

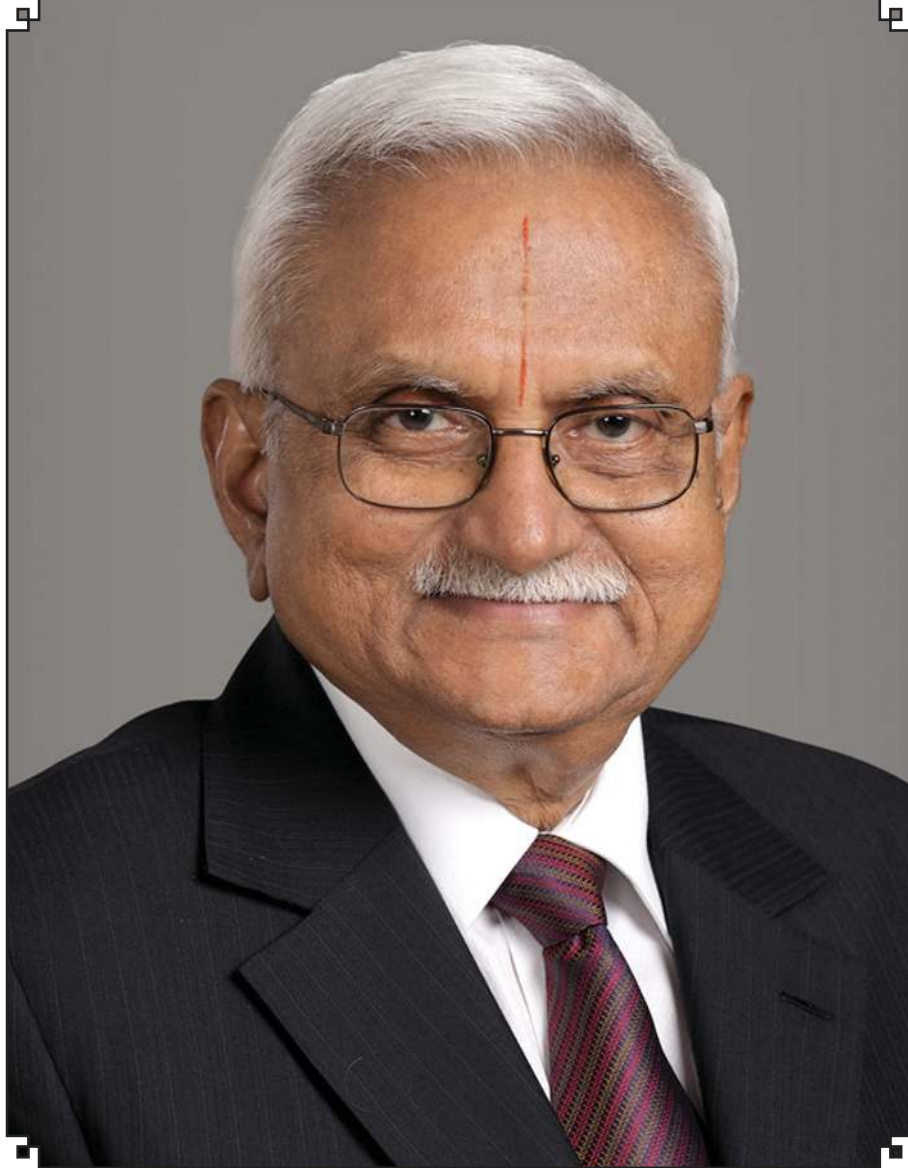
44th

Annual Report

2024 - 2025



SHRI P.A.C. RAMASAMY RAJA



"Gurubakthamani"
SHRI P.R. RAMASUBRAHMANEYA RAJHA
Sridharmarakshakar - Ramco Group

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

Board of Directors

Shri P.R. VENKETRAMA RAJA, B.Tech., M.B.A.,
Chairman

Smt. SHARADHA DEEPA, B.E.,
Managing Director

Shri S.S. RAMACHANDRA RAJA, B.Sc.,

Shri SRIRAMA RAJA, B.E.,

Shri ARUNKUMAR GOENKA, B.Com.,

Shri P.A.S. ALAGHAR RAJA, D.T.T.,

Shri S. KANTHIMATHINATHAN, M.Sc.,(Tex), M.B.A.,

Justice Shri P.P.S. JANARTHANA RAJA, B.L

Bankers

Tamilnad Mercantile Bank Limited
Indusind Bank Limited
IDBI Bank Limited
The Federal Bank Limited
ICICI Bank Limited
DCB Bank Limited
IDFC First Bank Limited
Indian Bank
State Bank of India

Auditors

M/s M.S. Jagannathan & N. Krishnaswami
Chartered Accountants,
G5, Abirami Apartments,
14, VOC Road, Cantonment,
Trichy - 620 001

Secretarial Auditor

Shri M.R.L. Narasimha
'Lotus', 370-A, Alagesan Road,
SB Mission Post,
Coimbatore - 641 011.

Cost Auditor

Shri M. Kannan
IV-B, Akshaya Homes,
9B - 20, Tagore Nagar,
Bharathiyar 4th Street,
S.S. Colony, Madurai - 625 016.

Factories

Unit I

P.A.C. Ramasamy Raja Salai,
Rajapalaiyam - 626 117.

Unit II

Subramaniapuram Village,
Srivilliputhur - 626 137.

Registered Office

Sri Vishnu Shankar Mill Premises,
Post Box No. 109,
P.A.C. Ramasamy Raja Salai,
Rajapalaiyam - 626 117. Tamil Nadu.

E-mail : svsm@ramcotex.com

Phone : 04563-235555

Fax : 04563-236493

Website: www.vishnushankarmill.co.in

Corporate Identification Number:

U17301TN1981PLC008677

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SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTICE TO THE MEMBERS

Notice is hereby given that, the 44th Annual General Meeting of the Company will be held at 12:30 P.M. on Friday, the 29th August, 2025. This Annual General Meeting is being conducted through Video Conferencing (VC) / Other Audio Visual Means (OAVM) the details of which are provided in the Notes to this Notice. The following are the businesses that would be transacted at this Annual General Meeting.

ORDINARY BUSINESS - ORDINARY RESOLUTION

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT the Company's Separate and Consolidated Audited Financial Statements for the year ended 31st March, 2025, and the Reports of the Board of Directors' and Auditor's thereon be and are hereby considered and adopted."
2. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT Shri P.R. Venketrama Raja (DIN: 00331406), who retires by rotation, be and is hereby re-appointed as Director of the Company."
3. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT Shri Srirama Raja (DIN: 00383912), who retires by rotation, be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS - ORDINARY RESOLUTION

4. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration of ₹ 1,10,000/- (Rupees One Lakh Ten Thousand Only) plus applicable taxes and Out-of-pocket expenses payable to M/s. SVM & Associates, Practicing Cost Accountants (FRN: 000536), appointed as the Cost Auditors of the Company by the Board of Directors, for the financial year 2025-26 for auditing the Cost Records relating to manufacture of textile products, be and is hereby ratified and confirmed."

By Order of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTICE

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. The Company has chosen to conduct this Annual General Meeting through VC. The Annual General Meeting would be conducted in accordance with the
 - (i) General Circular No: 09/2024 dated 19th September, 2024, issued by Ministry of Corporate Affairs, Government of India; and
 - (ii) such other instructions that may be issued by Statutory Authorities.
3. The Company would be providing the Central Depository Services (India) Limited's (CDSL) system for the Members to cast their vote through remote e-Voting and participate in the Annual General Meeting through Video Conference.
4. Proxies are not being sent to Shareholders, as the meeting is being conducted through Video Conference.
5. The Company is also releasing a Public Notice by way of advertisement being published in English in Business Line (All editions) and in Tamil in Dinamani (Madurai Editions), containing the following information:
 - Convening of Annual General Meeting through Video Conference in compliance with applicable provisions of the Act.
 - Date and Time of the Annual General Meeting.
 - Availability of Notice of the Meeting on the website of the Company and at **<http://www.evotingindia.com>**.
 - Reference to the link of the Company's website, providing access to the full Annual Report.
 - Requesting the Members who have not registered their E-Mail addresses with the Company, to get the same registered with the Company.
6. The cut-off date will be Friday 22nd August, 2025 for determining the eligibility to vote by remote e-Voting or in the Annual General Meeting.
7. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed / unpaid dividends

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTICE

lying with the Company on the website of the Company (www.vishnushankarmill.co.in), as also on the website of the Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Hence, the Members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund.

The details of due dates for transfer of such unclaimed dividend to the said Funds are:

Financial Year ended	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEPF Fund
31-03-2022	20-08-2022	19-08-2029	18-09-2029

8. In accordance with Section 124(5) of the Companies Act, 2013, the Company has transferred the unclaimed / unpaid dividends lying with the Company for a period of over seven years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
9. In accordance with Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more have been transferred by the Company to IEPF. The Shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No. IEPF-5 to the IEPF Authorities. The procedure is available at the website of MCA at www.mca.gov.in.
10. Dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), has been dispensed with. Such statements are being sent only by E-mail to the Members and to all other persons so entitled. The Annual Report will also be made available on the Company's Website - www.vishnushankarmill.co.in.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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11. Voting through electronic means

- a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members remote e-Voting facility to exercise their right to vote at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through such voting through e-Voting Services provided by Central Depository Services Limited (CDSL).
- b) The facility for remote e-Voting shall remain open from 9:00 A.M. on Tuesday, the 26th August, 2025 to 5:00 P.M. on Thursday, the 28th August, 2025. During this period, the Members of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off-date, viz., Friday, the 22nd August, 2025, may opt for remote e-Voting. Remote e-Voting shall not be allowed beyond 5:00 PM on Thursday, the 28th August, 2025.
- c) The facility for voting, through electronic voting system shall be made available at the time of meeting and members attending the meeting through Video Conference and who have not already cast their vote by remote e-Voting shall be able to exercise their right during the meeting. If any votes are cast by the members through the e-Voting available during the Annual General Meeting and if the same members have not participated in the meeting through VC, then the votes cast by such members shall be considered invalid as the facility of e-Voting during the meeting is available only to the members attending the meeting.
- d) Login method for e-Voting and joining the AGM through VC for Individual shareholders holding securities in Demat mode are given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/home/login or visit https://www.cdslindia.com/ and click on "Login" icon and select "My Easi New (Token)". 2) After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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Type of shareholders	Login Method
	casting the vote during the remote e-Voting period or joining the AGM through VC & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on https://www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their DPs	You can also login using the login credentials of your demat account through your DP registered with CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the AGM through VC & voting during the meeting.

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

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

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Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at Toll Free No.: 1800 22 55 33.

- f) Access through CDSL e-Voting System in case of Shareholders holding Share in Physical mode and non-individual Shareholder in demat mode.

Login method for e-Voting and joining the AGM through VC for shareholders holding shares in physical form and for shareholders other than individual shareholders holding in Demat form.

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

For Shareholders holding shares in Physical form and Shareholders holding shares in Demat Form other than individual holders.

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company / DP are requested to use the first two letters of their name and the 8 digits of the Folio No. in the PAN field. In case the Folio No is less than 8 digits, enter the applicable number of 0's before the Folio No. to make it 8 digits after the first two characters of the name in CAPITAL letters. Eg. If your name is GUHAN.S with folio number 1 then enter GU00000001 in the PAN Field.
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Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction F.
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After entering these details appropriately, click on "Submit" Tab.

- g) Shareholders holding Shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h) For Shareholders holding Shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- i) Click on the relevant EVSN for SRI VISHNU SHANKAR MILL LIMITED on which you choose to vote.
- j) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- k) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- l) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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- n) You can also take a print out of the votes cast by clicking on "Click here to Print" option on the Voting page.
- o) If a demat account holder has forgotten the login password, then Enter the User ID and the Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- p) There is also optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- q) Facility for Non - Individual Shareholders and Custodians - Remote Voting.
 - (i) Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the "Corporates" module.
 - (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - (iii) After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - (iv) The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
 - (v) It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (vi) Alternatively Non Individual Shareholders are required to send the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at **srinivasan.k@msjandnk.in** and to the Company at the email address viz. **svsm@ramcotex.com**, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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- r) If you have any queries or issues regarding attending the meeting & e-Voting from the CDSL e-Voting System, you can write an e-mail to **helpdesk.evoting@cdslindia.com** or contact at toll free no.1800 22 55 33.
12. Instructions for Shareholders attending the AGM through VC & e-Voting during meeting are as under:
- a) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
 - b) The Members can join the AGM in the VC mode up to 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC will be made available to at least 615 members on first come first served basis. This will not include Members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM.
 - c) Members are requested to join the AGM through Laptops / IPads for better experience and will be required to have webcam and use Internet with a good speed to avoid any disturbance during the meeting.
 - d) Members are requested to use Stable Wi-Fi or LAN Connection to mitigate Audio/Video loss due to fluctuation in your network. Please avoid connecting through your Mobile Devices or Tablets or through Laptop via Mobile Hotspot.
 - e) Members who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request at least 3 days prior to meeting mentioning your name, Demat account number / folio number, email id, mobile number (as registered with the Depository Participant (DP) / Company) to the mail ID: **svsm@ramcotex.com**. Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
 - f) Members who do not wish to speak during the AGM but have queries may send your queries at least 3 days prior to meeting mentioning your name, demat account number / folio number, email id, mobile number to the mail ID: **svsm@ramcotex.com**. These queries will be replied by the company suitably by email.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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- g) Non-Individual members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution authorizing their representative to attend on their behalf at the meeting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address with a copy marked to **helpdesk.evoting@cdslindia.com**.
 - h) The attendance of the Members attending the AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - i) The link for VC to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
 - j) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
 - k) Only those shareholders, who are present in the AGM through VC and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - l) If any votes are cast by the shareholders through the e-Voting available during AGM and if the some shareholders have not participated in the meeting through VC, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
 - m) In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Process for those shareholders whose E-mail / Mobile No. are not registered with the Company / DP.
- a) For Physical shareholders, please submit Form ISR-1 duly filled to M/s. Cameo Corporate Services Limited, our Registrar to an Issue and Share Transfer Agent.
 - b) For Individual Demat shareholders, please update your E-Mail ID & Mobile Number with your respective DP which is mandatory while e-Voting & joining the AGM through VC through Depository.

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14. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 22nd August, 2025, may obtain the Login ID and Password by following the procedures mentioned in Point No: 11 (D) or (F), as the case may be.
15. The voting rights of Shareholders shall be in proportion to the Shares held by them in the paid up equity Share capital of the Company as on Friday, the 22nd August, 2025.
16. Shri K. Srinivasan, Chartered Accountant (Membership No: 021510), Partner, M/s. M.S. Jagannathan & N. Krishnaswami, Chartered Accountants (E-Mail ID: **srinivasan.k@msjandnk.in**) will act as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
17. The scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and the Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
18. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him.
19. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to **helpdesk.evoting@cdslindia.com** or call toll free no. 1800 22 55 33.

By Order of the Board
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014, ("the Rules"), the Company is required to appoint a cost auditor to audit the cost records of Company, relating to manufacture of Textile Products for the Financial Year 2025-26.

Shri M. Kannan, a Practicing Cost Accountant, who was the Cost Auditor of the Company since the FY 2015-16, has expressed his unwillingness to continue as Cost Auditor of the Company due to age related factors and pre-occupation.

The Company has identified M/s. SVM & Associates, Practicing Cost Accountants (FRN: 000536) for appointment as Cost Auditors of the Company. On the recommendation of the Audit Committee at its meeting held on 29th May, 2025 the Board had approved the appointment of M/s. SVM & Associates, Practising Cost Accountants as the Cost Auditor of the Company to audit the Company's Cost Records relating to manufacture of Textile Products at a remuneration of ₹ 1,10,000/- (Rupees One Lakh Ten Thousand Only) plus applicable Taxes and out-of-pocket expenses for the financial year 2025-26.

M/s. SVM & Associates is a proprietary firm launched in 2015 co-founded by CMA C. Vijayakumar, FCMA, Partner is a highly experienced finance and cost accounting professional with over 25 years of expertise in Financial management and Cost Audit services. In 2015, he joined M/s. SVM & Associates as a partner, contributing his extensive knowledge and leadership to the firm. Prior to his partnership he had collective significant industry experience in the textile sector, where he managed complex financial operations and gained valuable insights into industry-specific financial practices. Its clientele base includes Listed and Limited companies in various sectors viz., Textile, Engineering and Medical Equipment. It has a dedicated team of professionals committed to excellence, compliance, and business advisors, poised to bring value-added services to the Company.

M/s. SVM & Associates has given the written consent and certificate that the appointment if made, is in accordance with prescribed conditions and he satisfy the criteria for such appointment.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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The remuneration of the cost auditor is required to be ratified by the Members, in accordance with the provisions of Section 148(3) of the Act, 2013 and Rule 14 of the Rules.

The Directors recommend the Resolution to the Members for their approval. None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution.

By Order of the Board
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTICE

**ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION
AT THE ANNUAL GENERAL MEETING**

Details of Director Seeking Re-appointment at the 44th Annual General Meeting
Pursuant to Secretarial Standards on General Meetings:

Name of the Director	P.R. Venketrama Raja
Director Identification Number (DIN)	00331406
Age	66 Years
Qualifications	Shri P.R. Venketrama Raja has a Bachelors' Degree in Chemical Engineering and Masters in Business Administration
Experience	He has been on the Board of Sri Vishnu Shankar Mill Limited since 1981. He has more than 3 decades of Industrial Experience with specific knowledge in textiles, Cement and Information Technology Sectors.
Terms and conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013.
Details of remuneration last drawn during FY 2024-25.	Sitting Fees ₹ 0.75 Lakhs
Date of First Appointment to the Board	23 rd March, 1981
Shareholding in the Company as on Date	48,000 Equity shares of ₹ 10/- each
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is brother of Smt. Sharadha Deepa, Managing Director, Son-in-Law of Shri S.S. Ramachandra Raja, Director and Brother-in-Law of Shri Srirama Raja, Director of the Company.
No. of Meetings of the Board attended during the FY 2024-25.	4 (Four)
Other Directorships	1. The Ramco Cements Limited 2. Ramco Industries Limited 3. Ramco Systems Limited 4. Rajapalayam Mills Limited 5. The Ramaraju Surgical Cotton Mills Limited 6. Sandhya Spinning Mill Limited

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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7. Rajapalayam Textiles Limited
8. Ramamandiram Agricultural Estate Private Limited
9. Ramco Management Private Limited
10. RCDC Securities and Investments Private Limited
11. Ram Sandhya Farms Private Limited
12. Nirmala Shankar Farms & Estates Private Limited
13. Sri Sandhya Farms (India) Private Limited
14. Rajapalayam Chamber of Commerce and Industry
15. Optiverse Enterprise Private Limited
16. Ramco Systems Corporation, USA.
17. Ramco Systems FZ LLC, Dubai.
18. Ramco Systems Australia Pty. Ltd.
19. Ramco Systems Limited, Switzerland.
20. Ramco Systems Sdn Bhd., Malaysia.
21. RSL Enterprise Solutions (Pty) Limited, South Africa
22. PT Ramco Systems Indonesia
(holding a position as Commissioner)
23. Ramco Systems (Shanghai) Co. Ltd.
(holding a position as Supervisor)
24. Ramco Software Japan Limited.
25. Sri Ramco Roofings Lanka Private Limited - Sri Lanka.
26. Sri Ramco Lanka (Private) Limited, Sri Lanka.

Memberships and
Chairmanships of Committees
of other Board

Details Given below:

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTICE

Name of the Company	Name of the Committee	Position Held
Sri Vishnu Shankar Mill Limited	Corporate Social Responsibility Committee	Chairman
The Ramco Cements Limited	Audit Committee	Member
	Stakeholders Relationship Committee	Member
	Risk Management Committee	Member
	Corporate Social Responsibility Committee	Member
Ramco Industries Limited	Audit Committee	Member
	Corporate Social Responsibility Committee	Chairman
	Stakeholders Relationship Committee	Chairman
	Risk Management Committee	Chairman
Ramco Systems Limited	Stakeholders Relationship Committee	Chairman
	Risk Management Committee	Chairman
	Corporate Social Responsibility Committee	Chairman
	Fund Raising Committee	Member
Rajapalayam Mills Limited	Stakeholders Relationship Committee	Chairman
	Risk Management Committee	Chairman
	Corporate Social Responsibility Committee	Chairman
	Rights Issue Committee	Chairman
The Ramaraju Surgical Cotton Mills Limited	Stakeholders Relationship Committee	Chairman
	Corporate Social Responsibility Committee	Chairman
Sandhya Spinning Mill Limited	Corporate Social Responsibility Committee	Chairman

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTICE

Name of the Director	Srirama Raja
Director Identification Number (DIN)	00383912
Age	60 Years
Qualification	Shri Srirama Raja has a Bachelor's Degree in Engineering.
Experience	He has been on the Board of Sri Vishnu Shankar Mill Limited Since 2003. He has more than 2 decades of Industrial Experience with Specific knowledge in Textiles, Hospitality Services and Information Technology Services Sectors.
Terms and conditions of re-appointment	Director liable to retire by rotation, under Section 152(6) of the Companies Act, 2013.
Details of remuneration last drawn during FY 2024-25.	Sitting Fees ₹ 0.45 Lakhs
Date of First Appointment to the Board	02-07-2003
Shareholding in the Company as on 31-03-2025	2,660 Equity Shares of ₹ 10/- each.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is brother-in-law of Shri P.R. Venketrama Raja, Chairman, and husband of Smt. Sharadha Deepa, Managing Director. He is son of Shri S.S. Ramachandra Raja, Director of the Company.
No. of Meetings of the Board attended during the FY 2024-25.	3 (Three)
Other Directorships as on 31-03-2025	RT-Medibus Technologies Private Limited JKR Hospitality Services Private Limited JKR Resorts Private Limited JKR Stays Private Limited Optiverse Enterprise Private Limited
Memberships and Chairmanships of Committees of other Board	Not applicable

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 44th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2025.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2025 after charging all expenses but before deducting finance cost and depreciation have resulted in operating profit (EBIDTA) of ₹ 1,255.52 Lakhs against ₹ 76.16 Lakhs for the previous financial year 2023-24. Summary of Separate Financial Results of the Company is furnished below:

	(₹ in Lakhs)	
Financial Results - Separate	Year ended 31-03-2025	Year ended 31-03-2024
Revenue	28,811.65	25,529.77
Operating Profit :		
Profit before Interest, Depreciation and Tax (PBIDT)	1,255.52	76.16
Less: Interest	2,217.13	2,329.34
Profit before Depreciation and Tax (PBDT)	(961.61)	(2,253.18)
Less: Depreciation	1,450.52	1,436.32
Profit / (Loss) before Exceptional Item	(2,412.13)	(3,689.50)
Exceptional Items	(4.44)	131.26
Profit / (Loss) Before Tax	(2,416.57)	(3,558.24)
Less: Tax Expenses		
Deferred Tax Expenses / (Savings)	(465.65)	(925.82)
Current Tax	-	-
Profit / (Loss) after Tax (PAT)	(1,950.92)	(2,632.42)
Other Comprehensive Income / (Loss) for the Year (Net of Tax)	(0.37)	(1.03)
Total Comprehensive Income / (Loss) for the Year (TCI)	(1,951.29)	(2,633.45)

2. SHARE CAPITAL

The Paid-up Capital of the Company is ₹ 150.00 Lakhs (PY: ₹ 150.00 Lakhs) consisting of 15,00,000 Equity Shares of ₹ 10/- each.

DIRECTORS' REPORT

3. DIVIDEND

In view of the loss incurred by the Company for the financial year ended 31-03-2025 and considering financial position of the Company, your Directors are unable to recommend any dividend for the Current year.

4. TAXATION

The Company has opted to pay tax under Section 115BAA of the Income Tax Act, 1961. The Company is not liable to pay income tax and not provided any amount towards current tax Provision. The Deferred Tax (Asset) / Liability of ₹ (465.65) Lakhs (PY: ₹ (926.08) Lakhs) has been provided for the year 2024-25.

5. MANAGEMENT DISCUSSION AND ANALYSIS

TRADE CONDITIONS

5.1 COTTON

The cotton production in India for the cotton season 2023-24 was 327 lakh bales (170 Kgs) compared to 319 Lakh bales, representing a 3% increase.

At the beginning of the cotton season 2024-25, the CAI estimated the cotton crop for the new season to be 302 Lakh bales (compared to the previous year's 327 Lakh bales). However, the actual cotton arrivals in the market reached 291 Lakh bales. The Cotton Corporation of India (CCI) covered 100 Lakhs bales during 2024-25 and further increased the MSP price per quintal of medium staple cotton and long staple cotton by 8% and 7% respectively. Despite some price correction in cotton, the fall in yarn prices was much sharper, leading to a wider disparity that affected the margins of yarn spinners across India.

International Cotton Prices were traded in the range of 78.18 US Cents per LB to 99.74 US Cents per LB compared to domestic cotton which traded in the range 76.80 US Cents per LB to 93.32 US cents per LB.

The Company strategically shifted its focus to more value-added counts, and imported more high-quality cotton when prices were at reasonable levels. This strategy helped the Company procure diversified varieties of cotton from across the globe and offer competitive prices for its yarn. In February 2024, the Government of India exempted Customs duty on the import of Extra Long Staple Cotton exceeding 32 mm, enhancing the competitiveness of Indian exporters for premium products.

DIRECTORS' REPORT

5.2 YARN PRODUCTION

The production volume of yarn has increased to 64.81 Lakhs Kgs during the financial year 2024-25 as against 57.88 Lakhs Kgs of last year, due to better utilization.

5.3 SALE OF YARN

During FY 2024-25, the Company's sale volume was 65.13 Lakhs Kgs as against 59.33 Lakhs Kgs of previous year. The sale value of yarn increased to ₹ 282.08 Crores during the FY 2024-25 as compared to ₹ 245.73 Crores of last year.

Due to geopolitical challenges and sluggish market demand for cotton yarn, there was severe hit in margins for Spinning Mills. This situation forced many spinning mills across India to operate at lower capacity, with many spinning mills cutting down their production due to huge losses in yarn production. However, the Company's focus on producing a flexible and wide range products helped it to protect its sales volume during this sluggish period. Further, the red sea crisis has caused significant impact on Exports resulting higher freight cost, insurance cost and shipping delays.

The Company's focus on strengthening its infrastructure to produce diverse products, including various high-quality value-added yarn and collaborating with customers to manufacturer innovative products helped it maintain capacity utilization and sales volume in export market. Sale Volume of value-added yarn such as Elitwist, Gassing, High Twist, Melange, Core Yarn and Mercarized Yarn to 610 Tonnes during the FY 2024-25, a 78% growth from 341 Tonnes during the previous year.

5.4 EXPORTS

The Company has made export of Cotton Yarn (including merchant exports) during the Financial Year 2024-25 with a value of ₹ 43.32 Crores as compared to ₹ 61.59 Crores in the previous year. The Company's focus on Product enhancement through technology advancement, traceability of entire production process, continuous customer-centricity and production of unmatched quality helped it to maintain export Volume.

Your Directors are thankful to M/s. Soktas Tekstil Sanayi Ve Ticaret A.S., Turkey, KB22 Inc., United States of America, M/s. Lameririnho Industria Testil S.A, Portugal and M/s. Somelos Tecidos SA, Portugal and for their continued support and efforts for promotion of exports.

5.5 POWER COST

During the financial year 2024-25, the Company was able to consume power from its own wind farms to the extent of 51% (PY: 52%) of the total power requirement. The power cost

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

increased during the financial year 2024-25 to ₹ 24.66 Crores, compared to ₹ 23.85 Crores in the previous year, due to increase in the power tariff by Tamil Nadu Electricity Board (TNEB). In order to mitigate the higher power cost, the Company made arrangements with Solar Power developers for supply of 4 MW of power on long-term basis at a fixed cost under group captive arrangement, which is cheaper as compared to TNEB's Rate.

5.6 FINANCE COST

The Finance cost has decreased to ₹ 22.17 Crores during the financial year 2024-25 from ₹ 23.29 Crores in the previous financial year mainly due to reduction in cost of borrowings.

5.7 DIVIDEND INCOME

During the financial year 2024-25, the Company has received dividend income of ₹ 77.58 Lakhs (PY: ₹ 62.27 Lakhs) and the particulars of dividend received are provided under Note No.46(a)(iv).

6. MODERNISATION / EXPANSION

During the FY 2024-25, the Company has invested an amount of ₹ 2.74 Crores in modernizing Carding, Cone Winding, Rewinding Machine, Fire Alarm, Smoke Detector etc., which has been funded from internal cash accruals and term loan from Banks.

