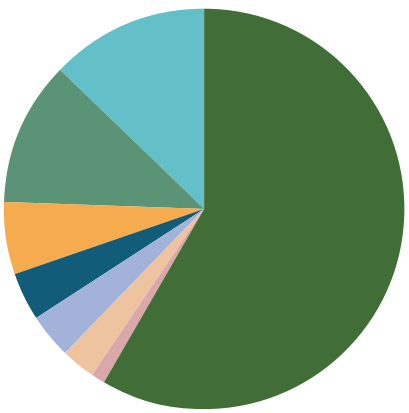


NET WORTH *



* (₹ In Lakhs)

DISTRIBUTION OF EARNINGS



Raw Material	59.55%
Finance Charges	0.76%
Power	2.68%
Depreciation	3.18%
Tax	3.94%
Other Exp	5.58%
Employee Cost	11.54%
PAT	12.77%

Corporate Office:

K.P.R. MILL LIMITED

CIN : L17111TZ2003PLC010518

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