7. PROSPECTS FOR THE CURRENT YEAR

The volatility in cotton prices continues, with prices of both cotton and yarn experiencing wide fluctuations. According to data published by the Foreign Agricultural Service of USDA, world cotton production for the 2025-26 season is expected to decrease by 3% on account of lower projection in production for China, India, Turkey, Egypt and Australia. However, global cotton consumption is projected to grow by 2.70% on account of larger global cotton supplies, replenishment of inventories across the textile and product supply chain, and prospects for global economic growth.

The Company is continuously monitoring various process parameters and implementing various system controls to deliver consistent quality yarn to end customers and leading brands. Strengthening its product lines with more value-added customized yarn counts such as Modal, Tencel, High Twist, Elitwist, Bamboo, and Mercerized Yarn will help the company mitigate the impact of falling demand for commodity counts. Over the last 5 years, the volume of value-added products has increased from 6% to 10%.

The Company's modernization of spinning machines is expected to help the Company to grow its topline and protect the margins during the current year. The Company's spinning capacities are expected to complement each other in the coming years and enable the Company to offer wide

DIRECTORS' REPORT

range of textile products in a quick turnaround time. Many brands in domestic and international markets are approaching the Company for sourcing yarn. The Company has secured "A Grade" in Social Audit Compliance and leading brands in Domestic and International Markets are approaching the Company for sourcing yarns. The Company is confident that these measures will help to post a decent growth in its top line and enable sustainable profitability in the years ahead.

8. WIND MILL

The Company has windmills with installed capacity of 13.35 MW for its captive power consumption. During the FY 2024-25, the wind farm generated 201 Lakhs Kwh, which is lower than 248 Lakhs Kwh generated in the previous year. This was due to low wind velocity during the current year. All the Units generated by the windmills were adjusted for captive consumption at our Mills. The income generated by the Wind Mill Division during the year was ₹ 16.13 Crores, as compared to ₹ 16.53 Crores in the previous year.

9. ASSOCIATE COMPANY

The Company has three Associate Companies viz., M/s. The Ramco Cements Limited, M/s. Rajapalayam Mills Limited and M/s. The Ramaraju Surgical Cotton Mills Limited

As per Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's Associates' is attached in Form AOC-1 as **Annexure - I**.

10. CONSOLIDATED FINANCIAL STATEMENTS

As per provisions of Section 129(3) of the Companies Act, 2013, Companies are required to prepare consolidated financial statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of the Company.

Accordingly, the consolidated financial statements incorporating the accounts of Associate Companies, viz. M/s. The Ramco Cements Limited, M/s. Rajapalayam Mills Limited and M/s. The Ramaraju Surgical Cotton Mills Limited, along with the Auditors' Report thereon, form part of this Annual Report. As per Section 136 (1) of the Companies Act, 2013, the Financial Statements including Consolidated Financial Statements are available on the Company's website at the following link at www.vishnushankarmill.co.in.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

The consolidated Net Profit / (Loss) after tax of the Company amounted to ₹ (1,479.99) Lakhs for the year ended 31st March, 2025 as compared to ₹ (2,163.60) Lakhs of the previous year.

The Consolidated Total Comprehensive Income / (Loss) for the year under review is ₹ (1,492.78) Lakhs as compared to ₹ (2,076.60) Lakhs of the previous year.

11. INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements. ERP System developed by M/s. Ramco Systems Limited has been installed for online monitoring of all functions and management information reports are being used to have better internal control system and to make decisions.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In Compliance Section 177(9) and (10) of the Companies Act, 2013, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The Policy provides a mechanism for the receipt, retention and treatment of complaints and to protect the confidentiality and anonymity of the stakeholders. The complaints can be made in writing to be dropped into the Whistle Blower Drop Boxes or sent through E-Mail to dedicated mail addresses accessible only by the Corporate Ombudsman. The Policy also provides to the complainants with access Chairman of the Audit Committee.

13. DIRECTORS

The Board of Directors at their meeting held on 26-05-2022, based on the recommendation of the Nomination and Remuneration Committee, have re-appointed Smt. Sharadha Deepa (DIN:00383799) as Managing Director for a further period of five years from 01-04-2023. The Shareholders of the Company have approved her re-appointment at the AGM held on 20-08-2022, by passing a Special Resolution.

Based on the recommendations of the Nomination and Remuneration Committee and Board of Directors, the Shareholders of the Company have approved the appointment of Justice Shri P.P.S. Janarthana Raja as an Independent Director for a term of 5 consecutive years from 13-02-2024 to 12-02-2029.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

In the opinion of the Board, the above Independent Director possess integrity, expertise and experience for being appointed as an Independent Director.

According to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company, the following Directors retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

1. Shri P.R. Venketrama Raja, (DIN: 00331406)
2. Shri Srirama Raja, (DIN: 00383912)

Pursuant to Rule 8(5)(iii) of Companies (Accounts) Rules, 2014, there have been no changes in the Directors or Key Managerial Personnel during the year.

The Independent Directors hold office for a fixed term of 5 years from the date of their appointment and are not liable to retire by rotation.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. The Company had formulated a Code of Conduct for the Directors and Senior Management personnel, which has been complied with.

The Audit Committee has three members, out of which two are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013, it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

The Company has a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and other employees duly approved by the Board of Directors, based upon the recommendation of the Nomination and Remuneration Committee, in accordance with Section 178(3) of the Companies Act, 2013.

As per Provision to Section 178(4), the salient features of the Nomination and Remuneration Policy should be disclosed in the Board's Report. Accordingly, the following disclosures are given:

Salient Features of the Nomination and Remuneration Policy:

DIRECTORS' REPORT

The objective of the Policy is to ensure that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
- (c) remuneration to directors, key managerial personnel and senior management is appropriate to the working of the Company and its goals; and

The Nomination and Remuneration Committee and this Policy are in compliance with the Companies Act, 2013. During the year under review, there has been no change in the policy.

14. EVALUATION OF BOARD

Pursuant to Section 134(3)(p) of the Companies Act, 2013, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters.

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of re-appointment of Independent Director.

As per Section 178(2) of the Companies Act, 2013 the Board of Directors have evaluated the performance of the Committees of the Board.

The Board of Directors have reviewed and observed that the evaluation framework of the Board of Directors was adequate and effective.

The Board's observations on the evaluations for the year were under review similar to their observations for the previous year. No specific actions have been warranted based on current year observations. The Company would continue to familiarize its Directors on the industry, technological and statutory developments, which have a bearing on the Company and the industry, so that Directors would be effective in discharging their expected duties.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

15. MEETINGS

MEETINGS OF THE BOARD

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No.	Name of the Director, Director Identification Number (DIN) & Directorship	Board Meetings held on				Attendance at last AGM 28-08-2024
		01-06-2024	02-08-2024	13-11-2024	08-02-2025	
1.	Shri P.R. Venketrama Raja, Chairman, DIN:00331406 Directorship : P & NE	Yes	Yes	Yes	Yes	Yes
2.	Smt. Sharadha Deepa, Managing Director DIN: 00383799 Directorship : P & E	Leave	Yes	Yes	Leave	Yes
3.	Shri S.S. Ramachandra Raja DIN : 00331491, Directorship : NE	Yes	Yes	Yes	Yes	Yes
4.	Shri Srirama Raja DIN:00383912 : Directorship : NE	Yes	Yes	Yes	Leave	Yes
5.	Shri Arunkumar Goenka DIN:00393845 Directorship : NE	Yes	Yes	Yes	Yes	No
6.	Shri S. Kanthimathinathan DIN:01124581 Directorship : NE	Yes	Yes	Yes	Yes	No
7.	Shri P.A.S. Alaghar Raja DIN:00487312 Directorship : NE & ID	Yes	Yes	Yes	Yes	Yes
8.	Justice Shri P.P.S. Janarthana Raja DIN:6702871 Directorship : NE & ID	Yes	Yes	Yes	Yes	Yes

P- Promoter

E - Executive

NE - Non Executive

ID - Independent

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT**MEETING OF THE COMMITTEES****AUDIT COMMITTEE**

The composition of the Audit Committee and attendance of each Member at the Audit Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	Audit Committee Meetings held on			
		01-06-2024	02-08-2024	13-11-2024	08-02-2025
1.	Justice Shri P.P.S. Janarthana Raja	Yes	Yes	Yes	Yes
2.	Shri S. Kanthimathinathan	Yes	Yes	Yes	Yes
3.	Shri P.A.S. Alaghar Raja	Yes	Yes	Yes	Yes

NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee and attendance of each Member at the Nomination and Remuneration Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	Nomination and Remuneration Committee Meetings held on
		01-06-2024
1.	Justice Shri P.P.S. Janarthana Raja	Yes
2.	Shri S. Kanthimathinathan	Yes
3.	Shri P.A.S. Alaghar Raja	Yes

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition of the Corporate Social Responsibility Committee and attendance of each Member at the Corporate Social Responsibility Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	CSR Committee Meetings held on
		01-06-2024
1.	Shri P.R. Venketrama Raja	Yes
2.	Shri S.S. Ramachandra Raja	Yes
3.	Justice Shri P.P.S. Janarthana Raja	Yes

INDEPENDENT DIRECTORS COMMITTEE

The composition of the Independent Directors Committee and attendance of each Member at the Independent Directors Committee Meetings held during the year are as follows:

Sl. No.	Name of the Director	Independent Directors Meetings held on
		08-02-2025
1.	Justice Shri P.P.S. Janarthana Raja	Yes
2.	Shri P.A.S. Alaghar Raja	Yes

DIRECTORS' REPORT

16. SECRETARIAL STANDARD

As required under Clause 9 of Secretarial Standard 1, the Board of Directors confirms that the Company has complied with applicable Secretarial Standards.

17. PUBLIC DEPOSITS

Pursuant to Rule 8(5)(v) & (vi) of Companies (Accounts) Rules, 2014, it is reported that the Company has not accepted any deposit from public during the financial year under review. There was no outstanding of deposits as on 31-03-2025 (Previous year: NIL). The Company has no deposit, which is not in compliance with the Chapter V of the Companies Act, 2013.

18. ORDERS PASSED BY REGULATORS

Pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, it is reported that, no significant and material orders have been passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(4) of the Companies Act, 2013, it is reported that:

- (a) The particulars of are provided under Note No. 46(b)(i).
- (b) The particulars of investments are provided under Note No.11 & 12 respectively of Notes forming part of financial statements.

20. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy, which is based on the philosophy that "As the Organization grows, the Society and Community around it also grows."

Pursuant to Section 135(5) of the Companies Act, 2013, there is no CSR obligation for the Company for the financial year ended 31-03-2025. Even though, there is no CSR obligation, the Company has voluntarily spent CSR amount of ₹ 3.61 Lakhs during the period from 01-04-2024 to 31-03-2025.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure - II.

21. AUDITS

STATUTORY AUDIT

M/s. M.S. Jagannathan & N.Krishnaswami, Chartered Accountants (FRN : 001310S), who have been appointed as the Statutory Auditors of the Company at the 41st Annual General Meeting, would be the Auditors of the Company till the conclusion of the 46th Annual General Meeting to be held in the year 2027.

The Auditor have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The report of the Statutory Auditors for the year ended 31st March, 2025 does not contain any qualification, reservation or adverse remark and no instance of fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDIT

Shri M.R.L. Narasimha, a Practicing Company Secretary is the Secretarial Auditor of the Company. Pursuant to Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditor for the year ended 31st March, 2025 is attached as Annexure - III. The report does not contain any qualification, reservation or adverse remark.

COST AUDIT

As per the Section 148(1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly such records and accounts are made and maintained.

The Board of Directors had approved the appointment of M/s. SVM & Associates, Cost Accountants as the Cost Auditor of the Company to audit the Company's Cost Records for the year 2025-26 at a remuneration of ₹ 1,10,000/- (Rupees One Lakh Ten Thousand Only) exclusive of GST and out-of-pocket expenses.

DIRECTORS' REPORT

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

The Cost Audit Report for the financial year 2023-24 due to be filed with Ministry of Corporate Affairs by 01-09-2024 had been filed on 26-08-2024. The Cost Audit Report for the financial year 2024-25 is due to be submitted by the cost auditor within 180 days from the closure of the financial year will be filed with the Ministry of Corporate Affairs, within 30 days thereof.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure - IV.

23. ANNUAL RETURN

In Accordance with Section 92(3) of the Companies Act, 2013, read with Rule 12(1) of Companies (Management and Administration) Rules, 2014, the copy of the Annual Return for the year ended 31-03-2024 has been placed on the website of the Company and web link of such Annual Return is - <http://www.vishnushankarmill.co.in/pdf/annual-return-31-03-2024.pdf>

24. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration are provided in Annexure - V.

25. INDUSTRIAL RELATIONS AND PERSONNEL

The Company has 1,245 employees as on 31-03-2025 (PY: 1,196). Industrial relations with employees remained cordial during the year. The Company has focused more on Human Resources Development activities and imparting training and to develop skill-set of the employees to enable them to face the challenges in the work environment.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

26. RELATED PARTY TRANSACTION

Prior approval / Omnibus approval is obtained from the Audit Committee for all related party transactions and the transactions are periodically placed before the Audit Committee for its approval. Transaction with the related party which are material in nature, in accordance with Company's "Related Party Transaction Policy" and required to be disclosed in Form AOC-2 is attached as Annexure IV. In accordance with Indian Accounting Standard - 24 (Related Party Disclosure), the details of transactions with the related parties are set out in Note No. 46 of disclosure Forming part of Financial Statements.

27. MATERIALS CHANGES SINCE 1ST APRIL, 2025

There have been no changes affecting the financial position of the Company between the end of the financial year (31-03-2025) and till the date of this report (29-05-2025).

28. RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimization of risk thereof.

29. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Year wise amount of unpaid /unclaimed dividend lying in the unpaid account and corresponding shares, which are liable to be transferred to IEPF and due dates for such transfer, are tabled below:

Year	Type of Dividend	Date of Declaration of Dividend	Last date for claiming Unpaid Dividend	Due date for transfer to IEP Fund	No. of Shares of ₹ 10/- each	Amount of unclaimed / unpaid Dividend as on 31-03-2025 - ₹
2021-2022	Dividend	20-08-2022	19-08-2029	18-09-2029	1,39,663	1,36,251*

* Net of TDS

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

DIRECTORS' REPORT

30. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- (a) they had followed the applicable accounting standards along with proper explanation relating to material departures, if any, in the preparation of the annual accounts for the year ended 31st March, 2025;
- (b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2025 and the loss of the Company for the year ended on that date;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they had prepared the Annual Accounts on a going concern basis;
- (e) they had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- (f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE I TO DIRECTORS' REPORT

Form AOC - 1

*[Pursuant to Section 129(3) of the Companies Act, 2013
read with Rule 5 of Companies (Accounts) Rules, 2014]*

Statement containing salient features of the financial statement of Associate Companies

PART A - SUBSIDIARY COMPANY

There is no Subsidiary Company

PART B - ASSOCIATE COMPANY

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Particulars		2024-25	
Name of the Associate Company	The Ramco Cements Limited	Rajapalayam Mills Limited	The Ramaraju Surgical Cotton Mills Limited
Last audited Balance Sheet Date	31-03-2025	31-03-2025	31-03-2025
Date on which the Associate was associated / acquired	01-04-2016	01-04-2016	01-04-2016
No. of Shares held as on 31 st March 2025.	30,94,200	37,174	3,200
Amount of Investment in Associate as on 31 st March 2025 (₹ In Lakhs)	19.19	51.06	0.36
Extent of Shareholding % as on 31 st March 2025	1.31	0.41	0.06
Description of how there is significant influence		Note (1)	
Reason why Associate is not consolidated		Not applicable	
Net worth attributable to Shareholding (₹ In Lakhs)	7,44,214	2,31,440	23,573
Profit / (Loss) for the year (Consolidated) (₹ in Lakhs)	26,288	1,332	(2,866)
a) Considered in Consolidation (₹ in Lakhs)	143	(151)	(12)
b) Not considered in Consolidation (₹ In Lakhs)	26,145	1,181	(2,854)

Note: 1) Significant influence exists based on combined voting rights.

2) Name of associates or joint ventures which are yet to commence operation - Nil

3) Names of associate or joint ventures which have been liquidated or sold during the year - NIL

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

ANNEXURE II TO DIRECTORS REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy.

The objective of the CSR Policy is:

- a. to ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stockholders.
- b. to directly or indirectly take up programs that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
- c. to generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

2. The Composition of the CSR Committee:

S.No	Name of the Director	Designation / Nature of Directorship	No.of meetings of CSR held during the year	No.of meetings of CSR attended during the year
1	Shri P.R. Venketrama Raja	Chairman of the Committee Non-executive & Non-Independent Director	1	1
2	Shri S.S. Ramachandra Raja	Non-executive & Non- Independent Director	1	1
4	Justice Shri P.P.S. Janarthana Raja	Non-executive & Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:
www.vishnushankarmill.co.in
4. Provide the executive summary along with web-link(s) of impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE II TO DIRECTORS REPORT

5. a) Average net Profit of the Company as per Section 135(5) : The Company has incurred loss in the last financial year.
- b) Two percent of Average net profit of the Company as per sub-section (5) of Section 135: Not Applicable
- c) Surplus arising out of the CSR Projects or Programmes or activities of the previous financial year: Not Applicable
- 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)] - Nil
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Not Applicable.
- b) Amount Spent in Administrative Overheads - NIL
- c) Amount Spent on Impact Assessment, if applicable - Not Applicable
- d) Total amount spent for the financial year (a + b + c) - Not Applicable
- 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 Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Not Applicable	NIL	NIL	NIL	NIL	NIL

- f. Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Lakhs)
i.	Two per cent of average net profit of the Company as per Section 135(5)	Nil
ii.	Total amount spent for the financial year	Nil
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	Nil
v.	Amount available for set-off in succeeding financial years [(iii)- (iv)]	Nil

Including excess amount spent under CSR in earlier years, the Company has an amount of ₹ NIL Lakhs available for set-off against future CSR obligations.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE II TO DIRECTORS REPORT

7. Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹ In Lakhs)	Amount spent in the reporting Financial year (₹ In Lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any (₹ In Lakhs)	Date of Transfer	Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
1	2023-24	Nil	0.61	NA	NA	NA
2	2022-23	Nil	6.22	NA	NA	NA
3	2021-22	Nil	13.34	NA	NA	NA
Total			20.17			

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

If Yes, enter the number of Capital assets created / acquired: NA.

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration no	Name	Registered Address

NA

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

The Company has complied with the provision of Section 135(5) of the Companies Act, 2013.

Shri P.R. VENKETRAMA RAJA

CHAIRMAN

(DIN: 00331406)

Smt. SHARADHA DEEPA

MANAGING DIRECTOR

(DIN: 00383799)

RAJAPALAIYAM,

29th May, 2025.

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

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

To

The Members,

Sri Vishnu Shankar Mill Limited,

[CIN:U17301TN1981PLC008677]

Sri Vishnu Shankar Mill Premises,

P.A.C Ramasamy Raja Salai,

Post Box No.109, Rajapalayam - 626 117

I have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **SRI VISHNU SHANKAR MILL LIMITED** (hereinafter called "the Company") during the financial year from 1st April, 2024 to 31st March, 2025 ("the year"/ "audit period"/ "period under review"). I conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing my opinion thereon.

I am issuing this report based on my verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the year as well as after 31st March 2025 but before the issue of this audit report and the information provided by the Company, its officers, agents and authorized representatives during my conduct of the Secretarial Audit.

1. I hereby report that:

1.1. In my opinion, during the audit period covering the **financial year ended on 31st March 2025**, the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The Members are requested to read this report along with my letter of even date annexed to this report as Annexure - A.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE III TO DIRECTORS REPORT

1.2. I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act), and the rules made thereunder.
- (ii) Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
- (iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Regulations);
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) The following Laws, that are specifically applicable to the Company;
 - (a) Essential Commodities Act, 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17th April, 2003); and
 - (b) The Electricity Act, 2003.

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

- (i) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India and

1.4. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2025 but before the issue of this report, the Company has, to the best of my knowledge and belief and based on the records, information and explanations furnished to me, complied with the applicable provisions / Clauses of the Acts, Rules, Regulations, Agreements, Guidelines and Standards mentioned under paragraphs 1.2 and 1.3 above.

ANNEXURE III TO DIRECTORS REPORT

1.5. I am informed that, during / in respect of the year:

- (i) Due to non-occurrence of certain events, the Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:
 - a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - b) Securities and Exchange Board of India (Share Based Employee Benefits) and Sweat Equity Regulations, 2021;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - e) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
 - g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (ii) There was no law, other than Those Specified in paragraph 1.2(v) above, that was specifically applicable to the Company, Considering the nature of its business. Hence, the requirement to report on Compliance with Specific laws did not arise.

2. I further report that:

- 2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also have one Woman Director as on 31-03-2025. There is no change in composition of the Board of Directors during the period under review.

ANNEXURE III TO DIRECTORS REPORT

2.2 Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent at least seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and

(ii) Additional subjects / information / presentations and supplementary notes.

Consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.

2.3 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters discussed during the year that were required to be captured and recorded as part of the minutes.

3. I further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

COIMBATORE,
29-05-2025.

M.R.L. Narasimha
Practicing Company Secretary
Membership No: 2851
Certificate of Practice: 799
Peer Review No: 1420/2021
"Lotus", 370-A, Alagesan Road,
SB Mission Post, Coimbatore - 641 001.
UDIN: F002851G000481241

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE III TO DIRECTORS REPORT

Annexure - A to Secretarial Audit Report of even date

To

The Members,

Sri Vishnu Shankar Mill Limited,

[CIN:U17301TN1981PLC008677]

Sri Vishnu Shankar Mill Premises,

P.A.C Ramasamy Raja Salai,

Post Box No.109, Rajapalayam - 626 117.

My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March, 2025 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed such audit practices and processes, as I considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, I have also considered compliance related action taken by the Company after 31st March, 2025 but before the issue of this report.
4. I have verified the secretarial records furnished to me on a test basis to see whether the correct facts are reflected therein. I also examined the compliance procedures followed by the Company on a test basis. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
5. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
6. I have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
7. My 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.

M.R.L. Narasimha

Practicing Company Secretary

Membership No: 2851

Certificate of Practice: 799

Peer Review No: 1420/2021

"Lotus", 370-A, Alagesan Road,

SB Mission Post, Coimbatore - 641 001.

UDIN: F002851G000481241

COIMBATORE,
29-05-2025.

ANNEXURE IV TO DIRECTORS REPORT

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

*[Pursuant to Section 134(3)(m) of the Companies Act, 2013
read with Rule 8(3) of Companies (Accounts) Rules, 2014]*

A. CONSERVATION OF ENERGY

The Company pays attention at all levels to reduce energy consumption, by continuous monitoring maintenance and improvements.

- | | |
|---|---|
| (i) the steps taken or impact on conservation of energy; | : a) Optimization of Non-productive loads like compressors, Humidification Plant and Waste collection systems.
b) Arresting Air leakage
c) Optimization of speed of motors using variable frequency driver.
d) making all efforts to improve the maintenance of Machinery in order to conserve the energy Consumption. |
| Impact on conservation of energy | : The above has resulted in energy saving of 39,700 units per annum. |
| (ii) the steps taken by the company for utilizing alternate sources of energy | : The Company had entered into group captive arrangement for purchase of 'Solar power' to the extent of 4 MW.

During the financial year 2023-24, commissioning of 3.5 MW unit was completed and the balance 0.5 MW unit was completed during the financial year 2024-2025. |
| (iii) The capital investment on energy Conservation equipments | : Nil. |

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE IV TO DIRECTORS REPORT

B. TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption; : Nil
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution : Cost reduction and Quality improvement.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
- (a) The details of technology imported; : Nil
- (b) The year of import; : Nil
- (c) Whether the technology been fully absorbed; : Not Applicable
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : Not Applicable
- (iv) the expenditure incurred on Research and Development : Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (i) The Foreign Exchange earned in terms of actual inflows during the year and : ₹ 5,189.81 Lakhs
- (ii) The Foreign Exchange outgo during the year in terms of actual outflows. : ₹ 6,681.66 Lakhs

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE V TO DIRECTORS REPORT

DISCLOSURE RELATING TO REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1), (2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars of Top 10 employees in the terms of remuneration drawn and Particulars of Employees Employed throughout the financial year 2024-25 and were in receipt of remuneration in the aggregate of not less than ₹ 102 Lakhs.

Sl. No.	Name	Age (Yrs)	Designation	Remuneration Paid / Payable ₹ in lakhs	Qualification and experience (Years)	Date of Commencement of employment	Last Employment
1	Smt. Sharadha Deepa	59	Managing Director	187.50	B.E. (21)	31-01-2005	–

Note:

1. The Managing Director's employment is contractual.
2. Remuneration includes Salary, Medical Reimbursement Company's contribution to Provident Fund and Superannuation Fund, but does not include Provision for Gratuity and Leave Salary. However, leave salary will be included in the year in which actual payment has been made by the Company to the employees on surrendering of accumulated leave balances.
3. None of the employees mentioned above is related to any Director of the company except Smt. Sharadha Deepa, Managing Director who is related to Shri P.R.Venketrana Raja Chairman, Shri Srirama Raja, Director, Shri S.S. Ramachandra Raja, Director.

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE VI TO DIRECTORS REPORT

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]

Particulars of Contracts / Arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

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

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

Particulars	I	II	III
Name(s) of the related party and nature of relationship	Rajapalayam Mills Limited Relationship: M/s. Rajapalayam Mills Limited (RML) is a member of Promoter group of Sri Vishnu Shankar Mill Limited (SVSM). RML is a Member of Promoter group of RML. M/s. Rajapalayam Mills Limited holds 2.56% of Equity shares in SVSM. SVSM holds 0.40% Equity shares in RML.	Sri Ramco Spinners (A Division of Ramco Industries Limited) Relationship: Shri P.R. Venketrama Raja, Chairman is the Chairman in Ramco Industries Limited. He is also a promoter in Ramco Industries Limited and holds 7.17% of Equity Shares in Ramco Industries Limited Shri S.S. Ramachandra Raja is a Director in Ramco Industries Limited and holds 0.47% of Equity Shares in Ramco Industries Limited	The Ramaraju Surgical Cotton Mills Limited Relationship: M/s. The Ramaraju Surgical Cotton Mills Limited (TRSCM) is a member of Promoter group of Sri Vishnu Shankar Mill Limited (SVSM). SVSM is a Member of Promoter group of TRSCM. M/s. The Ramaraju Surgical Cotton Mills Limited holds 0.75% of Equity shares in SVSM. SVSM holds 0.06% Equity shares in TRSCM.
Nature of Contracts / arrangements / transactions	1. Purchase of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / availing of services; 2. Sale of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / rendering of services; and 3. Any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length	1. Purchase of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / availing of services; 2. Sale of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / rendering of services; and 3. Any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length	1. Purchase of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / availing of services; 2. Sale of Cotton, Waste Cotton, Yarn, Textile products, Store materials, Job work services, Textile machineries & other products / rendering of services; and 3. Any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length basis and in compliance with applicable laws, as approved by the Audit Committee.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

ANNEXURE VI TO DIRECTORS REPORT

Particulars	I	II	III
	basis and in compliance with applicable laws, as approved by the Audit Committee.	basis and in compliance with applicable laws, as approved by the Audit Committee.	
Duration of the contracts / arrangements / transactions	Two Year (FY 2024-25 & 2025-26)	One Year (FY 2024-25)	Five Years (2024-25 to 2028-29)
Salient terms of the contracts or arrangements or transactions including the value, if any	Price: would be the market price prevailing on the date of the transaction. Its continuing business transactions. Aggregate value up to Rs. 120 Crores (excluding duties and taxes).	Price: would be the market price prevailing on the date of the transaction. Its continuing business transactions. Aggregate value up to Rs. 100 Crores (excluding duties and taxes).	Price: would be the market price prevailing on the date of the transaction. Its continuing business transactions. Aggregate value up to Rs. 150 Crores (excluding duties and taxes).
Date(s) of approval by the Board, if any	13-02-2024	13-11-2024	13-11-2024
Amount paid as advances, if any	Nil	Nil	Nil

On behalf of the Board,
For **SRI VISHNU SHANKAR MILL LIMITED,**

P.R. VENKETRAMA RAJA
CHAIRMAN
(DIN: 00331406)

RAJAPALAIYAM,
29th May, 2025.

SEPARATE FINANCIAL STATEMENTS

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SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

INDEPENDENT AUDITOR'S REPORT

To the Members of Sri Vishnu Shankar Mill Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Separate ("Standalone") Financial Statements drawn in accordance with the Indian Accounting Standards, of **Sri Vishnu Shankar Mill Limited** ("Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year ended on 31 March 2025 and a notes to the Standalone Financial Statements, including material accounting policies and other explanatory information ("Standalone Financial Statements").

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 including the Indian Accounting Standards, of the State of Affairs ("Financial Position") of the Company as at 31 March 2025, its Loss ("Financial Performance including Other Comprehensive Income"), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the Standalone Financial Statements, Consolidated Financial statements and our audit report thereon.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

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 during the course of our audit or otherwise appears to be materially misstated.

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

Management's 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 and presentation of the Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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 management and 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 audit 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.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit, 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.
 - b. In our opinion, proper books of account as required by law have been kept by the Company as far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the Directors as on 31 March 2025 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. We have enclosed our report in "Annexure B" with respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with 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:

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

- i. The Company has disclosed the impact of pending litigations and claims against the Company as at 31 March 2025 on its financial position in its Standalone Financial Statements - Refer Note No.43 in the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts that were required to be transferred by the Company to the Investor Education and Protection Fund.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding whether recorded in writing or otherwise, that the Intermediary shall:
 - Whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"), or
 - provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity including Foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries"), or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.; and
- (c) Based on the audit procedures as 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 (iv)(a) and (iv)(b) contain any material misstatement.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

- v. There is no dividend declared or paid during the year by the Company and hence the requirement of compliance with Section 123 of the Act does not arise.
- vi. The Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- h. With respect to the matter to be included in the Audit 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 M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

K SRINIVASAN
Partner

Membership No. 021510
UDIN: 25021510BMMMQP5210

Rajapalaiyam
29th May, 2025

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal & Regulatory Requirements" of our report of even date to the Standalone Financial Statements of the Company for the year ended 31 March 2025)

We state the following after considering the information and explanations given to us by the Company and on the basis of examination of the records of the Company:

1. In respect of the Company's Property Plant and Equipment and Intangible Assets
 - 1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and equipment. The Company has also maintained proper records showing full particulars of intangible assets.
 - 1.2 The Property Plant and Equipment were physically verified during the year by the Company in accordance with the phased program of verification which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed during such verification.
 - 1.3 The title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.
 - 1.4 The Company has not revalued its Property, Plant and Equipment and/or intangibles during the year and accordingly, we have nothing to comment as per the provisions of clause 3(i)(d) of the Order.
 - 1.5 The Company does not hold any benami Property and no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and accordingly, we have nothing to comment as per the provisions of clause 3(i)(e) of the Order.
2. Inventory and Working Capital
 - 2.1 The Company has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.
 - 2.2 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. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.
3. Investments made, Guarantees provided, Loans given, and Advances in the nature of loans given during the year.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

- 3.1 The details of investments made, guarantee provided, loans and advances in the nature of loans granted during the year are given below:

(₹ In Lakhs)			
Particulars	Investments	Guarantees	Loans
Aggregate amount granted / invested during the year:			
(i) Associates	0.00 (PY: 2.40)	-	-
(ii) Other Companies	1.58 (PY: 410.03)	-	-
(iii) Others	-	-	-
Balance outstanding at Balance sheet date:			
(i) Associates	72.64 (PY: 72.64)	—	—
(ii) Other Companies	419.60 (PY:418.02)	—	—
(iii) Others	—	—	—

- 3.2 The Investments made during the year are not prejudicial to Company's interest.
- 3.3 The Company has not advanced any loans and advances and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(c) of the Order.
- 3.4 The Company has not advanced any loans and advances and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(d) of the Order.
- 3.5 No loan granted by the Company, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the existing loans given to the same parties and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(e) of the Order.
- 3.6 The Company has not advanced any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(f) of the order.
4. The Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposit or amounts which are deemed to be deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76, or any other relevant provisions of the Act and the rules made thereunder with regard to the deposits accepted from the public are not applicable and accordingly, we have nothing to comment with respect to provisions of clause 3(v) of the Order.
6. The Company has maintained accounts and records which have been specified by the Central Government under Section 148(1) of the Act.
7. Undisputed and disputed taxes and duties

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

- 7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Goods and Service Tax, Duty of Excise, Cess and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
- 7.2 There were no disputed statutory dues that have not been deposited with appropriate authorities.
8. There have been no transactions which were not previously recorded in the books of account but have been surrendered or disclosed as income during the year in the tax assessments by the Company, under the Income Tax Act, 1961 and accordingly, we have nothing to comment as per the provisions of clause 3(viii) of the Order.
9. Default in Respect of Payment of Loans or Interest during the year
- 9.1 The Company has not defaulted in repayment of dues to financial institutions, Banks, Government, Debenture holders or any other lender.
- 9.2 The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- 9.3 The term loans were applied for the purpose for which the loans were obtained.
- 9.4 Funds raised on short term basis by the Company were not utilised for long term purposes.
- 9.5 The Company has not taken any funds from any entity or person on account of or to meet the obligations of the subsidiaries, joint ventures or associates and accordingly the reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- 9.6 The Company has not raised any loans during the year on the pledge of securities held in subsidiaries, joint ventures, or associate companies and accordingly, we have nothing to comment as per the provisions of clause 3(ix)(f) of the Order.
10. Funds Raised
- 10.1 The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, we have nothing to comment as per the provision of clause 3(x)(a) of the Order.
- 10.2 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and accordingly, we have nothing to comment as per the provisions of clause 3(x)(b) of the Order.
11. Fraud and Whistle Blower System
- 11.1 We report that no fraud by the Company or on the Company by its Officers or employees has been noticed or reported during the year.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

11.2 No report under sub-section (12) of Section 143 of the Act has been filed by the auditors in respect of the Company, in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

11.3 The Company's management has not received any whistle blower complaints during the year

12. The Company is not a Nidhi Company and accordingly the reporting under clause 3(xii) of the Order is not applicable to the Company.

13. All the transactions with the related parties by the Company, are in compliance with Section 177 and 188 of Act and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.

14. The Company has an internal audit system commensurate with the size and nature of its business. The reports of the internal auditor have been taken into consideration.

15. The Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, we have nothing to comment as per the provisions of clause 3(xv) of the Order.

16. Registration

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

16.2 The Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, we have nothing to comment as per the provisions of clause 3(xvi)(b) of the Order.

16.3 The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

16.4 The Group does not have any CIC as part of it and accordingly the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

17. The Company has not incurred any cash losses in the current financial year. The company has incurred cash losses in the immediately preceding financial year amounting to Rs. 2,121.92 Lakhs.

18. There has been no resignation of statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report indicating that the Company is not

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

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. Variations in ratios over 25% on comparison with previous year has also been disclosed in the notes accompanying Standalone financial statements.

20. CSR Compliance

20.1 The Company had no unspent amount in relation to the other than ongoing projects which needs to be transferred to a fund as specified in schedule VII, hence the clause 3(xx)(a) is not applicable to the Company.

20.2 The Company had no remaining unspent amount under subsection (5) of section 135 of the Act pursuant to ongoing project, which has to transferred to special account in compliance with provision of subsection (6) of Section 135. Hence the Clause 3(xx)(b) is not applicable.

21. There has been no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) report of the Companies included in the Consolidated Financial Statements.

For M.S. JAGANNATHAN & N. KRISHNASWAMI

Chartered Accountants

Firm Registration Number: 001208S

K SRINIVASAN

Partner

Membership No. 021510

UDIN: 25021510BMMMQP5210

Rajapalaiyam

29th May, 2025

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

"Annexure B" to the Independent Auditor's Report

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

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

Opinion

We have audited the Internal Financial Controls over financial reporting of Sri Vishnu Shankar Mill Limited. ("the Company") as of 31 March 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on 31 March 2025.

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibilities

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the SAs, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

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 Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and Directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For M.S. JAGANNATHAN & N. KRISHNASWAMI

Chartered Accountants

Firm Registration Number: 001208S

K SRINIVASAN

Partner

Membership No. 021510

UDIN: 25021510BMMMQP5210

Rajapalaiyam
29th May, 2025

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in Lakhs)

	Note No.	As at 31-03-2025	As at 31-03-2024	
I ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	7	15,888.88	17,081.03	
(b) Capital Work-in-progress	8	-	134.38	
(c) Investment Property	9	177.25	180.05	
(d) Assets held for Sales	10	-	18.92	
(e) Financial Assets				
Investment in Associates	11	72.64	72.64	
Other Investment	12	419.60	418.02	
Other Financial Assets	13	567.35	500.24	
(f) Deferred Tax Assets (Net)	14	1,385.48	919.25	
(g) Other Non-Current Assets	15	29.33	24.83	19,349.36
(2) Current Assets				
(a) Inventories	16	5,067.02	6,397.07	
(b) Financial Assets				
Trade Receivables	17	4,406.61	4,005.34	
Cash and Cash Equivalents	18	1.89	1.19	
Bank Balance other than Cash and Cash Equivalents	19	75.88	23.74	
Other Financial Assets	20	732.52	-	
(c) Current Tax Assets (Net)	21	37.13	35.37	
(d) Other Current Assets	22	2,249.57	2,424.92	12,887.63
TOTAL ASSETS		31,111.15	32,236.99	
II EQUITY & LIABILITIES				
(1) Equity				
(a) Equity Share Capital	23	150.00	150.00	
(b) Other Equity	24	1,040.69	2,991.99	
Total Equity		1,190.69	3,141.99	
(2) Liabilities				
A) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	25	11,850.22	11,941.88	
(b) Other Non-current Liabilities	26	842.13	32.66	11,974.54
B) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	27	15,178.27	14,772.13	
(ii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises	28	-	-	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	28	511.28	1,092.01	
(iii) Other Financial Liabilities	29	1,136.82	992.32	
(b) Provisions	30	393.54	255.80	
(c) Provision for Taxation	31	8.20	8.20	17,120.46
TOTAL EQUITY AND LIABILITIES		31,111.15	32,236.99	
Material Accounting Policies, Judgements and Estimates	1-6			
See accompanying notes to the financial statements.	7-54			

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2025

(₹ in Lakhs)

	Note No.	For the year ended 31-03-2025	For the year ended 31-03-2024
INCOME			
I Revenue from Operations	32	28,816.09	25,155.45
II Other Income	33	363.22	243.06
III Total Income (I + II)		29,179.31	25,398.51
IV EXPENSES			
Cost of Materials Consumed	34	15,071.96	15,101.41
Purchases of Stock-in-Trade	35	3,255.90	1,128.62
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	36	609.37	534.41
Employee Benefit Expenses	37	3,219.97	3,042.11
Finance Costs	38	2,217.13	2,329.34
Depreciation and Amortisation Expenses	39	1,450.52	1,436.32
Other Expenses	40	5,766.59	5,515.80
Total Expenses		31,591.44	29,088.01
V Profit / (Loss) Before Exceptional items and Tax (III-IV)		(2,412.13)	(3,689.50)
VI Exceptional Items [Refer Note No. 52]			
Profit / (Loss) on Sale of Property, Plant and Equipment	(4.44)	(4.44)	131.26
VII Profit / (Loss) Before Tax (V-VI)		(2,416.57)	(3,558.24)
VIII Tax Expenses / (Savings)			
Current Tax	-	-	-
Deferred Tax Expenses / (Savings)	(465.65)	-	(925.82)
Total Tax Expenses / (Savings)		(465.65)	(925.82)
IX Profit / (Loss) for the Year (VII-VIII)		(1,950.92)	(2,632.42)
X Other Comprehensive Income			
<i>Item that will not be reclassified to Profit or Loss:</i>			
Remeasurement Gain / (Losses) on defined benefit obligations (net)		(2.53)	(1.03)
Fair Value Gain / (Loss) on Equity Instruments through OCI (net)		1.58	(0.26)
Current Tax	-	-	-
Defferred Tax Expenses / (Savings)	(0.58)	(0.58)	(0.26)
Other Comprehensive Income / (Loss) for the year, net of tax		(0.37)	(1.03)
XI Total Comprehensive Income for the year, net of tax (IX+X)		(1,951.29)	(2,633.45)
XII Earnings per Equity Share of ₹ 10/- each			
Basic & Diluted (in Rupees) [Refer to Note No.45]		(130.00)	(175.00)
Material Accounting Policies, Judgements and Estimates	1-6		
See accompanying notes to the financial statements.	7-54		

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital [Refer to Note No.23] (₹ in Lakhs)

(1) For the year ended 31-03-2025

Balance as at 01-04-2024	150.00
Changes in Equity Share Capital during the year 2024-25	–
Balance as at 31-03-2025	150.00

(2) For the year ended 31-03-2024

Balance as at 01-04-2023	150.00
Changes in Equity Share Capital during the year 2023-24	–
Balance as at 31-03-2024	150.00

B. Other Equity [Refer to Note No.24]

(1) For the year ended 31-03-2025

Particulars	Reserves and Surplus				Items of OCI		Total Other Equity
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	
Other Equity as at 01-04-2024	23.77	25.00	4,000.00	(1,056.00)	(0.79)	–	2,991.99
Financial year 2024-25							
Add : Profit / (Loss) for the year	–	–	–	(1,950.92)	–	–	(1,950.92)
Add : Other Comprehensive Income / (Loss)					1.58	(1.95)	(0.37)
Total Comprehensive Income	–	–	–	(1,950.92)	1.58	(1.95)	(1,951.29)
Less : Transfer to Retained Earnings	–	–	–	–	–	1.95	1.95
Add : Transfer from OCI				(1.95)			(1.95)
Balance as at 31st March, 2025	23.77	25.00	4,000.00	(3,008.87)	0.79	–	1,040.69

(2) For the year ended 31-03-2024

Particulars	Reserves and Surplus				Items of OCI		Total Other Equity
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings	FVTOCI Equity Instruments	Re-measurements of Defined Benefit Obligations	
Other Equity as at 01-04-2023	23.77	25.00	4,000.00	1,577.19	(0.53)	–	5,625.44
Financial year 2023-24							
Add : Profit / (Loss) for the year	–	–	–	(2,632.42)	–	–	(2,632.42)
Add : Other Comprehensive Income / (Loss)	–	–	–	–	(0.26)	(0.77)	(1.03)
Total Comprehensive Income	–	–	–	(2,632.42)	(0.26)	(0.77)	(2,633.45)
Less : Transfer to Retained Earnings	–	–	–	–	–	0.77	0.77
Add : Transfer from OCI	–	–	–	(0.77)	–	–	(0.77)
Balance as at 31st March, 2024	23.77	25.00	4,000.00	(1,056.00)	(0.79)	–	2,991.99

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
A. Cash Flow from Operating Activities:		
Profit / (Loss) before Extraordinary items and Tax	(2,416.57)	(3,558.24)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & Amortisation	1,450.52	1,436.32
Finance Costs	2,217.13	2,329.34
Interest Income	(223.47)	(117.99)
Dividend Income	(77.58)	(62.27)
Profit Receipts from Investment Properties	(4.44)	131.26
Rent Receipts from Investment Properties	(16.23)	(15.15)
Operating Profit before Working Capital Changes	929.36	143.27
Movements in Working Capital		—
Trade Receivables	(401.27)	(1,360.59)
Loans and Advances	(628.78)	274.79
Inventories	1,330.05	6,149.83
Gratuity	(2.53)	(1.03)
Government Grants	809.47	(2.68)
Trade Payables & Current liabilities	(298.49)	634.26
Cash generated from Operations	1,737.81	5,837.85
Direct Taxes (Paid Refund received (Net)	(1.76)	(0.86)
Net Cash generated from Operating Activities	A	1,736.05
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(102.28)	(2,725.83)
Government Grants Received - related to acquisition of Fixed Assets	—	—
Purchase of Equity Shares of Investment - others	—	(410.04)
Purchase of Equity Shares of Associates	—	(2.04)
Proceeds from Sale of Assets	4.44	2.49
Interest Received	223.47	117.99
Dividend Received	77.58	62.27
Rent Receipts from Investment Properties	16.23	15.15
Net Cash from / (used) in Investing Activities	B	219.44

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
C. Cash Flow from Financing Activities:		
Proceeds from Long Term Borrowings	5,416.80	6,057.61
(Repayment) of Long Term Borrowings	(4,296.23)	(2,725.62)
Proceeds from Loan - Related Parties	2,358.05	4,115.00
Availment / (Repayment) of Short Term Borrowings (Net)	(3,164.14)	(8,011.41)
Interest Paid	(2,217.13)	(2,329.34)
Net cash used in Financing Activities	C (1,902.65)	(2,893.76)
Net Increase / (Decrease) in Cash and Cash Equivalents	D = (A + B + C) 52.84	3.22
Opening balance of Cash and Cash Equivalents	E 24.93	21.71
Closing balance of Cash and Cash Equivalents	D + E 77.77	24.93

Notes:

- The Cash Flows from operating activities under the above Statement of Cash Flows has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.
- Bank Borrowings including Cash Credits are considered as Financing Activities.
- For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-Mar-2025	31-Mar-2024
Cash and Cash Equivalents (Refer to Note No.18)	1.89	1.19
Bank Balances other than Cash and Cash Equivalents (Refer to Note No. 19)	75.88	23.74
	77.77	24.93

- Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:

Particulars	31-03-2025	31-03-2024
Balance at the beginning of the year		
Long Term Borrowings	11,941.88	10,057.66
Short Term Borrowings	14,772.13	17,220.77
Long Term Lease Liabilities	—	—
Short Term Lease Liabilities	—	—
Interest accrued	—	—
Sub-Total Balance at the beginning of the year	26,714.01	27,278.43

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Cash flows during the year		
Proceeds from Long Term Borrowings	5,416.80	6,057.61
Repayment of Long Term Borrowings	(4,296.23)	(2,725.62)
Proceeds from / (Repayment) of Loan from Related Parties, Net	2,358.05	4,115.00
Proceeds from / (Repayment) of Short Term Borrowings, Net	(3,164.14)	(8,011.41)
Payment of Principal portion of Lease Liabilities	–	–
Interest Paid including interest on Lease Liabilities	(2,217.13)	(2,329.34)
Sub-Total Cash flows during the year	(1,902.65)	(2,893.76)
Non-cash changes		
Interest accrual for the year	–	–
Fair Value Movement	–	–
Sub-Total Non-cash changes during the year	–	–
Balance at the end of the year		
Long Term Borrowings	11,850.22	11,941.88
Short Term Borrowings	15,178.27	14,772.13
Long Term Lease Liabilities	–	–
Short Term Lease Liabilities	–	–
Interest accrued	–	–
Balance at the end of the year	27,028.49	26,714.01

See accompanying notes to the financial statements. [Refer to Note No. 7-54]

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

1. Corporate Information

Sri Vishnu Shankar Mill Limited ("the Company") is a Public Limited Company within the meaning of the Companies Act, 2013, domiciled and headquartered in India. The Registered office of the Company is located at Sri Vishnu Shankar Mill Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.

The Company is engaged in manufacture of Cotton Yarn. The Company is also engaged in generation of electricity from its windmills for its captive requirements.

2. Presentation & Rounding Norms

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 29-05-2025.

The financial statements are presented in Indian Rupees, which is the Company's functional currency, rounded to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Lakhs.

Previous year figures have been re-grouped / restated, wherever it may be appropriate.

3. Statement of Ind AS Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of AS compliant Schedule III to the Companies Act, 2013.

4. New standard or amendments to the existing accounting standards issued and effective from 01-04-2024 onwards.

(a) Ind AS 117 on Insurance Contracts

The Ministry of Corporate Affairs (MCA) has notified Ind AS 117 - Insurance Contracts, replacing Ind AS 104, effective for annual reporting periods beginning on or after 1st April, 2024. The standard applies to insurance contracts and certain financial instruments that transfer significant insurance risk. Ind AS 117 specifically excludes financial guarantee contracts unless the issuer has previously asserted that such contracts are treated as insurance contracts and has applied insurance accounting. In such cases, the issuer is permitted to make an irrevocable election, on a contract-by-contract basis, to apply either Ind AS 117 or the relevant financial instruments standards viz. Ind AS 32, Ind AS 107, and Ind AS 109.

The Company does not issue insurance contracts in the ordinary course of business and has not previously treated any financial guarantee contracts as insurance contracts. Accordingly, financial guarantee contracts continue to be accounted for under Ind AS 109 Financial Instruments.

As a result, the adoption of Ind AS 117 has no impact on the financial statements for the year ended 31st March, 2025.

(b) Ind AS 116: Sale and leaseback transaction amendment

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which introduced amendments to Ind AS 116 - Leases, effective from 1st April, 2024. These amendments specifically address the accounting for sale and leaseback transactions involving variable lease payments not based on an index or rate.

The amendment introduces paragraph 102A, which provides guidance on the subsequent accounting for lease liabilities and Right of- Use (ROU) assets arising from such transactions. However, as the company does not currently have any sale and leaseback transactions, this amendment does not have any impact on the company's financial statements for the year ended 31st March, 2025.

5. Material Accounting Policies

A. Inventories

- (i) Raw-materials, Stores & Spares, Fuel, packing materials etc., are valued at cost, determined on a weighted average basis, or net realisable value whichever is lower. However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.
- (ii) Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower.
- (iii) Finished goods are valued at cost or net realisable value whichever is lower.

B. Statement of Cash Flows

- (i) Cash flows from operating activities is presented using Indirect Method.
- (ii) Cash and cash equivalents for the purpose of Statement of Cash Flows comprise cash and cheques in hand, bank balances, demand deposits, with banks where the original maturity is three months or less and other short-term highly liquid investments, which are subject to insignificant risk of changes in value.
- (iii) Bank borrowings including Bank overdrafts / Cash Credits, which are repayable on demand, form an integral part of the Company's cash management.

C. Income Taxes

- (i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.
- (ii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.
- (iii) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.
- (iv) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- (v) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.
- (vi) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in Other Comprehensive Income.

D. Property, Plant and Equipments (PPE)

- (i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost includes directly attributable cost of bringing the asset to its working condition for the intended use and borrowing cost if capitalisation criteria are met.
- (ii) Spares, which meet the definition of PPE, are capitalised from the date when it is available for use. The Company identifies the significant parts of plant and equipment separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives.
- (iii) The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.
- (iv) Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- (v) The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below:

Type of Plant and Machinery	Useful life of such components ranging from
Textile Machineries / Equipment	02 to 20 years
Wind Mills	22 to 30 years
HFO / DG Set	12 to 25 years
Electrical Machineries	03 to 25 years

- (vi) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balance cash transaction amount. Fair market value is determined either for the assets acquired or far asset given up, whichever is more clearly evident.
- (vii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight-line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control system whose residual value is considered as Nil.
- (viii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.
- (ix) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work-in-Progress / Capital Advances

- (x) Capital work-in-progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.
- (xi) Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'.

E. Leases**Company as a Lessee**

- (i) The Company recognises a Right-to-use (RoU) asset and a lease liability at the lease commencement date for all leases where non-cancellable leases is more than 12 months.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- (ii) The RoU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of right-of-use asset or the end of the lease term, as follows:

Nature of RoU	Useful life ranging from
Land	99 Years
Building	20 Years

- (iii) The estimated useful lives of right-of-use assets are 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 re-measurements of the lease liability.
- (iv) The lease liability is measured at amortised cost using the effective interest method. It is re-measured 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 guarantee, or if company changes its assessment of whether it will exercise a purchase extension or termination option.
- (v) When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (vi) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance sheet.
- (vii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease Improvement

- (viii) Lease improvements on a right-of-use asset (RoU) made by the Company, which enhance the value, functionality, or extend the useful life of the leased asset, shall be recognized as assets and capitalized in the same category of RoU asset under 'Property, Plant and Equipment', if capitalization criteria are met.
- (ix) Lease improvements recognized as assets shall be initially measured at cost, which includes all directly attributable costs incurred to bring the improvements to their present condition and location.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- (x) The lease improvements on RoU assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of lease improvement or the end of the lease term.

Company as a Lessor

- (xi) Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company do not have any finance leases arrangements.

F. Revenue from Operations

(i) Sale of Products including Scrap Sales

Revenue from product sales including scrap sales is recognized at the point in time when the obligation of delivery of goods is fulfilled in accordance with the agreed delivery terms while control of such goods is transferred to customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. There is no significant financing component with regard to sale of products for the company as per Ind AS 115. The Company does not have any non-cash transactions.

(ii) Power generated from Windmills

Power generated from windmills that are covered under Wheeling and Banking arrangement with TANGEDCO are consumed at mills. The monetary values of such power generated that are captively consumed are not recognized as revenue but have been set off against the cost of Power & Fuel.

The value of unadjusted units available if any, at the end of the financial year and sold to the Electricity Board at an agreed rate / tariff rate are recognized and shown as income from Wind Mills.

G. Other Income

- i. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- ii. Dividend income is recognised when the Company's right to receive dividend is established.
- iii. Rental income from operating lease on investment properties is recognised on a straight-line basis over the term of the relevant lease.

H Employee Benefits

Short Term Employee Benefits

- (i) Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

Post-Employment Benefits

Defined Contribution Plan

- (ii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.
- (iii) The Company contributes to Superannuation Fund at a sum equivalent to 15% of the officer's eligible basic salary as the case may be, based on the option exercised by such officers.
- (iv) Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

- (v) The Company contributes to Defined Benefit Plan viz., an approved Gratuity Fund, for its employees including employees in subsidiary Company. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the valuation by an independent external actuary, the Company makes annual contributions to the trust administered by the Company as at the reporting date using Projected Unit Credit method. The funds are managed by LIC of India.
- (vi) Re-measurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they

arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

Other Long Term Employee Benefits

- (vii) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as the Balance Sheet date, using Projected Unit Credit method. The Company presents the entire compensated absences as 'Short-Term provisions' since employee has an unconditional right to avail the leave at any time during the year.
- (viii) Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

I Government Grants

- (i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.
- (ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other Income" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets".
- (iii) Government grants related to assets have been deducted in arriving at the carrying amount of the respective assets.
- (iv) Government grants for creation of infrastructure in the backward areas under State Industrial Promotion Scheme, it is recognised as deferred Income and Credited to the Statement of profit and loss on a systematic basis over the useful life of the asset.
- (v) Export benefits are accounted for the year of exports based on eligibility and when there is uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

J Impairment of Non-Financial Assets

- (i) The carrying amount of assets i.e., property, plant and equipment, including right-of-use-asset, investment properties, cash generating units and intangible assets other than inventories and deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.
- (ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight-line basis.

K Provisions, Contingent Liabilities and Contingent Assets

- (i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.
- (ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- (iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.
- (iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

L Intangible Assets

- (i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.
- (ii) The cost incurred for right to un-restricted usage of power transmission system for drawal of power from State grid to its Mills were capitalized as it is expected to yield future economic benefits.
- (iii) The useful lives of intangible assets are assessed as either finite or indefinite, Intangible Assets with finite lives are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life based on straight-line method. The Company do not have any with indefinite lives. The estimated useful lives of intangible assets with finite are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule of the Companies Act, 2013:

Nature of Intangible Assets	Estimated useful life
Computer software	6 years
Power Transmission System	5 years

- (iv) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.
- (v) The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

M Investment Properties

- (i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.
- (ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land, which is carried at cost.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- (iii) The Company identifies the significant parts of investment properties separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice.
- (iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts on best estimate basis upon technical advice as detailed below:

Asset type	Useful life ranging from
Buildings under Investment properties	60 years

- (v) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

N Operating Segments

Operating segments are identified on the basis of nature and usage of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker. The Company's business operation comprises of two operating segment viz., Textile and Windmills.

O Financial Instruments

- (i) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorised as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.

(ii) Fair Value Hedges

Changes in the fair value of forwards contracts that are designated and qualify as fair value hedges are recognised in the income statement, together with the changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, changes in the fair value of the hedged item attributable to the hedged risk are no longer recognized in the income statement.

When a hedged item in a fair value hedge is a firm commitment (or a component thereof) to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the hedged item that was recognised in the balance sheet, with a corresponding gain or loss recognised in Profit or loss.

Financial Assets

- (iii) Financial assets comprise of investments in Equity, Loans, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition and Measurement

- (iv) All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at transaction price.
- (v) Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).
- (vi) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Subsequent Measurement

(vii) For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- (a) The Company's business model for managing the financial asset and,
- (b) The contractual cash flow characteristics of the financial asset:

Based on the above criteria, the Company classifies its financial assets into the following categories:

Classification	Name of Financial Assets
Amortised Cost	Trade receivables, Loans to employees and related parties, deposits, IPA receivable, interest receivable and other advances recoverable in cash.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind As 32) other than Associate as an irrevocable option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.

(viii) Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised Cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- (ix) The Company has accounted for its investments in associates at cost.
- (x) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

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

Financial Liabilities

- (xi) Financial liabilities comprise of Borrowings, Trade payables, lease liabilities and other financial liabilities.

Initial recognition and measurement

- (xii) All the financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

- (xiii) Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 2 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input)
- (xiv) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent Measurement

- (xv) All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through Profit or Loss (FVTPL).
- (xvi) Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of less allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

P Fair value measurement

- (i) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.
- (ii) All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:
- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.
- (iii) For assets and liabilities that are recognised in the Balance Sheet on a recurring basis, the Company determines whether transfers have occurred between levels in

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

- (iv) For the purpose of fair value disclosures, the Company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

6. Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) Revenue Recognition

Significant management judgement is exercised in determining the transaction price and discounts to customer, which is based on market factors namely demand and supply. The Company offers credit period to customers for which there is no financing components.

(ii) Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) Current Taxes

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

(iv) Deferred Tax Asset

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

(v) Provisions

The timing of recognition requires application of judgement to existing facts and circumstances that may be subject to change. The litigations and claims to which the Company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(vi) Segment Reporting

Management's judgement is exercised to aggregate two or more business segments as single operating segment, based on economic characteristics, products, production process and types of customer, which are similar in nature.

(vii) Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) Classification of Investment

Management judgement is exercised in determining the following criteria while making classification of investments:

- the intention of the Company to sell the investment immediately;
- the sale is highly probable;
- it is unlikely that significant change to the sale plan will be made and;
- that plan will not be withdrawn.

Based on this judgement, the investments are classified as "Investment held for sale", if all the above criteria are met and continue to classify the investment as "Non-current investment", if the above criteria are not met.

(ix) Impairment of Trade Receivables

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

(x) Impairment of Non-financial assets (PPE / Intangible Assets / Investment Properties)

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

(xi) Impairment of Investments in Associates

Significant management judgement is exercised in determining whether the investment in associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

(xii) Defined Benefit Plans and Other Long Term Benefits

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

(xiii) Determination of lease term of contracts as non-cancellable term

Significant management judgement is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(xiv) Fair value measurement of financial instruments

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

(xv) Interests in Other Entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 7

PROPERTY, PLANT AND EQUIPMENT

Particulars	Year	Gross Block				Depreciation			Net Block		
		As at the beginning of the year	Additions	Deductions/ Adjustments	Transfer IN from Assets held A/c	As at the end of the year	As at the beginning held A/c	For the Year (Refer Note No. 39)	Transfer Adjustments	As at the end of the year	As at the end of the year
Land - Free hold	2024-25	319.70	-	-	-	319.70	-	-	-	319.70	319.70
	2023-24	321.40	-	1.70	-	319.70	-	-	-	319.70	321.40
Own Buildings	2024-25	3,955.43	65.06	26.18	-	3,994.31	1,431.50	90.21	8.43	1,513.29	2,523.93
	2023-24	3,780.29	175.14	-	-	3,955.43	1,345.73	85.77	-	1,431.50	2,434.56
Plant and Machinery	2024-25	31,675.42	176.47	60.05	-	31,791.83	18,127.63	1,259.61	51.26	19,335.97	13,547.77
	2023-24	29,329.73	2,718.75	801.28	428.21	31,675.41	17,268.24	1,253.07	676.81	18,127.65	12,061.49
Electrical Machinery	2024-25	1,476.63	32.53	-	-	1,509.17	902.16	66.95	-	969.11	574.47
	2023-24	1,450.25	76.30	49.91	-	1,476.64	888.02	60.59	46.45	902.16	562.23
Furniture & Office Equipments	2024-25	210.79	8.03	-	-	218.81	139.67	20.79	-	160.46	71.12
	2023-24	267.40	6.72	63.33	-	210.79	176.39	23.18	59.90	139.67	91.01
Vehicles	2024-25	127.29	-	-	-	127.29	83.25	10.16	-	93.41	33.88
	2023-24	139.91	-	12.62	-	127.29	84.28	10.90	11.93	83.25	44.04
	2024-25	37,765.26	282.09	86.23	-	37,961.11	20,684.21	1,447.72	59.69	22,072.24	15,888.88
	2023-24	35,288.98	2,976.91	928.84	428.21	37,765.26	19,762.66	1,433.51	795.09	20,684.23	15,526.32

Notes: (i) Borrowings cost of ₹ 00.00 Lakhs have been capitalised for current year (PY: ₹ 0.00 Lakhs).

(ii) All the moveable fixed assets have been pledged as security for borrowings.

(iii) The Company has opted to present the government grants related to assets as deduction from the carrying value of eligible assets in accordance with Ind AS20. During the financial year 2024-25 grant a ₹ Nil Lakhs has been deducted from the carrying value of assets (PY: Nil).

(iv) All the title deeds of immovable properties are held in the name of the Company.

(v) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

(vi) Deductions / Adjustments in Gross Block comprises of:

Particulars	2024-25				2023-24			Total	(₹ in Lakhs)
	Sale of Assets	Scrap of Assets	Government Grants	Total	Sale of Assets	Scrap of Assets	Government Grants		
Land - Free hold	-	-	-	-	1.70	-	-	1.70	
Own Buildings	26.18	-	-	26.18	-	-	-	-	
Plant and Machinery	60.05	-	-	60.05	801.28	-	-	801.28	
Electrical Machinery	-	-	-	-	49.91	-	-	49.91	
Furniture & Office Equipments	-	-	-	-	63.33	-	-	63.33	
Vehicles	-	-	-	-	12.62	-	-	12.62	
Total	86.23	-	-	86.23	928.84	-	-	928.84	

(vii) Scrap of assets represents of assets that were derecognised due to wear and tear and damages, since no future benefits is expected from those components and thus replaced by new components.

NOTE NO. 8

CAPITAL WORK IN PROGRESS

Particulars	Year	(₹ in Lakhs)		
		As at the beginning of the year	Additions	Capitalised As at the end of the year
Capital Work in Progress	2024-25	134.38	88.02	222.40
	2023-24	384.54	1,931.66	2,181.82
				134.38

(i) Refer Note No. 51(b) for information relating to Ageing Schedule.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 9

INVESTMENT PROPERTY

(₹ in Lakhs)

Particulars	Year	Gross Block		Depreciation		Net Block	
		As at the beginning of the year	Additions	Deductions/ Adjustments	As at the end of the year	As at the beginning of the year	As at the end of the year
Land	2024-25	122.24	-	-	-	122.24	122.24
	2023-24	122.24	-	-	-	122.24	122.24
Building	2024-25	95.33	-	-	2.80	55.01	57.81
	2023-24	95.33	-	-	2.81	57.81	60.62
Total	2024-25	217.57	-	-	2.80	177.25	180.05
	2023-24	217.57	-	-	2.81	180.05	182.86

Notes: (i) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.

(ii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team, the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment properties as given below :

Particulars	31-03-2025	31-03-2024
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Fair value of Investment Properties

680.40

680.40

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) Fair value hierarchy disclosures for investment properties have been provided in Note No. 48.

(v) Information regarding income and expenditure of Investment property.

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Rental Income from Investment Properties	1.80	1.80
Direct Operating Expenses	0.77	0.73
Profit arising from Investment Properties before Depreciation and indirect expenses	1.03	1.07
Less: Depreciation	2.80	2.80
Profit arising from Investment Properties before indirect expenses	(1.77)	(1.73)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 10

ASSETS HELD FOR SALES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Assets held for Sales - Andhra Pradesh	–	18.92
Total	–	18.92

NOTE NO. 11

INVESTMENT IN ASSOCIATES

(₹ in Lakhs)

Particulars		Face Value ₹ per share	31-03-2025		31-03-2024	
			Numbers	Amount	Numbers	Amount
I. Investment in Equity Instruments						
1) Quoted						
The Ramco Cements Limited		1	30,94,200	19.18	30,94,200	19.18
Rajapalayam Mills Limited		10	37,174	51.06	37,174	51.06
The Ramaraju Surgical Cotton Mills Limited		10	3,200	2.40	3,200	2.40
Sub-Total (A)				72.64	72.64	
Grand-Total (A)				72.64	72.64	
Quoted Investments - Cost				72.64	72.64	
Market Value				28,045.86	25,423.61	

Notes: (i) The Company has accounted for Investment in Associates at cost. Refer Note No. 46(A) for information on principal place of business / country of incorporation and the Company's interest / percentage of shareholding in the above associates.

(ii) The carrying amount of investment in Associates is tested for impairment in accordance with Ind AS 36. The investment in Associates are long term strategic in nature, no impairment is considered as at the reporting date, considering it is long term future prospects.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 12

OTHER INVESTMENT (DESIGNATED AT FVTOCI)

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2025		31-03-2024	
		Numbers	Amount	Numbers	Amount
I. Investment in Equity Instruments - Unquoted					
Ramco Windfarms Limited	1	6,15,000	6.15	6,15,000	6.15
Ramco Industrial and Technology Services Limited	10	26,350	3.42	26,350	1.84
Green Infra Clean Wind Generation Limited	10	15,75,000	157.50	15,75,000	157.50
Clean Max Opus Private Limited	10	5,558	252.53	5,558	252.53
Total Investment in Equity Investments - Unquoted (A)			419.60		418.02
Total Other Investments (A)			419.60		418.02
Aggregate Market Value of Unquoted Investments			419.60		418.02

Notes: 1) Refer to Note No. 48 for information about fair value hierarchy under Disclosure of Fair Value Measurement.

2) Market Value of quoted investments for some equity instruments were not available due to no trading activities in stock market.

NOTE NO. 13

OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Unsecured, considered good		
Security Deposits with Electricity Board / Others	567.35	500.24
Total	567.35	500.24

NOTE NO. 14

DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Deferred Tax Asset		
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	2,485.48	2,139.19
Tax effect on Provision for Bonus and Leave Encashment	76.25	54.23
Deferred Tax Liability		
Tax effect on difference between book depreciation and depreciation under the Income Tax Act, 1961	(1,176.25)	(1,189.23)
Tax effect on Long Term Capital Loss	-	(84.94)
Net Deferred Tax Asset	1,385.48	919.25
Reconciliation of deferred tax Assets (net)		
Opening balance as on 1 st April	919.25	(6.31)
Tax Income / (Expense) during the period recognized in Profit and Loss	466.23	925.56
Closing Balances as on 31 st March	1,385.48	919.25

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 15

OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Unsecured, considered good		
Income Tax Refund Receivable	29.33	24.83
Total	29.33	24.83

NOTE NO. 16

INVENTORIES (Valued at Lower of cost or Net realisable value)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Finished Goods - Yarn	625.17	812.25
Rawmaterials - Cotton & Cotton Waste	3,280.27	3,981.18
Stores and Spares	61.46	81.23
Works-in-progress (Cotton Yarn)	1,100.12	1,522.41
Total	5,067.02	6,397.07

Notes: i) The total carrying amount of inventories as at reporting date has been pledged as Security for Borrowings.

ii) The mode of valuation of Inventories has been stated in Note No. 5(A).

NOTE NO. 17

TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Secured, considered good	4,388.84	3,987.57
Unsecured considered good	17.77	17.77
Total	4,406.61	4,005.34

Notes: (i) Trade receivables are generally non-interest bearing.

(ii) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) The total carrying amount of trade receivables has been pledged as security for Borrowings.

(iv) Trade Receivables aging schedule have been provided in Note No. 51(c).

NOTE NO. 18

CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Cash on Hand	1.33	0.88
Balance with Bank		
In Current Account	0.56	0.31
Total	1.89	1.19

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 19

BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balances with Banks held as security against Borrowings	74.52	22.36
Earmarked balances with Banks for Unclaimed Dividend	1.36	1.38
Total	75.88	23.74

NOTE NO. 20

OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Government Grants Receivables	732.52	—
Total	732.52	—

NOTE NO. 21

CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Advance Income Tax, self assessment tax and Tax deducted at source	37.13	35.37
Total	37.13	35.37

NOTE NO. 22

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Unsecured, considered good		
Advance to Suppliers / Others	924.14	567.58
Tax Credit and Refund due - Indirect Taxes	777.70	1,328.48
Accrued Income	381.14	384.28
Prepaid Expenses	160.09	138.27
Other Current Assets	6.50	6.31
Total	2,249.57	2,424.92

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 23

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Authorised		
30,00,000 Equity Shares of ₹ 10/- each (PY: 30,00,000 Equity Shares of ₹ 10/- each)	300.00	300.00
Issued, Subscribed and Fully paid-up		
15,00,000 Equity Shares of ₹ 10/- each (PY: 15,00,000 Equity Shares of ₹ 10/- each)	150.00	150.00
Total	150.00	150.00

Notes:

i) (5,00,000 Equity Shares of ₹ 10/- each were allotted as fully paid Bonus Shares by Capitalisation of Reserves).

ii) Reconciliation of the number of shares outstanding: (₹ in Lakhs)

Particulars	As at 31-03-2025		As at 31-03-2024	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	15,00,000	150.00	15,00,000	150.00
Number of Shares at the end	15,00,000	150.00	15,00,000	150.00

iii) **Rights / Restrictions attached to Equity Shares**

The Company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) **List of Shareholders holding more than 5 percent in the Company.** (₹ in Lakhs)

Name of the Shareholder	As at 31-03-2025		As at 31-03-2024	
	No. of Shares	% of holding	No. of Shares	% of holding
R. Sudarsanam	81,000	5.40%	81,000	5.40%
Sharadha Deepa	6,83,550	45.57%	6,83,550	45.57%

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

v) Shareholders holding of Promoters as at 31-03-2025.

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1.	P.R. Venketrama Raja	48,000	3.20%	–
2.	R. Sudarsanam	81,000	5.40%	–
3.	S.S. Ramachandra Raja	13,470	0.90%	–
4.	Nalina Ramalakshmi	29,000	1.93%	–
5.	Sharadha Deepa	6,83,550	45.57%	–
6.	B. Srisandhya Raju	16,000	1.07%	–
7.	Srirama Raja	2,660	0.18%	–
8.	A Ramalakshmi	15,900	1.06%	–
9.	J Sethulakhshmi	12,640	0.84%	–
10.	The Ramco Cements Limited	2,100	0.14%	–
11.	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	–
12.	Rajapalayam Mills Limited	38,400	2.56%	–
Total		9,53,920	63.59%	–

vi) Shareholders holding of Promoters as at 31-03-2024.

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P.R. Venketrama Raja	48,000	3.20%	–
2	R. Sudarsanam	81,000	5.40%	–
3	S.S. Ramachandra Raja	13,470	0.90%	–
4	Nalina Ramalakshmi	29,000	1.93%	–
5	Sharadha Deepa	6,83,550	45.57%	–
6	B. Srisandhya Raju	16,000	1.07%	–
7	Srirama Raja	2,660	0.18%	–
8	A. Ramalakshmi	15,900	1.06%	1.06%
9	J. Sethulakhshmi	12,640	0.84%	0.84%
10	The Ramco Cements Limited	2,100	0.14%	–
11	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	–
12	Rajapalayam Mills Limited	38,400	2.56%	–
Total		9,53,920	63.59%	

NOTE NO. 24

OTHER EQUITY

Capital Reserve

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	23.77	23.77
Total	23.77	23.77

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Nature of Reserve

Capital Reserve represents SIPCOT Subsidy Reserve ₹ 14.77 Lakhs and Windmill Subsidy Reserve ₹ 9.00 Lakhs.

Securities Premium

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	25.00	25.00
Total	25.00	25.00

Nature of Reserve

Securities Premium was credited when shares are issued at a Premium. The Company can use this reserve to issue bonus shares, to provide for preliminary expenses, the commission paid or discount allowed and expenses related to any issue of shares of the Company.

General Reserve

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	4,000.00	4,000.00
Add: Amount transferred from Retained Earnings	–	–
Total	4,000.00	4,000.00

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

FVTOCI Reserve

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	(0.79)	(0.53)
Add: Other Comprehensive Income for the year	1.58	(0.26)
Total	0.79	(0.79)

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Retained Earnings

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	(1,056.00)	1,577.19
Profit / (Loss) for the year	(1,950.92)	(2,632.42)
Transfer from FVTOCI Reserve	(1.95)	(0.77)
Sub-Total	(3,008.87)	1,056.00
Less: Appropriations	–	–
Transfer to General Reserve	–	–
Total	(3,008.87)	1,056.00

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Nature of Reserve

Represents that portion of the net income of the Company that has been retained by the Company.

Total Other Equity	1,040.69	2,991.99
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NOTE NO. 25

NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Secured		
Term Loan from Banks *	11,850.22	11,941.88
Total	11,850.22	11,941.88

Notes: i) Term Loan from Banks of ₹ 11,850.22 Lakhs (PY: ₹ 11,941.88 Lakhs) are secured by *pari-passu* first charge on all the Fixed Assets of the Company and *pari-passu* second charge on the Current Assets of the Company.*

- ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.
- iii) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees.
- iv) Refer to Note No.49 for information about risk profile of borrowings under Financial Risk Management.
- v) The Long Term Borrowings from Banks are repayable in quarterly / monthly installments. The year wise repayment is as follows:

(₹ in Lakhs)

Year	31-03-2025	31-03-2024
2025-26	–	4,917.06
2026-27	3,639.50	2,620.64
2027-28	3,205.15	1,985.96
2028-29	2,675.15	1,405.36
2029-30	1,436.26	521.14
2030-31	750.00	290.00
2031-32	144.16	201.72
Total	11,850.22	11,941.88

NOTE NO. 26

OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Deferred Government Grants	842.13	32.66
Total	842.13	32.66

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 27

CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Secured		
Loan from Banks *	7,389.89	9,792.73
Current Maturities of Long Term Loans	5,416.52	4,204.29
Unsecured		
Loans and Advances from Related Parties [Refer to Note No.46(b)(i)]	2,363.61	768.16
Loan from Other Parties [Refer to Note No.46(b)(ii)]	8.25	6.95
Total	15,178.27	14,772.13

Notes: (i)* Borrowings are secured by *pari-passu* first charge on the current assets of the Company and *pari-passu* second charge on the fixed assets of the Company.

(ii) The Company has used the Borrowings from banks for the specific purpose for which it was taken as at the reporting date.

(iii) Refer to Note No.49 for information about risk profile of borrowings under Financial Risk Management.

NOTE NO. 28

TRADE PAYABLES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Total outstanding dues of micro enterprises and small enterprises	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	511.28	1,092.01
Total	511.28	1,092.01

Notes: (i) The disclosures as per the requirements of The Micro, Small and Medium Enterprises Development Act, 2006, have furnished in Note No. 50.

(ii) Refer to Notes No.49 for information about risk profile of Trade payables under Financial Risk Management.

(iii) Trade Payable aging schedule given in Notes No.51(a).

NOTE NO. 29

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Interest Accrued	17.15	1.94
Unclaimed Dividends	1.36	1.38
Statutory Liabilities Payable	947.43	929.44
Other payables	170.88	59.56
Total	1,136.82	992.32

Notes: (i) Unclaimed dividends represents amount not due for transfer to Investor Education and Protection Fund.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 30

PROVISIONS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Provision for Employee Benefits	201.82	163.51
Provision for Compensated absences	191.72	92.29
Total	393.54	255.80

Notes: (i) The Company provides for expenses towards compensated absence provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

(ii) Movement in Provisions for compensated absences.

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Carrying amount as the beginning of the year	92.29	82.11
Add: Current Service Cost	16.23	16.98
Add: Interest Cost	5.46	2.91
Add: Actuarial Loss	105.71	74.04
Less: Benefits paid	(27.97)	(83.75)
Carrying amount the end of the year	191.72	92.29

NOTE NO. 31

PROVISION FOR TAXATION

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Income Tax Provision for earlier years	8.20	8.20
Total	8.20	8.20

NOTE NO. 32

REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Sale of Products		
Yarn	28,208.76	24,573.07
Waste Cotton	355.36	415.33
	28,564.12	24,988.40
Other Operating Revenue		
Export Incentive	29.59	2.19
Scrap Sales	74.11	1.89
Job Work Charges Received	148.27	162.97
Total	28,816.09	25,155.45

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Note : The disaggregation of revenue as required under Ind AS 115 is given below: (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Gross Revenue from Operations	30,069.86	26,189.68
Less: Rebates & Discounts	61.33	62.77
Less : GST	1,192.44	971.43
Revenue from Operations (Net of GST)	28,816.09	25,155.48

NOTE NO. 33

OTHER INCOME (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Rent Receipts	16.23	15.15
Dividend Income	77.58	62.27
Interest Income	223.47	117.99
Government Grants	21.01	2.68
Profit on Sale of Cotton	–	21.61
Canteen Income	10.07	20.79
Miscellaneous Income	14.86	2.57
Total	363.22	243.06

NOTE NO. 34

COST OF MATERIALS CONSUMED (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Raw materials Consumed		
Cotton & Cotton Waste consumed for Yarn Production	15,071.96	15,101.41
Total	15,071.96	15,101.41

NOTE NO. 35

PURCHASE OF STOCK-IN-TRADE (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Purchases of Stock-in-Trade	3,255.90	1,128.62
Total	3,255.90	1,128.62

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 36

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Opening Stock		
Finished Goods	812.25	1,245.61
Work-in-Progress	1,522.41	2,334.66
Closing Stock		
Finished Goods	625.17	812.25
Work-in-Progress	1,100.12	1,725.29
Net (Increase) / Decrease in Stock	609.37	534.41

NOTE NO. 37

EMPLOYEE BENEFITS (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
For Employees Other than Managing Director		
Salaries , Wages and Bonus	2,468.67	2,332.94
Contribution to Provident and Other Funds	283.86	281.56
Staff and Labour Welfare & Training Expenses	279.34	3,031.87
For Managing Director		
Managing Director Remuneration	180.00	180.00
Contribution to Provident and Other Funds	7.50	7.50
Sitting Fees	0.60	188.10
Total	3,219.97	3,042.11

Notes: (i) Refer to Note No. 44 for disclosures pertaining to defined contribution plan and defined benefit obligations under IND AS 19.

NOTE NO. 38

FINANCE COSTS (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Interest on Debts and Borrowings	2,217.13	2,329.34
Total	2,217.13	2,329.34

Notes: (i) Interest on Term Loans represent interest calculated using the effective interest rate method.

(ii) Refer to Note No.49 for information about interest rate risk exposure under Financial Risk Management.

NOTE NO. 39

DEPRECIATION AND AMORTISATION EXPENSES (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Depreciation of Plant, Property and Equipment [Refer to Note No.7]	1,447.72	1,433.51
Depreciation on Investment Properties [Refer to Note No.9]	2.80	2.81
Total	1,450.52	1,436.32

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 40

OTHER EXPENSES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Manufacturing Expenses		
Power and Fuel	2,465.64	2,385.32
Packing Materials Consumption	465.86	369.18
Repairs to Buildings	56.31	60.05
Repairs to Plant and Machinery	647.10	617.99
Repairs - Wind Mills & Others	581.77	538.98
Job Work Charges Paid	184.98	4,401.66
Establishment Expenses		
Rates and Taxes	65.53	57.13
Insurance	104.85	105.26
Postage and Telephone	13.88	11.73
Printing and Stationery	10.21	11.65
Travelling Expenses	23.07	34.94
Vehicle Maintenance	34.33	36.20
Loss on Sale of Cotton	2.94	—
Assets Scrap - Writeoff	18.02	58.83
Directors Sitting Fees to Non-Executive Directors	6.45	7.20
Rent Paid	7.02	6.10
Audit Fees and Legal Expenses	31.10	25.56
Corporate Social Responsibility Expenses	3.62	0.61
Exchange Loss on Foreign Currency Transactions (Net)	78.45	87.96
Mark to Market Loss on Cotton	—	275.51
Miscellaneous Expenses	87.04	486.51
Selling Expenses		
Sales Commission	222.66	206.85
Export Expenses	392.19	299.40
Other Selling Expenses	263.57	152.63
Impairment allowance for trade receivables	—	878.42
	5,766.59	5,515.80

Note: The details of CSR Expenditure are disclosed in Note No. 51(i).

NOTE NO. 41

AUDIT FEES AND EXPENSES (NET OF TAX CREDITS)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Statutory Auditors		
Statutory Audit fee	2.25	1.75
Other Certification Work	7.03	1.90
Reimbursement of Expenses	8.46	7.01
Tax Auditors		
Tax Audit Fee	1.80	1.30
Cost Auditors		
Cost Audit Fee	0.90	0.90
Secretarial Auditors		
Secretarial Audit Fee	1.07	0.42
Other Certification Work	0.37	—
Total	21.90	17.30

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 42

COMMITMENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	221.73	221.73
(ii) Other Commitments		
Liability on Letter of Credit opened for Capital Goods	NIL	NIL
Liability on Letter of Credit opened for Cotton / Spares	NIL	NIL
(iv) Export Promotion Scheme		
(a) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance License Scheme for import of raw material.	16,359.83	6,420.70
(b) Duty amount involved under EPCG Scheme	69.07	NIL
(c) Duty amount involved under Advance License Scheme	1,521.35	1,903.05

Note: (i) Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. The export obligation under the EPCG Scheme to be fulfilled on or before the financial year 2029-30. The Company is also importing cotton under Advance License Scheme against obligation to export the yarn within 18 months from the date of license. The export obligation under the Advance License Scheme to be fulfilled on or before 27th September, 2026.

NOTE NO. 43

CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Guarantees given by the bankers on behalf of company	181.56	153.76
Disputed GST Liability	3.64	3.64
Demands / Claims not acknowledged as Debts in respected matters in appeals relating to Income tax	Nil	Nil
Other Demands	356.86	356.86

- i. Income Tax Assessment have been completed upto the Accounting Year ended 31st March, 2024 i.e. AY 2024-25
- ii. Sales Tax / VAT Assessment has been completed upto the Accounting year 2017-18. The Assessment under CST Act was completed upto the Accounting year 2017-18.
- iii. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 356.86 Lakhs (PY: ₹ 356.86 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 44

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

(₹ in Lakhs)

Particulars	2024-25	2023-24
Defined Contribution Plan:		
Employer's Contribution to Provident Fund	184.61	178.86
Employer's Contribution to Superannuation Fund	13.14	12.12

Defined Benefit Plan - Gratuity

The Gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company read with Payment of Gratuity Act, 1972. This is a defined plan in nature. The Company makes annual contributions to "Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund" administered by the Trustees and managed by LIC of India, based on the Actuarial Valuation by an Independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of actuarial risk such as adverse salary growth, change in demography experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Defined Benefit Plan (Gratuity):

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Reconciliation of Opening and Closing balances of present value of Obligation:		
As at the beginning of the year	615.34	579.49
Current Service Cost	37.84	40.55
Interest Cost	41.09	40.22
Actuarial loss / (gain)	6.08	2.91
Benefits paid	(-) 51.60	(-) 47.84
As at the end of the year	648.75	615.33

Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:

As at the beginning of the year	590.23	536.95
Expected return on plan assets	40.28	39.31
Actuarial gain / (loss)	3.55	1.88
Employer Contribution	26.90	59.93
Benefits paid	(-) 51.60	(-) 47.84
As at the end of the year	609.35	590.23

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Actual Return on Plan Assets:		
Expected Return on Plan Assets	40.28	39.31
Actuarial Gain / (Loss) on Plan Assets	3.55	1.88
Actual Return on Plan Assets	43.83	41.19
Reconciliation of Fair Value of Assets and Obligations		
Present value of obligation	648.75	615.34
Fair value of plan assets	609.35	590.23
Difference, amount recognised in Balance Sheet	39.39	25.11
Expenses recognized during the year:		
Current Service Cost	37.84	40.55
Net Interest on Obligations	0.81	0.91
Expenses recognized in Statement of Profit and Loss	38.65	41.46
Amount recognized in the Other Comprehensive Income:		
Actuarial changes arising from:		
Experience adjustments on Plan Liabilities	6.08	2.91
Experience adjustments on Plan Assets	(-) 3.55	(-) 1.88
Changes in demographic assumptions	-	-
Amount recognized in OCI during the year	2.53	1.03
Investment Details:		
Funds with LIC	602.47	577.01
Bank Balance	6.88	13.22
Total	609.35	590.23
Actuarial assumptions:		
LIC 2012-14 Table applied for Service Mortality rate	Yes	Yes
Discount rate p.a.	6.76%	6.97%
Expenses Rate of escalation in salary p.a.	3.85%	3.85%
Rate of employee turnover	0.01%	0.01%
Estimate of Expected Benefit payments		
Year 1	16.19	32.81
Year 2	111.96	115.88
Year 3	28.16	38.32
Year 4	62.58	27.81
Year 5	53.28	60.86
Next 5 Years	244.85	230.12

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	41.67	35.56
0.50% Decrease in Discount Rate	47.14	39.98
0.50% Increase in Salary Growth Rate	47.21	40.05
0.50% Decrease in Salary Growth Rate	41.58	35.49

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet.

Defined Benefit Plan (Leave encashment plan):

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Reconciliation of Opening and Closing balances of Present Value of Obligation:		
As at the beginning of the year	92.29	82.11
Current Service Cost	16.23	16.98
Interest Cost	5.46	2.91
Actuarial (Gain) / Loss	105.71	74.03
Benefits paid	(-) 27.97	(-) 83.76
As at the end of the year	191.72	92.29

Reconciliation of Opening and closing Balances of Fair Value of Plan Assets:

As at the beginning of the year	Nil	Nil
Expected return on plan assets	Nil	Nil
Actuarial gain / (loss)	Nil	Nil
Employer Contribution	27.97	83.76
Benefits paid	(-) 27.97	(-) 83.76
As at the end of the year	Nil	Nil

Actual Return of plan assets:

Expected return of plan assets	Nil	Nil
Actuarial gain / (loss) on plan assets	Nil	Nil
Actual return on plan assets	Nil	Nil

Reconciliation of Fair Value of Assets and Obligations:

Fair Value of plan assets	Nil	Nil
Present Value of obligation	191.72	92.29
Difference, Amount recognized in Balance Sheet	191.72	92.29

Expenses recognized during the year:

Current Service Cost	16.23	16.98
Net Interest on obligations	5.46	2.91
Actuarial (Gain) / Loss recognized during the year	105.71	74.04
Expenses / (Gain) recognized in the Statement of Profit and Loss	127.40	93.93

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Amount recognized in the Other Comprehensive Income:		
Actuarial charges arising from:	Nil	Nil
Experience adjustments on Plan Liabilities	Nil	Nil
Experience adjustments on Plan Assets	Nil	Nil
Changes in financial assumptions	Nil	Nil
Changes in demographic assumptions	Nil	Nil
Amount recognized in OCI during the year	Nil	Nil
Investment details:		
Funds with LIC	Nil	Nil
Bank Balance	Nil	Nil
Actuarial assumptions:		
LIC 2012-14 Table applied for Service Mortality rate		
Discount rate p.a.	6.76%	6.97%
Expected rate of Return on Plan Assets p.a.	Nil	Nil
Rate of escalation in salary p.a.	3.85%	3.85%
Rate of Employee Turnover	0.01%	0.01%
Estimate of Expected Benefit payments		
Year 1	1.92	1.68
Year 2	102.84	41.85
Year 3	2.07	2.71
Year 4	7.66	0.82
Year 5	4.41	6.36
Next 5 Years	39.37	26.68
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	20.52	15.39
0.50% Decrease in Discount Rate	22.68	17.15
0.50% Increase in Salary Growth Rate	22.71	17.18
0.50% Decrease in Salary Growth Rate	20.49	15.35

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculation the defined benefit obligation recognized within the Balance Sheet.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 45

EARNINGS PER SHARE

Particulars	31-03-2025	31-03-2024
Net Profit / (Loss) after tax (₹ In Lakhs) (A)	(1,950.92)	(2,632.42)
Weighted average number of Equity shares [In Lakhs] (B)	15.00	15.00
Nominal value per equity share (in ₹)	10.00	10.00
Basic & Diluted Earnings per share (in ₹) (A) / (B)	(130.00)	(175.00)

NOTE NO. 46

RELATED PARTY TRANSACTIONS

Information on names of related parties and nature of Relationship as required by Ind AS 24 on Related Party disclosures for the year ended 31st March, 2025:

A) Associates

Name of the Company	Place of Business / Country of Incorporation	% of Shareholding as at	
		31-03-2025	31-03-2024
The Ramco Cements Limited	India	1.31%	1.31%
Rajapalayam Mills Limited	India	0.40%	0.40%
The Ramaraju Surgical Cotton Mills Limited	India	0.06%	0.06%

B) Key Managerial Personnel (including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
Shri P.R. Venketrama Raja	Chairman
Smt. Sharadha Deepa	Managing Director
Shri S.S. Ramachandra Raja	Non-Executive Director
Shri Srirama Raja	Non-Executive Director
Shri Arunkumar Goenka	Non-Executive Director
Shri S. Kanthimathinathan	Non-Executive Director
Shri P.A.S. Alaghar Raja	Independent Director
Justice Shri P.P.S. Janarthana Raja	Independent Director

C) Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. Nalina Ramalakshmi	Sister of Shri P.R. Venketrama Raja

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

D) Companies over which KMP / Relatives of KMP exercise significant influence or Control

Sandhya Spinning Mill Limited
Ramco Industries Limited
Shri Harini Media Limited
Ramco Windfarms Limited
Rajapalayam Textile Limited
Ramco Industrial and Technology Services Limited

E) Employee Benefit Funds where control exists

Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund
Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund

F) Other entities over which there is a significant influence

PACR Sethurammam Charity Trust,
Digvijai Polytex Private Limited,
Ramco Organic Farming Centre,
Tirupati YarnTex Spinners (P) Limited,
Vishnu Textile Corporation

Disclosure in respect of Related Party Transactions during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent

	(₹ in Lakhs)	
	Value	
	2024-25	2023-24
Name of the Related party		
i. Good Supplied / Services rendered		
Associates		
Rajapalayam Mills Limited	3,363.56	1,553.17
The Ramaraju Surgical Cotton Mills Limited	752.78	407.41
Companies over which KMP / Relative of KMP exercise significant Influence		
Ramco Industries Limited	1,102.76	478.36
Sandhya Spinning Mill Limited	1,259.05	1,686.71
Rajapalayam Textile Limited	157.72	69.06
Other entities over which there is a significant Influence		
Vishnu Textile Corporation	3,334.96	3,752.47
Vandhana Textile	–	460.52

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

		(₹ in Lakhs)	
		Value	
	Name of the Related party	2024-25	2023-24
ii. Cost of Goods & Services purchased / availed			
	Associates		
	The Ramco Cements Limited	2.81	5.28
	Rajapalayam Mills Limited	3,774.90	777.48
	The Ramaraju Surgical Cotton Mills Limited	2,411.02	602.23
	Companies over which KMP / Relative of KMP exercise significant influence		
	Ramco Industries Limited	2,092.63	571.13
	Ramco Systems Limited	14.83	17.20
	Ramco Wind Farms Limited	–	207.74
	Sandhya Spinning Mill Limited	766.60	800.78
	Rajapalayam Textile Limited	390.95	119.88
	Other entities over which there is significant influence		
	PACR Sethurammam Charity Trust	101.57	95.36
	Ramco Organic Farming Centre	0.01	0.02
	Vincent Chemilab Private Limited	–	3.44
	Tirupati YarnTex Spinners (P) Limited	65.70	14.89
iii. Purchase of Fixed Assets			
	Companies over which KMP / Relative of KMP exercise significant influence		
	Sandhya Spinning Mill Limited	2.33	–
iv. Dividend Received			
	Associates		
	The Ramco Cements Limited	77.35	61.88
	Rajapalayam Mills Limited	0.22	0.37
	The Ramaraju Surgical Cotton Mills Limited	–	0.01
v. Rent Received			
	JKR Enterprise Limited	–	0.17
	JKR Hospitality Services Private Limited	2.12	1.95
vi. Leasing Arrangements - Rent Paid			
	Relative of Key Managerial Personnel		
	Smt. Nalina Ramalakshmi	0.79	0.79

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

(₹ in Lakhs)

Name of the Related party	Value	
	2024-25	2023-24
vii. Reimbursement of Expenses Paid / (Received)		
Associates		
The Ramco Cements Limited	13.76	15.02
Rajapalayam Mills Limited	33.57	–
Companies over which KMP / Relative of KMP exercise significant Influence		
Rajapalayam Textile Limited	0.90	–
viii. Interest Paid		
Key Managerial Personnel		
Smt. Sharadha Deepa	79.64	61.92
Shri S.S. Ramachandra Raja	0.18	0.16
Other entities over which there is a significant influence		
Digvijai Polytex Private Limited	0.81	0.27
ix. Directors Sitting Fees		
Key Managerial Personnel		
Shri P.R. Venketrama Raja	0.75	0.75
Smt. Sharadha Deepa	0.30	0.60
Shri S.S. Ramachandra Raja	0.75	0.60
Shri Srirama Raja	0.45	0.60
Shri S. Kanthimathinathan	1.35	1.50
Shri Arunkumar Goenka	0.60	0.45
Shri P.A.S. Alaghar Raja	1.35	1.50
Justice Shri P.P.S. Janarthana Raja	1.50	0.45
x. Remuneration to Key Managerial Personnel (Other than Sitting Fees)		
Key Managerial Personnel		
Smt. Sharadha Deepa, Managing Director	187.50	187.50

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Name of the Related party	Value	
	2024-25	2023-24

xi. Remuneration to Key Management Personnel (Other than Sitting Fees)

Key Managerial Personnel

Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund	10.55	10.55
Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund	56.41	56.41

xii. Maximum amount of loans and advance / (borrowings) outstanding during the year

Key Managerial Personnel

Smt. Sharadha Deepa	(2,480.86)	(3,331.78)
Shri S.S. Ramachandra Raja	(2.57)	(2.41)

Other entities over which there is a significant influence

Digvijai Polytex Private Limited	(15.00)	(6.95)
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(₹ in Lakhs)

Name of the Related party	Value	
	2024-25	2023-24

b. Outstanding balance including commitments

i. Borrowings

Key Managerial Personnel

Shri S.S. Ramachandra Raja	2.57	2.41
Smt. Sharadha Deepa	2,361.04	765.75

ii. Other entities over which there is a significant influence

Digvijai Polytex Private Limited	8.25	6.95
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c. Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

Particulars	31-03-2025	31-03-2024
Short - Term Benefits ^[1]	180.30	180.60
Defined Contribution Plan ^[2]	7.50	7.50
Defined Benefit Plan / Other Long-Term Benefits ^[3]	—	—
Total	187.80	188.10

1. It includes bonus, sitting fees, and value of perquisites.

2. It includes contribution to Provident fund and Superannuation fund.

3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above. However, amount paid towards compensated absence is included whenever Company makes such payment to KMPs.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 47

SEGMENT INFORMATION FOR THE YEAR ENDED 31-03-2025

(₹ in Lakhs)

Particulars	Textiles		Power from Windmills		Total	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
REVENUE						
External Sales (Net)	28,816.09	25,155.45	-	-	28,816.09	25,155.45
Inter Segment Sale			1,612.67	1,652.60	1,612.67	1,652.60
Total Sales	28,816.09	25,155.45	1,612.67	1,652.60	30,428.76	26,808.05
Other Income	644.43	243.05	-	-	644.43	243.05
Total Revenue	29,460.52	25,398.50	1,612.67	1,652.60	31,073.19	27,051.10
RESULT						
Segment Profit	(1,068.62)	(2,068.21)	869.17	839.30	(199.45)	(1,228.91)
Unallocated Income	-	-	-	-	(223.47)	(117.98)
Unallocated Expenses						
Operating Profit	-	-	-	-	(422.92)	(1,346.89)
Interest Expenses	-	-	-	-	2,217.13	2,329.34
Interest Income	-	-	-	-	223.47	117.99
Provision for Taxation						
Current Tax	-	-	-	-	-	-
Income Tax related to earlier years	-	-	-	-	-	-
Deferred Tax	-	-	-	-	(466.23)	(925.82)
MAT Credit entitlement						-
MAT Credit entitlement-py	-	-	-	-	-	-
Profit from ordinary activities	-	-	-	-	(1,950.35)	(2,632.42)
Other Comprehensive Income	-	-	-	-	(1.21)	(1.03)
Exceptional Items						
Net Profit	-	-	-	-	(1,949.14)	(2,633.45)
OTHER INFORMATION						
Segment Assets	29,808.15	30,754.24	1,303.00	1,483.75	31,111.15	32,237.99
Unallocated Assets	-	-	-	-	-	-
Total Assets					31,111.15	32,237.99
Segment Liabilities	17,228.12	17,120.46	-	-	17,228.12	17,120.46
Unallocated Liabilities						
Total Liabilities	-	-	-	-	17,228.12	17,120.46
Capital Expenditure	102.27	2,725.83	-	-	102.27	2,725.83
Unallocated Capital Expenditure	-	-	-	-	-	-
Depreciation	1,251.36	1,219.72	199.16	216.60	1,450.52	1,436.32
Unallocated Depreciation Expenditure	-	-	-	-	-	-
Non-Cash expenses other than Depreciation	-	-	-	-	-	-

NOTE NO. 48

DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Financial Instruments by category

(₹ in Lakhs)

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2025					
Financial Assets					
Other Investments	418.02	–	1.58	419.60	419.60
Loans	–	–	–	–	–
Trade Receivables	4406.61	–	–	4406.61	4406.61
Cash and Bank Balances	77.77	–	–	77.77	77.77
Other Financial Assets	567.35	–	–	567.35	567.35
Financial Liabilities					
Borrowings	11850.22	–	–	11850.22	11850.22
Trade Payables	511.28	–	–	511.28	511.28
Other Financial Liabilities	1136.82	–	–	1136.82	1136.82
As at 31-03-2024					
Financial Assets					
Other Investments	8.26	410.01	(0.26)	418.02	418.02
Loans	–	–	–	–	–
Trade Receivables	4005.34	–	–	4005.34	4005.34
Cash and Bank Balances	24.93	–	–	24.93	24.93
Other Financial Assets	500.24	–	–	500.24	500.24
Financial Liabilities					
Borrowings	11941.88	–	–	11941.88	11941.88
Trade Payables	1092.01	–	–	1092.01	1092.01
Other Financial Liabilities	992.32	–	–	992.32	992.32

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments and investment properties by valuation technique:

Level 1: Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

The details of financial instruments that are measured at fair value on recurring basis are given below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investment in unlisted securities				
As at 31-03-2025	–	–	419.60	419.60
As at 31-03-2024	–	–	418.02	418.02

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTPL				
Foreign exchange forward contracts				
As at 31-03-2025 (Liability)	–	19.52	–	19.52
As at 31-03-2024 (Liability)	–	0.07	–	0.07

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities	Market Value	Closing Price as at reporting date in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Asset Value as per Balance Sheet of respective Companies as at reporting date
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker

NOTE NO. 49

FINANCIAL RISK MANAGEMENT

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyze the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case-to-case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

(₹ in Lakhs)

Particulars	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
As at 31-03-2025					
Gross carrying amount	2,600.03	910.04	737.26	159.28	4,406.61
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	—	—	—	—	—
Carrying amount of trade receivables net of impairment	2,600.03	910.04	737.26	159.28	4,406.61
As at 31-03-2024					
Gross carrying amount	2,396.83	612.67	209.78	786.06	4,005.34
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	—	—	—	—	—
Carrying amount of trade receivables net of impairment	2,396.83	612.67	209.78	786.06	4,005.34

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with Banks. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Expiring within one year		
Bank Overdraft and other facilities	9,761.75	10,568.07
Term Loans	5,416.52	4,204.06
Expiring beyond year		
Term Loans	11,850.22	11,941.88

Maturities of Financial Liabilities

(₹ in Lakhs)

Nature of Financial Liability	< 1 Year	1 - 5 Years	>5 years	Total
As at 31-3-2025				
Borrowings from Banks / Related Parties	15,178.27	10,956.06	894.16	27,028.49
Trade payables	511.28	–	–	511.28
Other Financial Liabilities (Incl. Interest)	1,136.82	–	–	1,136.82
As at 31-3-2024				
Borrowings from Banks / Related Parties	14,772.13	10,670.51	1,002.99	26,445.63
Trade payables	1092.01	-	-	1092.01
Other Financial Liabilities (Incl. Interest)	992.32	-	-	992.32

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract Packing Credit Foreign currency which acts as natural hedge against export Receivable. The Company enters the above transactions, after taking into consideration the anticipated Foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company uses derivative financial instruments viz., Foreign Exchange Forward Contracts exclusively for hedging currency risks that arise from imports / exports transactions. The Company measures the risk by forecasting foreign currency cash flows and manages its currency risks by appropriately hedging the transactions. When a forward contract is entered into for the purpose of being a hedge, the Company finalizes the terms of those forward contracts to match the terms of the hedged exposure i.e. receivables / payables / Firm Commitments. All identified exposures are managed as per the policy duly approved by the Board of Directors.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities / Firm Commitments as at the end of reporting periods are given below:

As at 31-03-2025 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	Financial Asset / Firm commitments related to Financial Assets		
	(a) Trade Receivable	1.97	
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	–	–
	(b) Contracts for import of materials	3.73	–
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Assets		
	(a) PCFC Loan	1.47	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	3.12	–
	(b) Forward contract for imports	–	–
	(c) Forward Contracts for Exports	2.41	–

As at 31-03-2024 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	Financial Asset / Firm commitments related to Financial Assets		
	(a) Trade Receivable	1.70	0.15
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	–	–
	(b) Contracts for import of materials	1.98	–
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Assets		
	(a) PCFC Loan	0.53	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	0.86	–
	(b) Forward contract for imports	4.09	–
	(c) Forward Contracts for Exports	–	–

The details of foreign currency forward contracts outstanding at the end of the reporting period is given below:

Particulars	Foreign currency (in Lakhs)		Nominal Amount (₹ in Lakhs)	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024
USD / INR buy forward	5.41	0.86	–	Nil
EURO / INR buy forward	Nil	Nil	–	Nil

The above forward contracts are having maturity of less than 12 months.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure		(₹ in Lakhs)	
Particulars	31-03-2025	31-03-2024	
Variable rate borrowings	27,028.49	26,714.01	
Fixed rate borrowings	–	–	

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

Incremental Interest Cost works out to	31-03-2025	31-03-2024
1% Increase in Interest Rate	270.28	267.14

NOTE NO. 50

DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

The categorization of supplier as MSME registered under the Act under new definition, has been determined based on the information available with the Company as at the reporting date. The Company has also considered suppliers as MSME who possess the erstwhile MSME certificate for the period upto the reporting date, for the purpose of categorization and disclosures. The disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006:

		(₹ in Lakhs)	
Particulars	31-03-2025	31-03-2024	
(a) (i) The Principal amount remaining unpaid to any supplier at the end of the financial year included in -			
Trade Payables	–	1.08	
Other Current Financial Liabilities	–	–	
(ii) The Interest due on the above	–	–	
(b) The amount of interest paid by the buyer in terms of Section 16 of the Act	–	–	
(c) The amount of the payment made to the supplier beyond the appointed day during the financial year	–	–	
(d) The amount of interest accrued and remaining unpaid at the end of the financial year	–	–	
(e) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	–	–	

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 51

Additional regulatory information as required under Companies Act, 2013 / Indian Accounting Standards:

a) Trade Payables Ageing Schedule (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	No due	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2025						
MSME	–	–	–	–	–	–
Others	471.12	32.74	3.12	1.84	2.46	511.28
Disputed Dues -MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Unbilled dues	–	–	–	–	–	–
Total	471.12	32.74	3.12	1.84	2.46	511.28
As at 31-03-2024						
MSME	–	–	–	–	–	–
Others	701.19	359.47	25.23	1.38	4.74	1,092.01
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Unbilled dues	–	–	–	–	–	–
Total	701.19	359.47	25.23	1.38	4.74	1,092.01

b) Capital Work-in-Progress Ageing Schedule (₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2025	–	–	–	–	–
As at 31-03-2024	134.38	–	–	–	134.38

Notes: (i) None of the capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) The Company does not have any projects whose activity has been suspended

(iii) The Company has no intangible assets under development

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

c) Trade Receivables Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
As at 31-03-2025							
Undisputed Trade receivables - considered good	2,600.03	910.04	737.26	159.28	–	–	4,406.66
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	2,600.03	910.04	737.26	159.28	–	–	4,406.66
As at 31-03-2024							
Undisputed Trade receivables - considered good	–	3,219.27	786.07	–	–	–	4,005.34
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	–	3,219.27	786.07	–	–	–	4,005.34

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

d) Undisclosed Income

The Company does not have any transaction, which are not recorded in the books of accounts that has been surrounded or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

e) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956 considering the information available with the Company.

f) Details of Crypto Currency or Virtual Currency

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclose relating to it are not applicable.

g) The Company has neither advanced or loaned or invested, nor received any fund, to or from, any other persons or entities (intermediaries) with the understanding that the intermediary shall:

- i) directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

h) Key Financial Ratios:

Sl No	Particulars	31-Mar-25	31-Mar-24	Variation in %	Formula adopted
1	Debtors Turnover Ratio (Days)	7	54	(47)	365 Days / (Net Revenue / Average Trade Receivables)
2	Inventory Turnover Ratio (Days)	45	136	(91)	365 Days / (Net Revenue / Average Trade Receivables)
3	Interest Coverage Ratio	(0.09)	(0.53)	44%	(Profit Before Tax + Interest) / (Interest + Interest Capitalised)
4	Current Ratio	0.73	0.75	2%	Current Assets / (Total Current Liabilities - Other Financial Liabilities - Current Maturities of Long Term Debt)
5	Debt-Equity Ratio	23	9	14	Total Debt / Total Equity
6	Operating Profit Margin	4.36%	0.30%	4%	EBITDA / Net Revenue
7	Net Profit Margin	(8.28%)	(14.01%)	5.73%	Net Profit / Net Revenue
8	Return on Net Worth	(1.64%)	(0.84%)	0.80%	Total Comprehensive Income / Average Net Worth
9	Total Debt / EBITDA	22	351	(329)	Total Debt / EBITDA
10	Return on Capital Employed	1.71%	(1.89%)	3.60%	(TCI + Interest)/(Average of Equity plus Total Debt)
11	Trade Payable Turnover Ratio (Days)	36	12	24	Net Revenue / Average Trade Payable

Note : EBITDA denotes Profit Before Tax + Interest + Depreciation

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

Reasons for Variation if more than $\pm 25\%$:

Wherever there is a change in value from negative to positive or vice-versa, the computation of variation will be misleading and hence not computed.

Return on Equity, Net Profit Ratio & Return on Investment (Assets):

The operating margin during the financial year 2023-24 is declined on account of general slowdown in the textile industry and increase in finance cost due to expansion projects which results reduction in Return of Equity, Net Profit Ratio, Return of Capital Employed and Return of Investment Ratio.

Trade Payable Turnover Ratio:

The Company has extended payables for better management of pyables results increase in Trade payables turnover.

i) Disclosures related to CSR activities

Particulars	Amount (₹ in Lakhs)
Amount required to be spent by the Company during the year	Not Applicable
Amount of expenditure incurred	3.61
Shortfall at the end of the year	Nil
Total of previous years shortfall	Nil
Reason for shortfall	Nil
Nature of CSR activities	Please refer to Table-A below

Note : The Company has not made any provision to CSR activities for the financial year 2024-25 and 2023-24.

Table - A Nature of CSR activities:

Nature	Amount (₹ in Lakhs)
Not Applicable	
Total	—

NOTE NO. 52

a) Exceptional Items:

Profit on Sale of Property, Plant & Equipment and Investment Property

The Company has modernized machineries and sold the old machineries during the financial year 2024-25. The WDV of old machineries and building (Investment Property) as on 31-03-2025 was ₹ 8.79 Lakhs. The Company has incurred Loss on sale of the above old machineries and investment property to the extent of ₹ 4.44 Lakhs (PY:(₹ 131.26) Lakhs) and the same is shown as an Exceptional Items in the Statement of Profit and Loss.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO SEPARATE FINANCIAL STATEMENTS

NOTE NO. 53

EVENTS AFTER THE REPORTING PERIOD - DISTRIBUTION MADE AND PROPOSED (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Cash Dividends on Equity Shares declared and paid		
Dividend for the year ended 31 st March, 2025 Nil per Share (PY: Nil)	Nil	Nil
Proposed Dividends on Equity Shares		
Final dividend for the year ended 31 st March 2024: Nil per Share ((PY: Nil)	-	-

NOTE NO. 54

CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the Shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus Debt.

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Long Term Borrowings	11,850.22	11,941.88
Short Term Borrowings	15,178.27	14,772.13
Less: Cash and Cash Equivalents	77.77	24.93
Net Debt (A)	26,950.72	25,987.67
Equity Share Capital	150.00	150.00
Other Equity	1,040.69	2,991.99
Total Equity (B)	1,190.69	3,141.99
Total Capital Employed (C) = (A) + (B)	28,141.41	29,129.66
Capital Gearing Ratio (A) / (C)	95.77%	89.21%

The increase in the capital gearing ratio as at 31-03-2025 was due to availment of Long Term Loans / reduction of working capital loan. The Capital Gearing Ratio is expected to come down in the forthcoming years and start generating revenue / profits.

There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2025 and 31-03-2024.

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
UDIN: 25021510BMMMOP5210
Rajapalayam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

CONSOLIDATED FINANCIAL STATEMENTS

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SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Sri Vishnu Shankar Mill Limited

Report on the Audit of The Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements drawn in accordance with the Indian Accounting Standards of **Sri Vishnu Shankar Mill Limited** (hereinafter referred to as "the Company") and the share of profit of its Associates. The Consolidated Financial Statements comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year ended 31 March 2025 and a notes to the Consolidated Financial Statements, including material accounting policies and other explanatory information ("Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 including the Indian Accounting Standards, of the Consolidated State of Affairs ("Financial Position") of the Company including the effect of share in the profit of its associates as at 31 March 2025, and their Consolidated Loss ("Financial Performance including Other Comprehensive Income") including the share in the profit of its associates, Consolidated changes in Equity and its Consolidated Cash Flows for the year ended 31 March 2025.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Information other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our audit report 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 during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow of the Company including its Associates in accordance with the accounting principles generally accepted in India and including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

The respective Management and Board of Directors of the Company and its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting

AUDITORS' REPORT TO SHAREHOLDERS

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 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 Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the Company and its Associates are responsible for assessing the ability of the respective entities 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 Management and Board of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Consolidated Financial Statements are also responsible for overseeing the financial reporting process of its entity.

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 audit 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 scepticism 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

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of Internal Financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit 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 audit 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 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 information of the entities included in the Consolidated Financial Statements 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 of such entities included in the Consolidated Financial Statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

- i. Planning the scope of our audit work and in evaluating the results of our work; and

AUDITORS' REPORT TO SHAREHOLDERS

ii. To evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our audit 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

The Consolidated Financial Statements include the Company's share of Profit after tax of ₹ 548.51 Lakhs and total comprehensive income of ₹ 536.09 Lakhs for the year ended 31 March 2025 as considered in the Consolidated Audited Financial Statements in respect of all three associates. All of these Financial Statements are audited by an Independent Auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is based on the Financial Statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

A. There has been no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) report of the Companies included in the Consolidated Financial Statements.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

B. As required by Section 143(3) of the Act, based on our Audit report, we report, to the extent applicable, that:

1. 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.
2. In our opinion, proper books of accounts 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 reports of the other auditors.
3. 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 Flow 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.
4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
5. On the basis of the written representations received from the Directors of the Company as on 31 March 2025 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditor of the associate companies, none of the Directors of the Company and its associate companies are disqualified as on 31 March 2025 from being appointed as a Director in terms of Section 164 (2) of the Act.
6. We have enclosed our separate report in "Annexure A" with respect to the adequacy of the Internal Financial Controls over financial reporting of the entities in the Company and associate companies and the operating effectiveness of such controls.

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Internal Financial Controls over financial reporting of entities in the Company and the associate companies.

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

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

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- i. The Consolidated Financial Statements disclose the impact of pending litigations / claims against the Group as at 31 March 2025 on the Consolidated Financial Position of the Group - Refer note no. 43 to the Consolidated Financial Statements.
- ii. The Company and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts required to be transferred by the company to the Investor Education and Protection Fund.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - Whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries"), or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented to us that, to the best of their knowledge and belief, no funds have been received by the from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

that the representations under sub-clause (iv)(a) and (iv)(b), contain any material misstatement.

- v. There is no dividend declared or paid during the year by the Company and hence compliance under Section 123 of the Act does not arise.
 - vi. The Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- C. With respect to the matter to be included in the Audit 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 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 M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm Registration Number: 001208S

K SRINIVASAN
Partner

Membership No. 021510
UDIN: 25021510BMMMQR5601

Rajapalaiyam
29th May, 2025

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
CONSOLIDATED FINANCIAL STATEMENTS DRAWN IN ACCORDANCE WITH THE INDIAN
ACCOUNTING STANDARDS, OF SRI VISHNU SHANKAR MILL LIMITED**

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

Opinion

We have audited the Internal Financial Controls over financial reporting of Sri Vishnu Shankar Mill Limited ("the Company") and its associates as of 31 March 2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on 31 March 2025.

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

Management's Responsibilities for Internal Financial Controls

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

Auditors' Responsibilities

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the SAs, prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and both applicable to an audit of Internal Financial Controls and, both

AUDITORS' REPORT TO SHAREHOLDERS

issued by ICAI. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Other Matters

We have relied on a) our audit of the Company, b) management certification in the case of associates which were audited by other auditors.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

AUDITORS' REPORT TO SHAREHOLDERS

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For M.S. JAGANNATHAN & N. KRISHNASWAMI

Chartered Accountants

Firm Registration Number: 001208S

K SRINIVASAN

Partner

Membership No. 021510

UDIN: 25021510BMMMQQ5601

Rajapalaiyam
29th May, 2025

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in Lakhs)

	Note No.	As at 31-03-2025	As at 31-03-2024	
I ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	7	15,888.88	17,081.03	
(b) Capital Work-in-progress	8	–	134.38	
(c) Investment Property	9	177.25	180.05	
(d) Assets held for Sales	10	–	18.92	
(e) Investment in Associates	11	16,633.22	16,174.69	
(f) Financial Assets				
Other Investments	12	419.60	418.02	
Other Financial Assets	13	567.35	500.24	
(g) Deferred Tax Asset (Net)	14	1,385.48	919.25	
(h) Other Non-Current Assets	15	29.33	24.83	35,451.41
(2) Current Assets				
(a) Inventories	16	5,067.02	6,397.07	
(b) Financial Assets				
Trade Receivables	17	4,406.61	4,005.34	
Cash and Cash Equivalents	18	1.89	1.19	
Bank Balance other than Cash and Cash Equivalents	19	75.88	23.74	
Other Financial Assets	20	732.52	–	
(c) Current Tax Assets (Net)	21	37.13	35.37	
(d) Other Current Assets	22	2,249.57	2,424.92	12,887.63
TOTAL ASSETS		47,671.73	48,339.04	
II EQUITY & LIABILITIES				
(1) Equity				
(a) Equity Share Capital	23	149.98	149.98	
(b) Other Equity	24	17,601.28	19,094.06	
Total Equity		17,751.26	19,244.04	
(2) Liabilities				
A) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	25	11,850.22	11,941.88	
(b) Other Non-current Liabilities	26	842.13	32.66	11,974.54
B) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	27	15,178.27	14,772.13	
(ii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises	28	–	–	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	28	511.29	1,092.01	
(iii) Other Financial Liabilities	29	1,136.82	992.32	
(b) Provisions	30	393.54	255.80	
(c) Provision for Taxation	31	8.20	8.20	17,120.46
TOTAL EQUITY AND LIABILITIES		47,671.73	48,339.04	
Material Accounting Policies, Judgements and Estimates	1-6			
See accompanying notes to the financial statements.	7-54			

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

	Note No.	For the year ended 31-03-2025	For the year ended 31-03-2024
INCOME			
I Revenue from Operations	32	28,816.09	25,155.45
II Other Income	33	285.64	180.79
III Total Income (I + II)		29,101.73	25,336.24
IV EXPENSES			
Cost of Materials Consumed	34	15,071.96	15,101.41
Trade Purchases	35	3,255.90	1,128.62
Changes in Inventories of Finished Goods and Work-in-progress	36	609.37	534.41
Employee Benefit Expenses	37	3,219.97	3,042.11
Finance Costs	38	2,217.13	2,329.34
Depreciation and Amortization Expenses	39	1,450.52	1,436.32
Other Expenses	40	5,766.59	5,515.80
Total Expenses		31,591.44	29,088.01
V Profit / (Loss) Before Exceptional items and Tax (III-IV)		(2,489.71)	(3,751.77)
VI Exceptional Items [Refer Note No. 53]			
Profit / (Loss) on Sale of Property, Plant and Equipment		(4.44)	131.26
VII Profit / (Loss) Before Tax (V+VI)		(2,494.15)	(3,620.51)
VIII Tax Expenses / (Savings)			
Current Tax		-	-
Deferred Tax Expenses / (Savings)		(465.65)	(925.82)
IX Profit / (Loss) for the year before share of Profit / (Loss) of Associates(VII-VIII)		(2,028.50)	(2,694.69)
X Share of Net Profit After Tax (PAT) of Associates accounted for using the equity method		548.51	531.09
XI Profit / (Loss) for the period (IX+X)		(1,479.99)	(2,163.60)
XII Other Comprehensive Income			
Item that will not be reclassified subsequently to Profit or Loss:			
Remeasurement Gain / (Losses) on defined benefit obligations (net)		(2.53)	(1.03)
Fair Value Gain / (Loss) on Equity Instruments through OCI (net)		1.58	(0.26)
Deferred Tax Expenses / (Savings)		(0.58)	(0.26)
Other Comprehensive Income / (Loss) for the year, net of tax		(0.37)	(1.03)
Share of OCI of Associates accounted for using the equity method		(12.42)	88.03
Total Other Comprehensive Income / (Loss) for the year, net of tax		(12.79)	87.00
XIII Total Comprehensive Income / (Loss) for the year, net of tax (XI+XII)		(1,492.78)	(2,076.60)
XIV Earnings per Equity Share of face value of ₹ 10/- each			
Basic & Diluted (in Rupees) [Refer to Note No.45]		(99.00)	(144.00)
Material Accounting Policies, Judgements and Estimates	1-6		
See accompanying notes to the financial statements.	7-54		

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510

Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital [Refer to Note No. 23] (₹ in Lakhs)

(1) For the year ended 31-03-2025	
Changes in Equity Share Capital during the year 2024-25	149.98
Less: Treasury Shares adjustment	
Balance as at 31-03-2025	149.98
(2) For the year ended 31-03-2024	–
Balance as at 01-04-2023	149.98
Changes in Equity Share Capital during the year 2023-24	–
Loss: Trusery Shares adjustment	–
Balance as at 31-03-2024	149.98

Note: Treasury Shares adjustment computed based on holding through fellow associates.

B. Other Equity [Refer to Note No. 24]

For the year ended 31-03-2025

Particulars	Reserves and Surplus					Items of OCI			Total Other Equity
	Capital Reserve	Capital Reserves Consolidation	Security Premium	General Reserve	Retained Earnings	FVOTCI Equity Instruments	Re-measurements of Defined Benefit Obligations	Share of OCI of Associates	
Other Equity as at 1 st April 2024	23.77	9,202.56	25.00	3,781.91	6,061.60	(0.78)	–	–	19,094.06
(1) Financial year 2024-25									
Add: Profit / (Loss) for the year	–	–	–	–	(1,479.41)	–	–	–	(1,479.41)
Add: Other Comprehensive Income / (Loss)	–	–	–	–	–	–	(2.53)	(12.42)	(14.95)
Fair value on Equity Instrument, net of tax	–	–	–	–	–	1.58	–	–	1.58
Total Comprehensive Income	–	–	–	–	(1,479.41)	1.58	(2.53)	(12.42)	(1,492.78)
Less: Transfer to Retained Earnings	–	–	–	–	–	–	2.53	12.42	14.95
Add: Transfer from OCI	–	–	–	–	(14.95)	–	–	–	(14.95)
Balance as at 31st March, 2025	23.77	9,202.56	25.00	3,781.91	4,567.24	0.80	–	–	17,601.28
(2) For the year ended 31-03-2024									
Financial year 2023-24									
Other Equity as at 1st April, 2023	23.77	9,202.56	25.00	3,781.91	8,137.94	(0.52)	–		21,170.66
Add: Profit / (Loss) for the year	–	–	–	–	(2,163.34)	–	–	–	(2,163.34)
Add: Other Comprehensive Income	–	–	–	–	–	–	(1.03)	88.03	87.00
Fair value on Equity Instrument, net of tax	–	–	–	–	–	(0.26)			(0.26)
Total Comprehensive Income	–	–	–	–	(2,163.34)	(0.26)	(1.03)	88.03	(2,076.60)
Less: Transfer to Retained Earnings	–	–	–	–	–	–	1.03	(88.03)	(87.00)
Add: Transfer from OCI	–	–	–	–	87.00	–	–	–	87.00
Balance as at 31st March, 2024	23.77	9,202.56	25.00	3,781.91	6,061.60	(0.78)	–	–	19,094.06

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
A. Cash Flow from Operating Activities:		
Profit / (Loss) before Extraordinary items and Tax	(2,494.15)	(3,620.51)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & Amortisation	1,450.52	1,436.32
Finance Costs	2,217.13	2,329.34
Interest Income	(223.47)	(117.99)
Rent Receipts from Investment Properties	(16.23)	(15.15)
Profit on Sales of Assets	(4.44)	131.26
Operating Profit before Working Capital Changes	929.36	143.27
Movements in Working Capital:		
Trade Receivables	(401.27)	(1,360.59)
Loans and Advances	(628.78)	274.79
Inventories	1,330.05	6,149.83
Gratuity	(2.53)	(1.03)
Government Grants	809.47	(2.68)
Trade Payables & Current liabilities	(298.49)	634.26
Cash generated from Operations	1,737.81	5,837.85
Direct Taxes (Paid) / Refund Received (Net)	(1.76)	(0.86)
Net Cash generated from Operating Activities	A 1,736.05	5,836.99
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advances)	(102.28)	(2,725.83)
Govt. Grants Reserved - related to acquisition of Fixed Assets	—	—
Purchase of Equity Shares of Investment - others	—	(410.04)
Purchase of Equity Shares of Associates	—	(2.04)
Proceeds from Sale of Assets	4.44	2.49
Interest Received	223.47	117.99
Dividend Received	77.58	62.27
Rent Receipts from Investment Properties	16.23	15.15
Net Cash from / (used) in Investing Activities	B 219.44	(2,940.01)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
C. Cash Flow from Financing Activities:		
Proceeds from Long Term Borrowings	5,416.80	6,057.61
(Repayment) of Long Term Borrowings	(4,296.23)	(2,725.62)
Proceeds from Loan - Related Parties	2,358.05	4,115.00
Availment / (Repayment) of Short Term Borrowings (Net)	(3,164.14)	(8,011.41)
Interest Paid	(2,217.13)	(2,329.34)
Net cash used in Financing Activities	C (1,902.65)	(2,893.76)
Net Increase / (Decrease) in Cash and Cash Equivalents	D = (A + B + C) 52.84	3.22
Opening balance of Cash and Cash Equivalents	E 24.93	21.71
Closing balance of Cash and Cash Equivalents	D + E 77.77	24.93

Notes:

- (i) The Cash Flows from operating activities under the above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.
- (ii) Bank Borrowings including Cash Credits are considered as Financing Activities.
- (iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:

Particulars	31-Mar-2025	31-Mar-2024
Cash and Cash Equivalents (Refer to Note No.18)	1.89	1.19
Bank Balances other than Cash and Cash Equivalents (Refer to Note No.19)	75.88	23.74
Cash and Bank Balance for Statement of Cash Flow	77.77	24.93

- (iv) Reconciliation of changes in liabilities arising from Financing Activities pertaining to Borrowings:

Particulars	31-03-2025	31-03-2024
Balance at the beginning of the year		
Long Term Borrowings	11,941.88	10,057.66
Short Term Borrowings	14,772.13	17,220.77
Long Term Lease Liabilities	-	-
Short Term Lease Liabilities	-	-
Interest accrued	-	-
Sub-Total Balance at the beginning of the year	26,714.01	27,278.43

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Cash flows during the year		
Proceeds from Long Term Borrowings	5,416.80	6,057.61
Repayment of Long Term Borrowings	(4,296.23)	(2,725.62)
Proceeds from / (Repayment) of Loan from Related Parties, Net	2,358.05	4,115.00
Proceeds from / (Repayment) of Short Term Borrowings, Net	(3,164.14)	(8,011.41)
Payment of Principal portion of Lease Liabilities	—	—
Interest Paid including interest on Lease Liabilities	(2,217.13)	(2,329.34)
Sub-Total Cash flows during the year	(1,902.65)	(2,893.76)
Non-cash changes		
Interest accrual for the year	—	—
Fair Value Movement	—	—
Sub-Total Non-cash changes during the year	—	—
Balance at the end of the year		
Long Term Borrowings	11,850.22	11,941.88
Short Term Borrowings	15,178.27	14,772.13
Long Term Lease Liabilities	—	—
Short Term Lease Liabilities	—	—
Interest accrued	—	—
Balance at the end of the year	27,028.49	26,714.01

See accompanying notes to the financial statements. [Refer to Note Nos. 7-54]

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
Rajapalaiyam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**1. Corporate Information**

Sri Vishnu Shankar Mill Limited ("the Company") is a Public Limited Company within the meaning of the Companies Act, 2013, domiciled and headquartered in India. The Registered office of the Company is located at Sri Vishnu Shankar Mill Premises, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 117, Tamil Nadu.

The Company is engaged in manufacture of Cotton Yarn. The Company is also engaged in generation of electricity from its windmills for its captive requirements.

The CFS comprises the financial statements of Sri Vishnu Shankar Mill Limited and its associate Companies. The following companies are consolidated as Associates based on existence of significant influence over such companies:

Name of the Company	% of Holding & Voting Rights	
	31-03-2025	31-03-2024
The Ramco Cements Limited	1.31%	1.31%
Rajapalayam Mills Limited	0.40%	0.40%
The Ramaraju Surgical Cotton Mills Limited	0.06%	0.06%

The above Companies are incorporated in India and financial statements of the respective Companies are drawn upto the same reporting date as that of the Company (i.e.,) 31-03-2025.

2. Presentation & rounding norms

The Consolidated Financial Statements of the Company for the year were approved as adopted by Board of Directors of the Company in their meeting dated 29-09-2025.

The financial statements are presented in Indian Rupees, which is the company's functional currency, rounded to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Lakhs.

Previous year figures have been re-grouped / restated wherever it may be appropriate.

3. Statement of Compliance

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, wherever applicable

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. New standard or amendments to the existing accounting standards issued and effective from 01-04-2024 onwards.

(a) Ind AS 117 on Insurance Contracts

The Ministry of Corporate Affairs (MCA) has notified Ind AS 117 - Insurance Contracts, replacing Ind AS 104, effective for annual reporting periods beginning on or after 1st April, 2024. The standard applies to insurance contracts and certain financial instruments that transfer significant insurance risk. Ind AS 117 specifically excludes financial guarantee contracts unless the issuer has previously asserted that such contracts are treated as insurance contracts and has applied insurance accounting. In such cases, the issuer is permitted to make an irrevocable election, on a contract-by-contract basis, to apply either Ind AS 117 or the relevant financial instruments standards viz. Ind AS 32, Ind AS 107, and Ind AS 109.

The Company does not issue insurance contracts in the ordinary course of business and has not previously treated any financial guarantee contracts as insurance contracts. Accordingly, financial guarantee contracts continue to be accounted for under Ind AS 109 Financial Instruments.

As a result, the adoption of Ind AS 117 has no impact on the financial statements for the year ended 31st March, 2025.

(b) Ind AS 116: Sale and leaseback transaction amendment

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which introduced amendments to Ind AS 116 - Leases, effective from 1st April, 2024. These amendments specifically address the accounting for sale and leaseback transactions involving variable lease payments not based on an index or rate.

The amendment introduces paragraph 102A, which provides guidance on the subsequent accounting for lease liabilities and Right of- Use (ROU) assets arising from such transactions. However, as the company does not currently have any sale and leaseback transactions, this amendment does not have any impact on the company's financial statements for the year ended 31st March, 2025.

5. Material Accounting Policies

A. Inventories

- (i) Raw-materials, Stores & Spares, Fuel, packing materials etc., are valued at cost, determined and weighted average basis, or net realisable value whichever is lower. However, the those items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (ii) Process stock is valued at weighted average cost including the cost of conversion with systematic allocation of production overheads based on normal capacity of production facilities but excluding borrowing cost, or net realisable value whichever is lower.
- (iii) Finished goods are valued at cost or net realisable value whichever is lower.

B. Statement of Cash Flows

- (i) Cash flows from operating activities is presented using Indirect Method.
- (ii) Cash and cash equivalents for the purpose of Statement of Cash Flows comprise cash and cheques in hand, bank balances, demand deposits, with banks where the original maturity is three months or less and other short-term highly liquid investments, which are subject to insignificant risk of changes in value.
- (iii) Bank borrowings including Bank overdrafts / Cash Credits, which are repayable on demand, form an integral part of the Company's cash management.

C. Income Taxes

- (i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.
- (ii) Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.
- (iii) Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.
- (iv) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- (v) Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.
- (vi) Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in Other Comprehensive Income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

D. Property, plant and equipments (PPE)

- (i) PPEs are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any, except freehold land which is carried at cost. The cost includes directly attributable cost of bringing the asset to its working condition for the intended use and borrowing cost if capitalisation criteria are met.
- (ii) Spares, which meet the definition of PPE, are capitalised from the date when it is available for use. The Company identifies the significant parts of plant and equipment separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives.
- (iii) The present value of the expected cost for the decommissioning of PPE after its use, if materially significant, is included in the cost of the respective asset when the recognition criteria are met.
- (iv) Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.
- (v) The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below:

Type of Plant and Machinery	Useful life of such components ranging from
Textile Machineries / Equipment	2 to 20 years
Wind Mills	22 to 30 years
HFO / DG Set	12 to 25 years
Electrical Machineries	3 to 25 years

- (vi) PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balance cash transaction amount. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.
- (vii) Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight-line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value, except for process control systems whose residual value is considered as Nil.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (viii) Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion / disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.
- (xi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress / Capital Advances

- (x) Capital work-in-progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date.
- (xi) Advances given towards acquisition / construction of PPE outstanding at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'.

E. Leases

Company as a Lessee

- (i) The Company recognises a Right-to-use (RoU) asset and a lease liability at the lease commencement date for all leases where non-cancellable leases is more than 12 months.
- (ii) The RoU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of right-of-use asset or the end of the lease term, as follows:

Nature of RoU	Useful life ranging from
Land	99 years
Building	20 years

- iii) The estimated useful lives of right-of-use assets are determined on the same basis as those of property and plant equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iv) The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

change in an index rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase extension or termination option.

- (v) 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 the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (vi) The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance sheet.
- (vii) The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease Improvements

- (viii) Lease improvements on a right-of-use asset (RoU) made by the Company, which enhance the value, functionality, or extend the useful life of the leased asset, shall be recognized as assets and capitalized in the same category of RoU asset under 'Property, Plant and Equipment', if capitalization criteria are met.
- (ix) Lease improvements recognized as assets shall be initially measured at cost, which includes all directly attributable costs incurred to bring the improvements to their present condition and location.
- (x) The lease improvements on RoU assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of lease improvement or the end of the lease term.

Company as a Lessor

- (xi) Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company do not have any finance leases arrangements.

F. Revenue from Operations

(i) Sale of Products including Scrap Sales

Revenue from product sales including scrap sales is recognized at the point in time when the obligation of delivery of goods is fulfilled in accordance with the agreed delivery terms while control of such goods is transferred to customers. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring goods to the customer. The Company provides discounts to customers on the achievement of the performance criteria based on agreed terms and conditions. There is no significant financing component with regard to sale of products for the company as per Ind AS 115.

(ii) Power generated from Windmills

Power generated from windmills that are covered under Wheeling and Banking arrangement with TANGEDCO are consumed at mills. The monetary values of such power generated that are captively consumed are not recognized as revenue but have been set off against the cost of Power & Fuel.

The value of unadjusted units available if any, at the end of the financial year and sold to the Electricity Board at an agreed rate / tariff rate are recognized and shown as income from Wind Mills.

G. Other Income

- i. Interest income is recognised using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period where appropriate, the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
- ii. Dividend income is recognised when the Company's right to receive dividend is established.
- iii. Rental income from operating lease on investment properties is recognised on a straight-line basis over the term of the relevant lease.

H. Employee Benefits

Short Term Employee Benefits

- (i) Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Post-employment benefits

Defined Contribution Plan

- (ii) The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary.
- (iii) The Company contributes to Superannuation Fund at a sum equivalent to 15% of the officer's eligible basic salary as the case may be, based on the option exercised by such officers.
- (iv) Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

- (v) The Company contributes to Defined Benefit Plan viz., an approved Gratuity Fund, for its employees including employees in subsidiary Company. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. Based on the valuation by an independent external actuary, the Company makes annual contributions to the trust administered by the Company as at the reporting date using Projected Unit Credit method. The funds are managed by LIC of India.
- (vi) Re-measurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

Other Long Term Employee Benefits

- (vii) The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as the Balance Sheet date, using Projected Unit Credit method. The Company presents the entire compensated absences as 'Short-Term provisions' since employee has an unconditional right to avail the leave at any time during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(viii) Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

I. Government Grants

- (i) Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.
- (ii) In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other Income" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets".
- (iii) Government grants related to assets have been deducted in arriving at the carrying amount of the respective assets.
- (iv) Government grants for cration of infrastructure in the backward areas under State Industrial Promotion Scheme, it is recognised as deferred Income and Creditors to the Statement of Profit and Loss on a systematic basis over the useful life of the asset.
- (v) Export benefits are accounted for the year of exports based on eligibility and when there is uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

J. Impairment of Non-Financial Assets

- (i) The carrying amount of assets i.e., property, plant and equipment, including right-of-use-asset, investment properties, cash generating units and intangible assets other than inventories and deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.
- (ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight-line basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

K. Provisions, Contingent Liabilities and Contingent Assets

- (i) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.
- (ii) Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- (iii) Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.
- (iv) Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

L. Intangible Assets

- (i) The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.
- (ii) The cost incurred for right to un-restricted usage of power transmission system for drawal of power from State grid to its Mills were capitalized as it is expected to yield future economic benefits.
- (iii) The useful lives of intangible assets are assessed as either finite or indefinite, Intangible Assets with finite lives are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life based on straight-line method. The Company do not have any with indefinite lives. The estimated useful lives of intangible assets with finite are assessed by the internal technical team as detailed below, that are different from the useful lives prescribed under Part C of Schedule of the Companies Act, 2013:

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Nature of Intangible Assets	Estimated useful life
Computer Software	6 years
Power Transmission System	5 years

- (iv) The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.
- (v) The residual values, useful lives and methods of amortisation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

M. Investment Properties

- (i) An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.
- (ii) Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land, which is carried at cost.
- (iii) The Company identifies the significant parts of investment properties separately, which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice.
- (iv) Depreciation on investment properties are calculated on straight-line method based on useful life of the significant parts on best estimate basis upon technical advice as detailed below:

Asset type	Useful life
Buildings under Investment properties	60 years

- (v) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

N. Operating Segments

Operating segments are identified on the basis of nature and usage of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker. The Company's business operation comprises of two operating segment viz., Textile and Windmills.

O. Financial Instruments

- (i) The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorised as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.

(ii) Fair Value Hedge

Changes in the fair value of forwards contracts that are designated and qualify as fair value hedges are recognised in the income statement, together with the changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, changes in the fair value of the hedged item attributable to the hedged risk are no longer recognized in the income statement. When a hedged item in a fair value hedge is a firm commitment (or a component thereof) to acquire an asset or assume a liability, the initial carrying amount of the asset or the liability that results from the entity meeting the firm commitment is adjusted to include the cumulative change in the fair value of the hedged item that was recognised in the balance sheet, with a corresponding gain or loss recognised in Profit or loss.

Financial Assets

- (iii) Financial assets comprise of investments in equity, loans, trade receivables, cash and cash equivalents and other financial assets

Initial recognition and measurement

- (iv) All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at transaction price.
- (v) Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).
- (vi) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement

(vii) For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- (a) The Company's business model for managing the financial asset and,
- (b) The contractual cash flow characteristics of the financial asset:

Based on the above criteria, the Company classifies its financial assets into the following categories:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans to employees and related parties, deposits, IPA receivable, interest receivable and other advances recoverable in cash.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind AS 32) other than Associate as an irrevocable option exercised at the time of initial recognition.
FVTPL	Forward exchange contracts.

(viii) Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

- (ix) The Company has accounted for its investments in associates at cost.
- (x) For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

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

Financial Liabilities

- (xi) Financial liabilities comprise of Borrowings, Trade payables, lease liabilities and other financial liabilities.

Initial recognition and measurement:

- (xii) All the financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.
- (xiii) Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 2 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (xiv) In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement

- (xv) All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through Profit or Loss (FVTPL).
- (xvi) Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognises less cumulative amortization.

P. Fair value measurement

- (i) The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.
- (ii) All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

- (iii) For assets and liabilities that are recognised in the Balance Sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- (iv) For the purpose of fair value disclosures, the Company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

6 Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

(i) Revenue Recognition

Significant management judgement is exercised in determining the transaction price and discounts to customer, which is based on market factors namely demand and supply. The Company offers credit period to customers for which there is no financing components.

(ii) Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

(iii) Current Taxes

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

(iv) Deferred Tax Asset

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

(v) Provisions

The timing of recognition requires application of judgement to existing facts and circumstances that may be subject to change. The litigations and claims to which the company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(vi) Segment Reporting

Management's judgement is exercised to aggregate two or more business segments as single operating segment, based on economic characteristics, products, production process and types of customer, which are similar in nature.

(vii) Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) Classification of Investment

Management judgement is exercised in determining the following criteria while making classification of investments:

- the intention of the Company to sell the investment immediately;
- the sale is highly probable;
- it is unlikely that significant change to the sale plan will be made and;
- that plan will not be withdrawn.

Based on this judgement, the investments are classified as "Investment held for sale", if all the above criteria are met and continue to classify the investment as "Non-current investment", if the above criteria are not met.

(ix) Impairment of Trade receivables

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

(x) Impairment of Non-financial assets (PPE / Intangible Assets / Investment Properties)

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(xi) *Impairment of Investments in Associates*

Significant management judgement is exercised in determining whether the investment in associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

(xii) *Defined Benefit Plans and Other Long Term Benefits*

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

(xiii) *Determination of lease term of contracts as non-cancellable term*

Significant management judgement is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(xiv) *Fair value measurement of financial instruments*

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

(xv) *Interests in other entities*

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is a significant influence over certain companies belonging to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 7

PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT												(₹ in Lakhs)
Particulars	Year	Gross Block				Depreciation				Net Block		
		As at the beginning of the year	Additions	Deductions/ Adjustments	Transfer IN from Assets held A/c	As at the end of the year	As at the beginning held A/c	For the Year (Refer Note No. 39)	Deductions/ Adjustments	Transfer Adjustments	As at the end of the year	As at the Beginning of the year
Land - Free hold	2024-25	319.70	-	-	-	319.70	-	-	-	-	319.70	319.70
	2023-24	321.40	-	1.70	-	319.70	-	-	-	-	319.70	321.40
Own Buildings	2024-25	3,955.43	65.06	26.18	-	3,994.31	1,431.50	90.21	8.43	-	1,513.29	2,481.02
	2023-24	3,780.29	175.14	-	-	3,955.43	1,345.73	85.77	-	-	1,431.50	2,523.93
Plant and Machinery	2024-25	31,675.42	176.47	60.05	-	31,791.83	18,127.63	1,259.61	51.26	-	19,335.97	12,455.87
	2023-24	29,329.73	2,718.75	801.28	428.21	31,675.41	17,268.24	1,253.07	676.81	283.15	19,127.65	13,547.76
Electrical Machinery	2024-25	1,476.63	32.53	-	-	1,509.17	902.16	66.95	-	-	969.11	540.06
	2023-24	1,450.25	76.30	49.91	-	1,476.64	888.02	60.59	46.45	-	902.16	574.48
Furniture & Office Equipments	2024-25	210.79	8.03	-	-	218.81	139.67	20.79	-	-	160.46	58.35
	2023-24	267.40	6.72	63.33	-	210.79	176.39	23.18	59.90	-	139.67	71.12
Vehicles	2024-25	127.29	-	-	-	127.29	83.25	10.16	-	-	93.41	33.88
	2023-24	139.91	-	12.62	-	127.29	84.28	10.90	11.93	-	83.25	44.04
Total	2024-25	37,765.26	282.09	86.23	-	37,961.11	20,684.21	1,447.72	59.69	-	22,072.24	15,888.88
	2023-24	35,288.98	2,976.91	928.84	428.21	37,765.26	19,762.66	1,433.51	795.09	283.15	20,684.23	17,081.03

Notes: (i) Borrowings cost of ₹ 00.00 Lakhs have been capitalised for current year (PY: ₹ 0.00 Lakhs).

(ii) All the moveable fixed assets have been pledged as security for borrowings.

(iii) The Company has opted to present the government grants related to assets as deduction from the carrying value of eligible assets in accordance with Ind AS20. During the financial year 2024-25 grant a ₹ Nil Lakhs has been deducted from the carrying value of assets (PY: Nil).

(iv) All the title deeds of immovable properties are held in the name of the Company.

(v) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(vi) Deductions / Adjustments in Gross Block comprises of:						
Particulars	2024-25			2023-24		
	Sale of Assets	Scrap of Assets	Government Grants	Total	Sale of Assets	Scrap of Assets
Land - Free hold	-	-	-	-	1.70	-
Own Buildings	26.18	-	-	26.18	-	-
Plant and Machinery	60.05	-	-	60.05	801.28	-
Electrical Machinery	-	-	-	-	49.91	-
Furniture & Office Equipments	-	-	-	-	63.33	-
Vehicles	-	-	-	-	12.62	-
Total	86.23	-	-	86.23	928.84	-

(vii) Scrap of assets represents of assets that were derecognised due to wear and tear and damages, since no future benefits is expected from those components and thus replaced by new components.

NOTE NO. 8

CAPITAL WORK IN PROGRESS

Particulars	Year	As at the beginning of the year	Additions	Capitalised	As at the end of the year
Capital Work in Progress	2024-25	134.38	88.02	222.40	-
	2023-24	384.54	1,931.66	2,181.82	134.38

(i) Refer Note No. 52(b) for information relating to Ageing Schedule.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 9

INVESTMENT PROPERTY

Particulars	Year	Gross Block		Depreciation		Net Block	
		As at the beginning of the year	Additions	Deductions/ Adjustments	As at the end of the year	As at the beginning of the year	As at the end of the year
Land	2024-25	122.24	-	-	-	122.24	122.24
	2023-24	122.24	-	-	-	122.24	122.24
Building	2024-25	95.33	-	-	95.33	37.52	40.32
	2023-24	95.33	-	-	95.33	34.71	37.52
Total	2024-25	217.57	-	-	217.57	37.52	40.32
	2023-24	217.57	-	-	217.57	34.71	37.52

Notes: (i) The Company measured all of its Investment Properties at Cost in accordance with Ind AS 40.

(ii) The fair valuation of these investment property are determined by an internal technical team, who are specialists in valuing these types of investment properties by using the technic of quoted prices for similar assets in active markets or recent price of similar properties in less active markets and adjusted to reflect those differences. Since the valuation is done by internal technical team, the fair value of investment property as disclosed above is not based on valuation by a register valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. All resulting fair value estimates for investment properties as given below :

Particulars	31-03-2025	31-03-2024
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Fair value of Investment Properties

680.40

680.40

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) Fair value hierarchy disclosures for investment properties have been provided in Note No. 49.

(v) Information regarding income and expenditure of Investment property.

Particulars	31-03-2025	31-03-2024
Rental Income from Investment Properties	1.80	1.80
Direct Operating Expenses	0.77	0.73
Profit arising from Investment Properties before Depreciation and indirect expenses	1.03	1.07
Less: Depreciation	2.80	2.80
Profit arising from Investment Properties before indirect expenses	(1.77)	(1.73)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 10

ASSETS HELD FOR SALES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Assets held for Sales - Andhra Pradesh	-	18.92
Total	-	18.92

NOTE NO. 11

INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2025		31-03-2024	
		Numbers	Amount	Numbers	Amount
I. Investment in Equity Instruments					
1) Quoted					
The Ramco Cements Limited	1	30,94,200	16,389.66	30,94,200	15,908.97
Rajapalayam Mills Limited	10	37,174	238.95	37,174	260.56
The Ramaraju Surgical Cotton Mills Limited	10	3,200	4.61	2,200	5.16
Total (A)			16,633.22		16,174.69
Quoted Investments - Cost	(A)		16,633.22		16,174.69
Market Value			28,045.86		25,423.71

Notes: (i) The Company has accounted for Investment in Associates at cost, Refer to Note No. 46(A) for Information on principal place of business (Cantry of Incorporation and the Company's interest / percentage of Shareholding in the above associates.

(ii) The carrying amount of investment in Associates is total for impairment in accordance with Ind AS 36. The investment in Associates are long term Strategic in nature, no impairment is considered as at the reporting date, considering its long term future prospects.

NOTE NO. 12

OTHER INVESTMENT (DESIGNATED AT FVTOCI)

(₹ in Lakhs)

Particulars	Face Value ₹ per share	31-03-2025		31-03-2024	
		Numbers	Amount	Numbers	Amount
I. Investment in Equity Instruments - Unquoted					
Ramco Windfarms Limited	1	6,15,000	6.15	6,15,000	6.15
Ramco Industrial and Technology Services Limited	10	26,350	3.42	26,350	1.84
Green Infra Clean Wind Generation Limited	10	15,75,000	157.50	15,75,000	157.50
Clean Max Opus Private Limited	10	5,558	252.53	5,558	252.53
Total Investment in Equity Investments - Unquoted (A)			419.60	418.02	
Total Other Investments (A)			419.60	418.02	
Aggregate Market Value of Unquoted Investments			419.60	418.02	

Notes: 1) Refer to Note No. 49 for information about fair value hierarchy under Disclosure of Fair Value Measurement.

2) Market Value of quoted investments for some equity instruments were not available due to no trading activities in stock market.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 13

OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Unsecured, considered good		
Security Deposits with Electricity Board / Others	567.35	500.24
Total	567.35	500.24

NOTE NO. 14

DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Deferred Tax Asset		
Tax effect on unabsorbed depreciation under Income Tax Act, 1961	2,485.48	2,139.19
Tax effect on Provision for Bonus and Leave Encashment	76.25	54.23
Deferred Tax Liability		
Tax effect on difference between book depreciation and depreciation under the Income Tax Act, 1961	(1,176.25)	(1,189.23)
Tax effect on Long Term Capital Loss	-	(84.94)
Net Deferred Tax Asset	1,385.48	919.25
Reconcillation of deferred tax Assets (net)		
Opening balance as on 1 st April	919.25	(6.31)
Tax Income / (Expense) during the period recognized in Profit and Loss	466.23	925.56
Closing Balances as on 31 st March	1,385.48	919.25

NOTE NO. 15

OTHER NON CURRENT-ASSETS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Unsecured, considered goods		
Income Tax Refund Receivable	29.33	24.83
Total	29.33	24.83

NOTE NO. 16

INVENTORIES (Valued at Lower of cost or Net realisable value)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Finished Goods	625.17	812.25
Raw Materials - Cotton & Cotton Waste	3,280.27	3,981.18
Stores and Spares	61.46	81.23
Works-in-progress (Cotton Yarn)	1,100.12	1,522.41
Total	5,067.02	6,397.07

Notes: (i) The total carrying amount of inventories as at reporting date has been pledged as Security for Borrowings.
(ii) The Mode of valuation of inventories are disclosed in Significant Accounting Policies in Note No.5(A).
(iii) Raw Materials Stock value is after making provision for mark to Market of Cotton of ₹ 0.00 Lakhs as at 31-03-2025 (PY: ₹ 275.51 Lakhs)

Details of Works-in-progress

Cotton Yarn	1,100.12	1,522.41
	1,100.12	1,522.41

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 17

TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Secured, Considered goods	4,388.84	3,987.57
Unsecured considered goods	17.77	17.77
Total	4,406.61	4,005.34

Notes: (i) Trade receivables are non-interest bearing and are generally on terms of 30 to 35 days.

(ii) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) The total carrying amount of trade receivables has been pledged as security for Borrowings.

(iv) Trade Receivables aging schedule have been provided in Note No.52(c).

NOTE NO. 18

CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Cash on Hand	1.33	0.88
Balance with Bank		
In Current Account	0.56	0.31
Total	1.89	1.19

NOTE NO. 19

BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balances with Banks held as security against Borrowings	74.52	22.36
Earmarked balances with Banks for Unclaimed Dividend	1.36	1.38
Total	75.88	23.74

NOTE NO. 20

OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Government Grants Receivables	732.52	—
Total	732.52	—

NOTE NO. 21

CURRENT TAX ASSET

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Advance Income Tax, Self Assessment Tax and Tax deducted at source	37.13	35.37
Total	37.13	35.37

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 22

OTHER CURRENT ASSETS (NET)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Unsecured, considered good		
Advance to Suppliers / Others	924.14	567.58
Tax Credit and Refund due - Indirect Taxes	777.70	1,328.48
Accrued Income	381.14	384.28
Prepaid Expenses	160.09	138.27
Other Current Assets	6.50	6.31
Total	2,249.57	2,424.92

NOTE NO. 23

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Authorised		
30,00,000 Equity Shares of ₹ 10/- each (PY: 30,00,000 Equity Shares of ₹ 10/- each)	300.00	300.00
Issued, Subscribed and Fully paid-up		
15,00,000 Equity Shares of ₹ 10/- each (PY: 15,00,000 Equity Shares of ₹ 10/- each)	149.98	149.98
Total	149.98	149.98

Notes: (i) (5,00,000 Equity Shares of ₹ 10/- each were allotted as fully paid Bonus Shares by Capitalisation of Reserves).

(ii) Reconciliation of the number of shares outstanding:

(₹ in Lakhs)

Particulars	As at 31-03-2025		As at 31-03-2024	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	15,00,000	150.00	15,00,000	150.00
Number of Shares at the end	15,00,000	150.00	15,00,000	150.00

(iii) Rights / Restrictions attached to Equity Shares

The Company has one class of equity shares having a face value of ₹ 10/- each. Each Shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) List of Shareholders holding more than 5 percent in the Company.

(₹ in Lakhs)

Name of the Shareholder	As at 31-03-2025		As at 31-03-2024	
	No. of Shares	% of holding	No. of Shares	% of holding
R. Sudarsanam	81,000	5.40%	81,000	5.40%
Sharadha Deepa	6,83,550	45.57%	6,83,550	45.57%

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(v) Shareholders holding of Promoters as at 31-03-2025

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P.R. Venketrama Raja	48,000	3.20%	—
2	R. Sudarsanam	81,000	5.40%	—
3	S.S. Ramachandra Raja	13,470	0.90%	—
4	Nalina Ramalakshmi	29,000	1.93%	—
5	Sharadha Deepa	683,550	45.57%	—
6	B. Srisandhya Raju	16,000	1.07%	—
7	Srirama Raja	2,660	0.18%	—
8	A. Ramalakshmi	15,900	1.06%	—
9	J. Sethulakhshmi	12,640	0.84%	—
10	The Ramco Cements Limited	2,100	0.14%	—
11	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	—
12	Rajapalayam Mills Limited	38,400	2.56%	—
Total		9,53,920	63.59%	

(vi) Shareholders holding of Promoters as at 31-03-2024

S.No.	Name of the Promoters	No. of Shares	% of total shares	% Change during the year
1	P.R. Venketrama Raja	48,000	3.20%	—
2	R. Sudarsanam	81,000	5.40%	—
3	S.S. Ramachandra Raja	13,470	0.90%	—
4	Nalina Ramalakshmi	29,000	1.93%	—
5	Sharadha Deepa	683,550	45.57%	—
6	B. Srisandhya Raju	16,000	1.07%	—
7	Srirama Raja	2,660	0.18%	—
8	A Ramalakshmi	15,900	1.06%	—
9	J Sethulakhshmi	12,640	0.84%	—
10	The Ramco Cements Limited	2,100	0.14%	—
11	The Ramaraju Surgical Cotton Mills Limited	11,200	0.75%	—
12	Rajapalayam Mills Limited	38,400	2.56%	—
Total		953,920	63.59%	

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 23

OTHER EQUITY

Capital Reserve (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	23.77	23.77
Total	23.77	23.77

Nature of Reserve

Capital Reserve represents SIPCOT Subsidy Reserve ₹ 14.77 Lakhs and Windmill Subsidy Reserve ₹ 9.00 Lakhs.

Capital Reserve for Consolidation (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	9,202.56	9,202.56
Less: Transfer to Retained earnings on Sale of Shares Associates	–	–
Add: Capital Reserve on acquisition of Shares of Associates	–	–
Total	9,202.56	9,202.56

Nature of Reserve

Capital Reserve on Consolidation represent access at the Parents Share of the net fair value of the investment in Associates over the Cost of the Investment which is recognised directly in equity as Capital Reserve upon transaction to Ind AS.

Securities Premium (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	25.00	25.00
Total	25.00	25.00

Nature of Reserve

Securities Premium was credited when shares are issued at a Premium. The Company can use this reserve to issue bonus shares, to provide for preliminary expenses, the commission paid or discount allowed and expenses related to any issue of shares of the Company.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

General Reserve (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	3,781.91	3,781.91
Add: Amount transferred from Retained Earnings	–	–
Total	3,781.91	3,781.91

Nature of Reserve

General Reserve represents the statutory reserve in accordance with Companies Act, 2013 wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

FVTOCI Reserve (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	(0.78)	(0.52)
Add: Other Comprehensive Income for the year	1.58	(0.26)
Total	0.80	(0.78)

Nature of Reserve

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

Retained Earnings (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balance as per Last Financial Statement	6,061.60	8,137.94
Profit / (Loss) for the year	(1,479.41)	(2,163.34)
Transfer from FVTOCI Reserve	(14.95)	87.00
Sub-Total	4,567.24	6,061.60
Less: Appropriations		
Dividend Distribution to Shareholders	–	–
Transfer to General Reserve	–	–
Total	4,567.24	6,061.60

Nature of Reserve

Represents that portion of the net income of the Company that has been retained by the Company.

Total Other Equity	17,601.28	19,094.06
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SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 25

NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Secured		
Term Loan from Banks *	11,850.22	11,941.88
Total	11,850.22	11,941.88

Notes: * i) Term Loan from Banks of ₹ 11,850.22 Lakhs (PY: ₹ 11,941.88) are secured by *pari-passu* first charge on the Fixed Assets of the Company and *pari-passu* second charge on the Current Assets of the Company.

- ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.
- iii) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the ROC, within the prescribed time or within the extended time requiring the payment of additional fees.
- iv) Refer to Note No.50 for information about risk profile of borrowings under Financial Risk Management.
- v) The Long Term Borrowings from Banks are repayable in quarterly installments. The year wise repayment is as follows:

(₹ in Lakhs)

Year	31-03-2025	31-03-2024
2025-26	–	4,917.06
2026-27	3,639.50	2,620.64
2027-28	3,205.15	1,985.96
2028-29	2,675.15	1,405.36
2029-30	1,436.26	521.14
2030-31	750.00	290.00
2031-32	144.16	201.72
Total	11,850.22	11,941.88

NOTE NO. 26

OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Deferred Government Grants	842.13	32.66
Total	842.13	32.66

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 27

CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Secured		
Loan from Banks *	7,389.89	9,792.73
Current Maturities of Long Term Loans	5,416.52	4,204.29
Unsecured		
Loans and Advances from Related Parties [Refer to Note No.46(b)(i)]	2,363.61	768.16
Loan from Other Parties [Refer to Note No.46(b)(ii)]	8.25	6.95
Total	15,178.27	14,772.13

Notes: *(i) Borrowings are Secured by pari-passu first charge on the current assets of the Company and *pari-passu* second charge on the fixed assets of the Company.

(ii) The Company has used the Borrowings from banks for the specific purpose for which it was taken as at the reporting date.

(iii) Refer to Note No.50 for information about risk profile of borrowings under Financial Risk Management.

NOTE NO. 28

TRADE PAYABLES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Trade Payables dues of micro enterprises and small enterprises	-	-
Trade Payables dues of Creditors other than micro enterprises and small enterprises	511.29	1,092.01
Total	511.29	1,092.01

Notes: (i) The disclosures as per the requirement of the Micro, Small and Medium Enterprises Development Act, 2006 are furnished in Note No.51.

(iii) Trade Payable aging schedule given in Notes No.52(a).

(ii) Refer to Notes No.49 for information about risk profile of Trade payables under Financial Risk Management.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 29

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Interest Accrued	17.15	1.94
Unclaimed Dividends	1.36	1.38
Statutory Liabilities Payable	947.43	929.44
Other payables	170.88	59.56
Total	1,136.82	992.32

Notes: (i) Unclaimed dividends represents amount not due for transfer to Investor Education and Production Fund

NOTE NO. 30

PROVISIONS, CURRENT

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Provision for Employee Benefits	201.82	163.51
Provision for Compensated absences	191.72	92.29
Total	393.54	255.80

Notes: (i) The Company provides for expenses towards compensated absence provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit Method.

NOTE NO. 31

PROVISION FOR TAXATION

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Income Tax Provision for earlier years	8.20	8.20
Total	8.20	8.20

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 32

REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Sale of Products		
Yarn	28,208.76	24,573.07
Waste Cotton	355.36	415.33
	28,564.12	24,988.40
Other Operating Revenue		
Export Incentive	29.59	2.19
Scrap Sales	74.11	1.89
Job Work Charges Received	148.27	162.97
Total	28,816.09	25,155.45

Note : The disaggregation of revenue as required under Ind AS 115 is given below:

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Gross Revenue from Operations	30,069.86	26,189.68
Less: Rebates & Discounts	61.33	62.77
Less : GST	1,192.44	971.43
Revenue from Operations (Net of GST)	28,816.09	25,155.48

NOTE NO. 33

OTHER INCOME

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Rent Receipts	16.23	15.15
Interest Income	223.47	117.99
Government Grants	21.01	2.68
Profit on Sale of Cotton	–	21.61
Canteen Income	10.07	20.79
Miscellaneous Income	14.86	2.57
Total	285.64	180.79

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 34

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Raw materials Consumed		
Cotton & Cotton Waste consumed for Yarn Production	15,071.96	15,101.41
Total	15,071.96	15,101.41

NOTE NO. 35

PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Purchases of Stock-in-Trade	3,255.90	1,128.62
Total	3,255.90	1,128.62

NOTE NO. 36

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Opening Stock		
Finished Goods	812.25	1,245.61
Work-in-Progress	1,522.41	2,334.66
Closing Stock		
Finished Goods	625.17	812.25
Work-in-Progress	1,100.12	1,725.29
Net (Increase) / Decrease in Stock	609.37	534.41

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 37

EMPLOYEE BENEFITS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Salaries, Wages and Bonus	2,468.67	2,332.94
Contribution to Provident and Other Funds	283.86	281.56
Staff and Labour Welfare & Training Expenses	279.34	3,031.87
		239.51 2,854.01
For Managing Director		
Managing Director Remuneration	180.00	180.00
Contribution to Provident and Other Funds	7.50	7.50
Sitting Fees	0.60	188.10
		0.60 188.10
Total	3,219.97	3,042.11

Notes: (i) Refer to Note No. 44 for disclosures pertaining to defined contribution plan and defined benefit obligations under Ind AS19.

NOTE NO. 38

FINANCE COSTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Interest on Debts and Borrowings	2,217.13	2,329.34
Total	2,217.13	2,329.34

Notes: (i) Interest on Term Loan represents calculated using the effective interest rate Method.

(ii) Refer to Note No. 50 for information about Interest risk exposure under Financial Risk Management.

NOTE NO. 39

DEPRECIATION

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Depreciation of Plant, Property and Equipment [Refer to Note No. 7]	1,447.75	1,433.51
Depreciation on Investment Properties [Refer to Note No. 9]	2.80	2.81
Total	1,450.52	1,436.32

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 40

OTHER EXPENSES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Manufacturing Expenses		
Power and Fuel	2,465.64	2,385.32
Packing Materials	465.86	369.18
Repairs to Buildings	56.31	60.05
Repairs to Plant and Machinery	647.10	617.99
Repairs - General	581.77	538.98
Job work Charges Paid	184.98	4,401.66
		126.77
		4,098.29
Establishment Expenses		
Rates and Taxes	65.53	57.13
Insurance	104.85	105.26
Postage and Telephone	13.88	11.73
Printing and Stationery	10.21	11.65
Travelling Expenses	23.07	34.94
Vehicle Maintenance	34.33	36.20
Directors Sitting Fees	6.45	7.20
Rent Paid	7.02	6.10
Audit and Legal Expenses	31.10	25.56
Corporate Social Responsibility Expenses	3.62	0.61
Exchange Loss on Foreign Currency Transactions	78.45	87.96
Mark to Market Loss on Cotton	-	275.51
Loss on Sale of Cotton	2.94	-
Assets Scrap - Write off	18.02	58.83
Miscellaneous Expenses	87.04	486.51
		49.17
		767.85
Selling Expenses		
Sales Commission	222.66	206.85
Export Expenses	392.19	299.40
Other Selling Expenses	263.57	152.63
Impairment allowance for trade receivables	-	878.42
		(9.22)
		649.66
	5,766.59	5,515.80

Note: i) The details of CSR Expenses are disclosed in Note No.52(i)

NOTE NO. 41

AUDIT FEES AND EXPENSES (NET OF TAX CREDITS)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Statutory Auditors		
Statutory Audit fee	2.25	1.75
Other Certification Work	7.03	1.90
Reimbursement of Expenses	8.46	7.01
Tax Auditors		
Tax Audit Fee	1.80	1.30
Cost Auditors		
Cost Audit Fee	0.90	0.90
Secretarial Auditors		
Secretarial Audit Fee	1.07	0.42
Other Certification Work	0.37	-
Total	21.90	17.30

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 42

COMMITMENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	221.73	221.73
(ii) Other Commitments		
Liability on Letter of Credit opened for Capital Goods	NIL	NIL
Liability on Letter of Credit opened for Cotton / Spares	NIL	NIL
(iv) Export Promotion Scheme		
(a) Export obligations against the import licenses taken for import of capital goods under the Export Promotion on Capital Goods Scheme and Advance License Scheme for import of raw material.	16,359.83	6,420.70
(b) Duty amount involved under EPCG Scheme	69.07	NIL
(c) Duty amount involved under Advance License Scheme	1,521.35	1,903.05

Note: (i) Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. The export obligation under the EPCG Scheme to be fulfilled on or before the financial year 2029-30. The Company is also importing cotton under Advance License Scheme against obligation to export the yarn within 18 months from the date of license. The export obligation under the Advance License Scheme to be fulfilled on or before 27th September, 2026.

NOTE NO. 43

CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Guarantees given by the bankers on behalf of company	181.56	153.76
Disputed GST Liability	3.64	3.64
Other Demands	356.86	356.86

- i. Income Tax Assessment have been completed upto the Accounting Year ended 31st March, 2024 i.e. AY 2024-25
- ii. Sales Tax / VAT Assessment has been completed upto the Accounting year 2017-18. The Assessment under CST Act was completed upto the Accounting year 2017-18.
- iii. In respect of Electricity matters, Appeals / Writ petition are pending with TNERC / APTEL / High Court for various matters for which no provision has been made in the books of accounts to the extent of ₹ 356.86 Lakhs (PY: ₹ 356.86 Lakhs). In view of the various case laws decided in favour of the Company and in the opinion of the management, there may not be any tax liability on this matter.

NOTE NO. 44

DEFINED CONTRIBUTION PLAN:

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

(₹ in Lakhs)

Particulars	2024-25	2023-24
Employer's Contribution to Provident Fund	184.61	178.86
Employer's Contribution to Superannuation Fund	13.14	12.12

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Defined Benefit Plan - Gratuity

The Gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company read with Payment of Gratuity Act, 1972. This is a defined plan in nature. The Company makes annual contributions to "Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund" administered by the Trustees and managed by LIC of India, based on the Actuarial Valuation by an Independent external actuary as at the Balance Sheet date using Projected Unit Credit method. The Company has the exposure of actuarial risk such as adverse salary growth, change in demography experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Defined Benefit Plan (Gratuity)

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Reconciliation of Opening and Closing balances of present value of Obligation:		
As at the beginning of the year	615.34	579.49
Current Service Cost	37.84	40.55
Interest Cost	41.09	40.22
Actuarial (gain) / loss	6.08	2.91
Benefits paid	(-) 51.60	(-) 47.84
As at the end of the year	648.75	615.33
Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:		
As at the beginning of the year	590.23	536.95
Expected return on plan assets	40.28	39.31
Actuarial gain / (loss)	3.55	1.88
Employer Contribution	26.90	59.93
Benefits paid	(-) 51.60	(-) 47.84
As at the end of the year	609.35	590.23
Actual Return on Plan Assets:		
Expected Return on Plan Assets	40.28	39.31
Actuarial Gain / (Loss) on Plan Assets	3.55	1.88
Actual Return on Plan Assets	43.83	41.19
Reconciliation of Fair Value of Assets and Obligations		
Present value of obligation	648.75	615.34
Fair value of plan assets	609.35	590.23
Present value of Funded defined obligation	39.39	25.11
Expenses recognized during the year:		
Current Service Cost	37.84	40.55
Net Interest on obligations	0.81	0.91
Expenses recognized in Statement of Profit and loss	38.65	41.46
Amount recognized in the Other Comprehensive Income:		
Actuarial changes arising from:		
Actuarial (Gain) / Loss on Obligations	6.08	2.91
Experience adjustments on Plan Assets	(-) 3.55	(-) 1.88
Gain / (Loss) recognized in OCI during the year	2.53	1.03
Major Categories of Plan Assets:		
GOI Securities		-
Funds with LIC	609.35	590.23
Others	-	-
Total	609.35	590.23

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Actual Return on Plan Assets:		
Expected Return on Plan Assets	40.28	39.31
Actuarial Gain / (Loss) on Plan Assets	3.55	1.88
Actual Return on Plan Assets	43.83	41.19
Reconciliation of Fair Value of Assets and Obligations		
Present value of obligation	648.75	615.34
Fair value of plan assets	609.35	590.23
Difference, amount recognised in Balance Sheet	39.39	25.11
Expenses recognized during the year:		
Current Service Cost	37.84	40.55
Net Interest on Obligations	0.81	0.91
Expenses recognized in Statement of Profit and Loss	38.65	41.46
Amount recognized in the Other Comprehensive Income:		
Actuarial changes arising from:		
Experience adjustments on Plan Liabilities	6.08	2.91
Experience adjustments on Plan Assets	(-) 3.55	(-) 1.88
Changes in demographic assumptions	-	-
Amount recognized in OCI during the year	2.53	1.03
Investment Details:		
Funds with LIC	602.47	577.01
Bank Balance	6.88	13.22
Total	609.35	590.23
Actuarial assumptions:		
LIC 2012-14 Table applied for Service Mortality rate	Yes	Yes
Discount rate p.a.	6.76%	6.97%
Expenses Rate of escalation in salary p.a.	3.85%	3.85%
Rate of employee turnover	0.01%	0.01%
Estimate of Expected Benefit payments		
Year 1	16.19	32.81
Year 2	111.96	115.88
Year 3	28.16	38.32
Year 4	62.58	27.81
Year 5	53.28	60.86
Next 5 Years	244.85	230.12

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	41.67	35.56
0.50% Decrease in Discount Rate	47.14	39.98
0.50% Increase in Salary Growth Rate	47.21	40.05
0.50% Decrease in Salary Growth Rate	41.58	35.49

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet.

Defined Benefit Plan (Leave encashment plan):

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Reconciliation of Opening and Closing balances of Present Value of Obligation:		
As at the beginning of the year	92.29	82.11
Current Service Cost	16.23	16.98
Interest Cost	5.46	2.91
Actuarial (Gain) / Loss	105.71	74.03
Benefits paid	(-) 27.97	(-) 83.76
As at the end of the year	191.72	92.29

Reconciliation of Opening and closing Balances of Fair Value of Plan Assets:

As at the beginning of the year	Nil	Nil
Expected return on plan assets	Nil	Nil
Actuarial gain / (loss)	Nil	Nil
Employer Contribution	27.97	83.76
Benefits paid	(-) 27.97	(-) 83.76
As at the end of the year	Nil	Nil

Actual Return of plan assets:

Expected return of plan assets	Nil	Nil
Actuarial gain / (loss) on plan assets	Nil	Nil
Actual return on plan assets	Nil	Nil

Reconciliation of Fair Value of Assets and Obligations:

Fair Value of plan assets	Nil	Nil
Present Value of obligation	191.72	92.29
Difference, Amount recognized in Balance Sheet	191.72	92.29

Expenses recognized during the year:

Current Service Cost	16.23	16.98
Net Interest on obligations	5.46	2.91
Actuarial (Gain) / Loss recognized during the year	105.71	74.04
Expenses / (Gain) recognized in the Statement of Profit and Loss	127.40	93.93

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	31.03.2025	31.03.2024
Amount recognized in the Other Comprehensive Income:		
Actuarial charges arising from:	Nil	Nil
Experience adjustments on Plan Liabilities	Nil	Nil
Experience adjustments on Plan Assets	Nil	Nil
Changes in financial assumptions	Nil	Nil
Changes in demographic assumptions	Nil	Nil
Amount recognized in OCI during the year	Nil	Nil
Investment details:		
Funds with LIC	Nil	Nil
Bank Balance	Nil	Nil
Actuarial assumptions:		
LIC 2012-14 Table applied for Service Mortality rate		
Discount rate p.a.	6.76%	6.97%
Expected rate of Return on Plan Assets p.a.	Nil	Nil
Rate of escalation in salary p.a.	3.85%	3.85%
Rate of Employee Turnover	0.01%	0.01%
Estimate of Expected Benefit payments		
Year 1	1.92	1.68
Year 2	102.84	41.85
Year 3	2.07	2.71
Year 4	7.66	0.82
Year 5	4.41	6.36
Next 5 Years	39.37	26.68
Quantitative Sensitivity Analysis for Significant Assumptions		
0.50% Increase in Discount Rate	20.52	15.39
0.50% Decrease in Discount Rate	22.68	17.15
0.50% Increase in Salary Growth Rate	22.71	17.18
0.50% Decrease in Salary Growth Rate	20.49	15.35

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculation the defined benefit obligation recognized within the Balance Sheet.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 45

EARNINGS PER SHARE

Particulars	31-03-2025	31-03-2024
Net Profit / (Loss) after tax (₹ In Lakhs) (A)	(1,479.99)	(2,163.60)
Weighted average number of Equity shares [In Lakhs] (B)	15.00	15.00
Nominal value per equity share (in ₹)	10.00	10.00
Basic & Diluted Earnings per share (in ₹) (A) / (B)	(99.00)	(144.00)

NOTE NO. 46

RELATED PARTY TRANSACTIONS

Information on names of related parties and nature of Relationship as required by Ind AS 24 on Related Party disclosures for the year ended 31st March, 2025:

A) Associates

Name of the Company	Place of Business / Country of Incorporation	% of Shareholding as at	
		31-03-2025	31-03-2024
The Ramco Cements Limited	India	1.31%	1.31%
Rajapalayam Mills Limited	India	0.40%	0.40%
The Ramaraju Surgical Cotton Mills Limited	India	0.06%	0.06%

B) Key Managerial Personnel (including KMP under Companies Act, 2013)

Name of the Key Management Personnel	Designation
Shri P.R. Venketrama Raja	Chairman
Smt. Sharadha Deepa	Managing Director
Shri S.S. Ramachandra Raja	Non-Executive Director
Shri Srirama Raja	Non-Executive Director
Shri Arunkumar Goenka	Non-Executive Director
Shri S. Kanthimathinathan	Non-Executive Director
Shri P.A.S. Alaghar Raja	Independent Director
Justice Shri P.P.S. Janarthana Raja	Independent Director

C) Relatives of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Smt. Nalina Ramalakshmi	Sister of Shri P.R. Venketrama Raja

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

D) Companies over which KMP / Relatives of KMP exercise significant influence or Control

Sandhya Spinning Mill Limited
Ramco Industries Limited
Shri Harini Media Limited
Ramco Windfarms Limited
Rajapalayam Textile Limited
Ramco Industrial and Technology Services Limited

E) Employee Benefit Funds where control exists

Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund
Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund

F) Other entities over which there is a significant influence

PACR Sethurammam Charity Trust,
Digvijai Polytex Private Limited,
Ramco Organic Farming Centre,
Tirupati YarnTex Spinners (P) Limited,
Vishnu Textile Corporation

Disclosure in respect of Related Party Transactions during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year at Arm's length basis or its equivalent

	(₹ in Lakhs)	
	Value	
	2024-25	2023-24
Name of the Related party		
i. Good Supplied / Services rendered		
Associates		
Rajapalayam Mills Limited	3,363.56	1,553.17
The Ramaraju Surgical Cotton Mills Limited	752.78	407.41
Companies over which KMP / Relative of KMP exercise significant Influence		
Ramco Industries Limited	1,102.76	478.36
Sandhya Spinning Mill Limited	1,259.05	1,686.71
Rajapalayam Textile Limited	157.72	69.06
Other entities over which there is a significant Influence		
Vishnu Textile Corporation	3,334.96	3,752.47
Vandhana Textile	–	460.52

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

		(₹ in Lakhs)	
		Value	
Name of the Related party		2024-25	2023-24
ii. Cost of Goods & Services purchased / availed			
Associates			
The Ramco Cements Limited	2.81	5.28	
Rajapalayam Mills Limited	3,774.90	777.48	
The Ramaraju Surgical Cotton Mills Limited	2,411.02	602.23	
Companies over which KMP / Relative of KMP exercise significant influence			
Ramco Industries Limited	2,092.63	571.13	
Ramco Systems Limited	14.83	17.20	
Ramco Wind Farms Limited	–	207.74	
Sandhya Spinning Mill Limited	766.60	800.78	
Rajapalayam Textile Limited	390.95	119.88	
Other entities over which there is significant influence			
PACR Sethurammam Charity Trust	101.57	95.36	
Ramco Organic Farming Centre	0.01	0.02	
Vincent Chemilab Private Limited	–	3.44	
Tirupati YarnTex Spinners (P) Limited	65.70	14.89	
iii. Purchase of Fixed Assets			
Companies over which KMP / Relative of KMP exercise significant influence			
Sandhya Spinning Mill Limited	2.33	–	
iv. Dividend Received			
Associates			
The Ramco Cements Limited	77.35	61.88	
Rajapalayam Mills Limited	0.22	0.37	
The Ramaraju Surgical Cotton Mills Limited	–	0.01	
v. Rent Received			
JKR Enterprise Limited	–	0.17	
JKR Hospitality Services Private Limited	2.12	1.95	
vi. Leasing Arrangements - Rent Paid			
Relative of Key Managerial Personnel			
Smt. Nalina Ramalakshmi	0.79	0.79	

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Name of the Related party	Value	
	2024-25	2023-24
vii. Reimbursement of Expenses Paid / (Received)		
Associates		
The Ramco Cements Limited	13.76	15.02
Rajapalayam Mills Limited	33.57	–
Companies over which KMP / Relative of KMP exercise significant Influence		
Rajapalayam Textile Limited	0.90	–
viii. Interest Paid		
Key Managerial Personnel		
Smt. Sharadha Deepa	79.64	61.92
Shri S.S. Ramachandra Raja	0.18	0.16
Other entities over which there is a significant influence		
Digvijai Polytex Private Limited	0.81	0.27
ix. Directors Sitting Fees		
Key Managerial Personnel		
Shri P.R. Venketrama Raja	0.75	0.75
Smt. Sharadha Deepa	0.30	0.60
Shri S.S. Ramachandra Raja	0.75	0.60
Shri Srirama Raja	0.45	0.60
Shri S. Kanthimathinathan	1.35	1.50
Shri Arunkumar Goenka	0.60	0.45
Shri P.A.S. Alaghar Raja	1.35	1.50
Justice Shri P.P.S. Janarthana Raja	1.50	0.45
x. Remuneration to Key Managerial Personnel (Other than Sitting Fees)		
Key Managerial Personnel		
Smt. Sharadha Deepa, Managing Director	187.50	187.50

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Name of the Related party	Value	
	2024-25	2023-24

xi. Remuneration to Key Management Personnel (Other than Sitting Fees)

Key Managerial Personnel

Sri Vishnu Shankar Mill Limited Officers' Superannuation Fund	10.55	10.55
Sri Vishnu Shankar Mill Limited Employees' Gratuity Fund	56.41	56.41

xii. Maximum amount of loans and advance / (borrowings) outstanding during the year

Key Managerial Personnel

Smt. Sharadha Deepa	(2,480.86)	(3,331.78)
Shri S.S. Ramachandra Raja	(2.57)	(2.41)

Other entities over which there is a significant influence

Digvijai Polytex Private Limited	(15.00)	(6.95)
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(₹ in Lakhs)

Name of the Related party	Value	
	31-03-2025	31-03-2024

b. Outstanding balance including commitments

i. Borrowings

Key Managerial Personnel

Shri S.S. Ramachandra Raja	2.57	2.41
Smt. Sharadha Deepa	2,361.04	765.75

ii. Other entities over which there is a significant influence

Digvijai Polytex Private Limited	8.25	6.95
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c. Disclosure of Key Managerial Personnel compensation in total and for each of the following categories:

Particulars	2024-25	2023-24
Short - Term Benefits ^[1]	180.30	180.60
Defined Contribution Plan ^[2]	7.50	7.50
Defined Benefit Plan / Other Long-Term Benefits ^[3]	—	—
Total	187.80	188.10

1. It includes bonus, sitting fees, and value of perquisites.

2. It includes contribution to Provident fund and Superannuation fund.

3. As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above. However, amount paid towards compensated absence is included whenever Company makes such payment to KMPs.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 47

SEGMENT INFORMATION FOR THE YEAR ENDED 31-03-2025

(₹ in Lakhs)

Particulars	Textiles		Power from Windmills		Total	
	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024	31-Mar-2025	31-Mar-2024
REVENUE						
External Sales (Net)	28,816.09	25,155.45	–	–	28,816.09	25,155.45
Inter Segment Sale			1,612.67	1,652.60	1,612.67	1,652.60
Total Sales	28,816.09	25,155.45	1,612.67	1,652.60	30,428.76	26,808.05
Other Income	644.43	243.05	–	–	644.43	243.05
Total Revenue	29,460.52	25,398.50	1,612.67	1,652.60	31,073.19	27,051.10
RESULT						
Segment Profit	(1,068.62)	(2,068.21)	869.17	839.30	(199.45)	(1,228.91)
Unallocated Income	–	–	–	–	(223.47)	(117.98)
Unallocated Expenses						
Operating Profit	–	–	–	–	(422.92)	(1,346.89)
Interest Expenses	–	–	–	–	2,217.13	2,329.34
Interest Income	–	–	–	–	223.47	117.99
Provision for Taxation						
Current Tax	–	–	–	–	–	–
Income Tax related to earlier years	–	–	–	–	–	–
Deferred Tax	–	–	–	–	(466.23)	(925.82)
MAT Credit entitlement						–
MAT Credit entitlement-py	–	–	–	–	–	–
Profit from ordinary activities	–	–	–	–	(1,950.35)	(2,632.42)
Other Comprehensive Income	–	–	–	–	(1.21)	(1.03)
Exceptional Items						
Net Profit	–	–	–	–	(1,949.14)	(2,633.45)
OTHER INFORMATION						
Segment Assets	29,808.15	30,754.24	1,303.00	1,483.75	31,111.15	32,237.99
Unallocated Assets	–	–	–	–	–	–
Total Assets					31,111.15	32,237.99
Segment Liabilities	17,228.12	17,120.46	–	–	17,228.12	17,120.46
Unallocated Liabilities						
Total Liabilities	–	–	–	–	17,228.12	17,120.46
Capital Expenditure	102.27	2,725.83	–	–	102.27	2,725.83
Unallocated Capital Expenditure	–	–	–	–	–	–
Depreciation	1,251.36	1,219.72	199.16	216.60	1,450.52	1,436.32
Unallocated Depreciation Expenditure	–	–	–	–	–	–
Non-Cash expenses other than Depreciation	–	–	–	–	–	–

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 48

DISCLOSURE OF INTERESTS IN ASSOCIATES UNDER EQUITY METHOD

Name of the Company	Principle place of Business / Country on Incorporation	Principal activities of Business
The Ramco Cements Limited	India	Manufacture of Building Materials
Rajapalayam Mills Limited	India	Manufacture of Cotton Yarn
The Ramaraju Surgical Cotton Mills Limited	India	Manufacture of Cotton Yarn

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2025	31-03-2024
The Ramco Cements Limited	India	1.31%	1.31%
Rajapalayam Mills Limited	India	0.40%	0.40%
The Ramaraju Surgical Cotton Mills Limited	India	0.06%	0.06%

Summarised financial information for Associates:

The summarized consolidated financial statements of the material associates are as below: (₹ in Lakhs)

Balance Sheet	Non-current Assets	Investment in Associates	Current Assets	Non-current Liabilities	Current Liabilities	Total Equity
As at 31-03-2025						
The Ramco Cements Limited	14,03,591	5,544	2,23,815	4,57,420	4,31,316	7,44,214
Rajapalayam Mills Limited	1,01,379	2,04,736	53,272	61,521	66,426	2,31,439
The Ramaraju Surgical Cotton Mills Limited	30,476	17,306	24,693	22,382	26,520	23,573
As at 31-03-2024						
The Ramco Cements Limited	13,79,046	23,231	2,24,996	5,05,981	3,97,143	7,24,149
Rajapalayam Mills Limited	1,06,852	1,90,339	54,443	54,672	66,800	2,30,121
The Ramaraju Surgical Cotton Mills Limited	30,078	18,756	22,072	21,524	23,032	26,350

Profit and Loss	TRCL		RML		RSCML	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Total Revenue	8,55,957	9,41,528	91,539	86,856	40,612	37,138
Profit / (Loss) before tax	31,931	54,166	(7,536)	(1,404)	(4,352)	(5,026)
Tax Expense / (Withdrawal)	5,117	14,813	(1,648)	(482)	(1,023)	(701)
Profit after Tax	26,814	39,353	(6,038)	(921)	(3,342)	(4,325)
Share of Profit in Associate	453	(3,363)	7,592	5,354	408	551
Other Comprehensive Income	(979)	6,425	(222)	83	68	(3,774)
Total Comprehensive Income	26,288	42,415	1,332	6,083	(2,866)	(3,709)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Fair Value of Investments

Name of the Associates	31-03-2025	31-03-2024
The Ramco Cements Limited	16,390	15,909
Rajapalayam Mills Limited	239	261
The Ramaraju Surgical Cotton Mills Limited	5	5

Share of contingent Liabilities in respect of associates

Name of the Associates	31-03-2025	31-03-2024
The Ramco Cements Limited	89,938	90,349
Rajapalayam Mills Limited	579	259
The Ramaraju Surgical Cotton Mills Limited	-	-

₹ in Lakhs

Reconciliation to the carrying amount of investment in associates as on 31-03-2025 and 31-03-2024

Profit and Loss	TRCL		RML		TRSCML	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Entity's TCI	41,739.00	35,990.00	(5,087.85)	6,000.83	(993.00)	(3,709.22)
Entity's Adjusted TCI	40,877.00	42,415.00	(5,245.02)	6,083.38	(1,006.00)	(3,682.26)
Effective Shareholding %	1.37%	1.37%	0.40%	0.40%	0.06%	0.06%
Associates share of profit / OCI	480.69	563.05	(21.61)	(3.79)	(0.55)	2.39
Amount recognized in P & L	480.69	563.05	(21.61)	(3.79)	(0.55)	2.39
Reconciliation						
Opening Carrying amount	15,908.98	15,345.93	260.56	264.35	5.16	5.53
Less: Other adjustments	-	-	-	-	-	-
Add: Associate's share of Profit / OCI	558.04	642.92	(21.39)	(3.42)	(0.55)	(0.36)
Less: Dividend Received	77.35	61.88	0.22	0.37	-	0.01
Net Carrying amount	16,389.66	15,908.97	238.95	260.56	4.61	5.16

Notes:

- 1) Adjusted TCI represents total comprehensive income of the entity after eliminating effects of reciprocal interests and unrealized profits.
- 2) Effective shareholdings represent the aggregate of direct holding and indirect holding through fellow associates. The Group's aggregate share of profit and other comprehensive income in its individually immaterial associates are furnished below:

Aggregate amounts of Group's share of :	31-03-2025	31-03-2024
Profit / (Loss) after tax	(1,479.99)	(2,163.60)
Other Comprehensive Income	(12.79)	87.00
Total Comprehensive Income	(1,492.78)	(2,076.60)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 49

DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category

(₹ in Lakhs)

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2025					
Financial Assets					
Other Investments	418.02	–	1.58	419.60	419.60
Loans	–	–	–	–	–
Trade Receivables	4406.61	–	–	4406.61	4406.61
Cash and Bank Balances	77.77	–	–	77.77	77.77
Other Financial Assets	567.35	–	–	567.35	567.35
Financial Liabilities					
Borrowings	11850.22	–	–	11850.22	11850.22
Trade Payables	511.28	–	–	511.28	511.28
Other Financial Liabilities	1136.82	–	–	1136.82	1136.82
As at 31-03-2024					
Financial Assets					
Other Investments	8.26	410.01	(0.26)	418.02	418.02
Loans	–	–	–	–	–
Trade Receivables	4005.34	–	–	4005.34	4005.34
Cash and Bank Balances	24.93	–	–	24.93	24.93
Other Financial Assets	500.24	–	–	500.24	500.24
Financial Liabilities					
Borrowings	11941.88	–	–	11941.88	11941.88
Trade Payables	1092.01	–	–	1092.01	1092.01
Other Financial Liabilities	992.32	–	–	992.32	992.32

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investment in unlisted securities				
As at 31-03-2025	–	–	419.60	419.60
As at 31-03-2024	–	–	418.02	418.02

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTPL				
Foreign exchange forward contracts				
As at 31-03-2025 (Liability)	–	19.52	–	19.52
As at 31-03-2024 (Liability)	–	0.07	–	0.07

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities	Market Value	Closing Price as at reporting date in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Asset Value as per Balance Sheet of respective Companies as at reporting date
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**NOTE NO. 50****FINANCIAL RISK MANAGEMENT**

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyze the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case-to-case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

(₹ in Lakhs)

As at 31-03-2025	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
Gross carrying amount	2,600.03	910.04	737.26	159.28	4,406.61
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	—	—	—	—	—
Carrying amount of trade receivables net of impairment	2,600.03	910.04	737.26	159.28	4,406.61

As at 31-03-2024	Due less than 45 days	46 to 90 days	91 to 180 days	More than 180 days	Total
Gross carrying amount	2,396.83	612.67	209.78	786.06	4,005.34
Expected Loss Rate	0%	0%	0%	0%	0%
Expected Credit Losses	—	—	—	—	—
Carrying amount of trade receivables net of impairment	2,396.83	612.67	209.78	786.06	4,005.34

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with Banks. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows.

Fund Management

Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Financial arrangements

The Company has access to the following undrawn borrowing facilities: (₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Expiring within one year		
Bank Overdraft and other facilities	9,761.75	10,568.07
Term Loans	5,416.52	4,204.06
Expiring beyond year		
Term Loans	11,850.22	11,941.88

Maturities of Financial Liabilities

(₹ in Lakhs)

Nature of Financial Liability	< 1 Year	1 - 5 Years	>5 years	Total
As at 31-3-2025				
Borrowings from Banks / Related Parties	15178.27	10956.06	894.16	27028.49
Trade payables	511.28	–	–	511.28
Other Financial Liabilities (Incl. Interest)	1136.82	–	–	1136.82
As at 31-3-2024				
Borrowings from Banks / Related Parties	14,772.13	10,670.51	1,002.99	26,445.63
Trade payables	1092.01	–	–	1092.01
Other Financial Liabilities (Incl. Interest)	992.32	–	–	992.32

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of cotton, capital goods & spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract packing credit Foreign Currency which acts as natural hedge against export Receivable. The Company enters the above transactions, after taking into consideration the anticipated Foreign exchange inflows / outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company uses derivative financial instruments viz. Foreign Exchange Forward Contracts exclusively for hedging currency risks that arise from imports / exports transactions. The Company measures the risk by forecasting foreign currency cash flows and manages its currency risks by appropriately hedging the transactions. When a forward contract is entered into for the purpose of being a hedge, the Company finalizes the terms of those forward contracts to match the terms of the hedged exposure i.e. receivables / payables / Firm Commitments. All identified exposures are managed as per the policy duly approved by the Board of Directors.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities / Firm Commitments as at the end of reporting periods are given below:

As at 31-03-2025 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	Financial Asset / Firm commitments related to Financial Assets		
	(a) Trade Receivable	1.97	
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	–	–
	(b) Contracts for import of materials	3.73	–
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Assets		
	(a) PCFC Loan	1.47	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	3.12	–
	(b) Forward contract for imports	–	–
	(c) Forward Contracts for Exports	2.41	–

As at 31-03-2024 **In Millions**

Type	Particulars	USD	EURO
Hedged Items	Financial Asset / Firm commitments related to Financial Assets		
	(a) Trade Receivable	1.70	0.15
	Financial Liabilities / Firm commitments related to Financial Liabilities		
	(a) Buyers Credit Loan	–	–
	(b) Contracts for import of materials	1.98	–
Hedging Instruments (Forward contracts)	Instruments for hedging the currency risk on Financial Assets		
	(a) PCFC Loan	0.53	–
	Instruments for hedging the currency risk on Financial Liabilities		
	(a) Forward contracts for Buyers Credit Loan	0.86	–
	(b) Forward contract for imports	4.09	–
	(c) Forward Contracts for Exports	–	–

The details of foreign currency forward contracts outstanding at the end of the reporting period is given below:

Particulars	Foreign currency (in Lakhs)		Nominal Amount (₹ in Lakhs)	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024
USD / INR buy forward	5.41	0.86	–	NIL
EURO / INR buy forward	NIL	NIL	–	NIL

The above forward contracts are having maturity of less than 12 months.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Cash flow and fair value interest rate risk

(₹ in Lakhs)

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position.

Interest rate risk exposure

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Variable rate borrowings	27,028.49	26,714.01
Fixed rate borrowings	-	-

The Company does not have any interest rate swap contracts

Sensitivity on Interest rate fluctuation

(₹ in Lakhs)

Incremental Interest Cost works out to	31-03-2025	31-03-2024
1% Increase in Interest Rate	270.28	267.14

NOTE NO. 51

DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

The categorization of supplier as MSME registered under the Act under new definition, has been determined based on the information available with the Company as at the reporting date. The Company has also considered suppliers as MSME who possess the erstwhile MSME certificate for the period upto the reporting date, for the purpose of categorization and disclosures. The disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
(a) (i) The Principal amount remaining unpaid to any supplier at the end of the financial year included in -		
Trade Payables	-	-
Other Current Financial Liabilities	-	-
(ii) The Interest due on the above	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Act	-	-
(c) The amount of the payment made to the supplier beyond the appointed day during the financial year	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the financial year	-	-
(e) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. 52

Additional regulatory information as required under Companies Act, 2013 / Indian Accounting Standards:

a) Trade Payables ageing Schedule (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	No due	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2025						
MSME	–	–	–	–	–	–
Others	471.12	32.74	3.12	1.84	2.46	511.28
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Unbilled dues	–	–	–	–	–	–
Total	471.12	32.74	3.12	1.84	2.46	511.28
As at 31-03-2024						
MSME	–	–	–	–	–	–
Others	701.19	359.47	25.23	1.38	4.74	1,092.01
Disputed Dues - MSME	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Unbilled dues	–	–	–	–	–	–
Total	701.19	359.47	25.23	1.38	4.74	1,092.01

b) Capital Work-in-Progress Ageing Schedule (₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 – 2 Years	2 - 3 years	> 3 years	
As at 31-03-2025	–	–	–	–	–
As at 31-03-2024	134.18	–	–	–	134.18

Notes: (i) None of the capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) The Company does not have any projects whose activity has been suspended

(iii) The Company has no intangible assets under development

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

c) Trade Receivables Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
As at 31-03-2025							
Undisputed Trade receivables - considered good	2,600.03	910.04	737.26	159.23	–	–	4,406.66
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	2,600.03	910.04	737.26	159.23	–	–	4,406.66
As at 31-03-2024							
Undisputed Trade receivables - considered good	–	3,219.27	786.07	–	–	–	4,005.34
Undisputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - which have significant increase in credit risk	–	–	–	–	–	–	–
Total	–	3,219.27	786.07	–	–	–	4,005.34

d) Undisclosed Income

The Company does not have any transaction, which are not recorded in the books of accounts that has been surrounded or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

e) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956 considering the information available with the Company.

f) Details of Crypto Currency or Virtual Currency

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence disclose relating to it are not applicable.

g) The Company has neither advanced or loaned or invested, nor received any fund, to or from, any other persons or entities (intermediaries) with the understanding that the intermediary shall:

- directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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- i) directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

h) Key Financial Ratios:

Sl No	Particulars	31-Mar-25	31-Mar-24	Variation in %	Formula adopted
1	Debtors Turnover Ratio (Days)	7	54	(47)	365 Days / (Net Revenue / Average Trade Receivables)
2	Inventory Turnover Ratio (Days)	45	136	(91)	365 Days / (Net Revenue / Average Trade Receivables)
3	Interest Coverage Ratio	(0.09)	(0.53)	44%	(Profit Before Tax + Interest) / (Interest + Interest Capitalised)
4	Current Ratio	0.73	0.75	2%	Current Assets / (Total Current Liabilities - Other Financial Liabilities - Current Maturities of Long Term Debt)
5	Debt-Equity Ratio	23	9	14	Total Debt / Total Equity
6	Operating Profit Margin	4.36%	0.30%	4%	EBITDA / Net Revenue
7	Net Profit Margin	(8.28%)	(14.01%)	5.73%	Net Profit / Net Revenue
8	Return on Net Worth	(1.64%)	(0.84%)	0.80%	Total Comprehensive Income / Average Net Worth
9	Total Debt / EBITDA	22	351	(329)	Total Debt / EBITDA
10	Return on Capital Employed	1.71%	(1.89%)	3.60%	(TCI + Interest)/(Average of Equity plus Total Debt)
11	Trade Payable Turnover Ratio (Days)	36	12	24	Net Revenue / Average Trade Payable

Note : EBITDA denotes Profit Before Tax + Interest + Depreciation

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

i) Disclosures related to CSR activities

Particulars	Amount (₹ in Lakhs)
Amount required to be spent by the Company during the year	Not Applicable
Amount of expenditure incurred	3.61
Shortfall at the end of the year	Nil
Total of previous years shortfall	Nil
Reason for shortfall	Nil
Nature of CSR activities	Please refer to Table-A below

Note: The Company has not made any provision to CSR activities for the financial year 2024-25 and 2023-24.

Table - A Nature of CSR activities:

Nature	Amount (₹ in Lakhs)
Not Applicable	
TOTAL	-

NOTE NO. 53

a) Exceptional Items:

Profit on Sale of Property, Plant & Equipment and Investment Property

The Company has modernized machineries and sold the old machineries during the financial year 2024-25. The WDV of old machineries and building (Investment Property) as on 31-03-2025 was ₹ 8.79 Lakhs. The Company has incurred Loss / (Profit) on sale of the above old machineries and investment property to the extent of ₹ 4.44 Lakhs (PY: ₹ 131.26 Lakhs) and the same is shown as an Exceptional Items in the Statement of Profit and Loss.

NOTE NO. 54

EVENTS AFTER THE REPORTING PERIOD - DISTRIBUTION MADE AND PROPOSED

Particulars	31-03-2025	31-03-2024
Cash Dividends on Equity Shares declared and paid		
Dividend for the year ended 31 st March 2025: Nil per Share (PY: ₹ Nil)	Nil	Nil
Proposed Dividends on Equity Shares		
Final dividend for the year ended 31 st March 2024: Nil per Share (PY: ₹ Nil)	Nil	Nil

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
UDIN: 25021510BMMM005601
Rajapalayam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS ASSOCIATES FOR THE YEAR 2024-25

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	₹ in Lakhs	As % of Consolidated profit / (loss)	₹ in Lakhs	As % of Consolidated OCI	₹ in Lakhs	As % of Consolidated TCI	₹ in Lakhs
Parent								
Sri Vishnu Shankar Mill Limited	6.68%	1,190.69	137.06%	(2,028.50)	2.89%	(0.37)	135.91%	(2,028.87)
Associates (Investments as per the Equity Method)								
Indian								
The Ramco Cements Limited	91.95%	16,389.20	-38.50%	569.80	92.04%	(11.77)	-37.38%	558.03
Rajapalayam Mills Limited	1.34%	238.95	1.40%	(20.74)	5.01%	(0.64)	1.43%	(21.38)
The Ramaraju Surgical Cotton Mills Limited	0.03%	4.61	0.04%	(0.55)	0.06%	(0.01)	0.04%	(0.55)

As per our report annexed

For **M.S. JAGANNATHAN & N. KRISHNASWAMI**
Chartered Accountants
Firm Registration No. 001208S

K. SRINIVASAN
Partner,
Membership No. 021510
UDIN: 25021510BMMMQQ5601
Rajapalayam
29th May, 2025.

For and on behalf of the Board

Shri P.R. VENKETRAMA RAJA
Chairman
(DIN: 00331406)

Smt. SHARADHA DEEPA
Managing Director
(DIN: 00383799)

SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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SRI VISHNU SHANKAR MILL LIMITED, RAJAPALAIYAM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTES



Our Managing Director Smt. Sharadha Deepa presenting the Best male worker prize to Mr. V. Paramasivam.



Our Managing Director Smt. Sharadha Deepa presenting the Best female worker prize to Mrs. P. Pethammal.

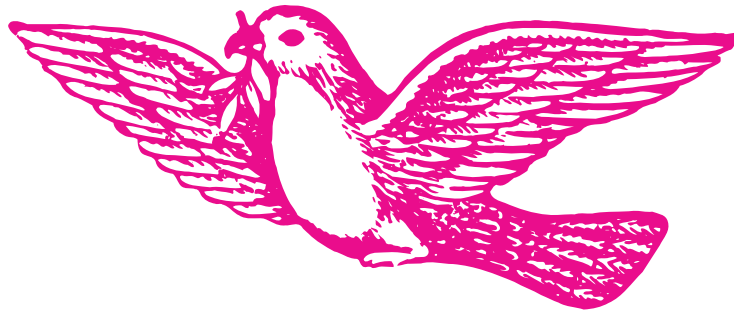


Our Chairman Shri P.R. Venketrama Raja presenting "Excel Award" for achieving third place in our Ramco Group Textile Division.



Our Mill Team receiving Gold Award & 1st Place in Best of Session Award-2024 from Quality Circle Forum of India – Madurai Chapter at Thekkady for Quality Concept Presentation.

SRI VISHNU SHANKAR MILL LIMITED



RAJAPALAIYAM