

Date: 02.09.2025

To,
BSE limited
Department of Corporate Services
P J Towers, Dalal Street,
Mumbai - 400001.
Security Code : 514280

Dear Sir/Madam,

Subject : Notice of 42nd Annual General Meeting along with Annual Report of the Company for the Financial Year 2024-25

This is to inform that the 42nd Annual General Meeting ("AGM") of the Company will be held on Friday, 26th September, 2025 at 9:00 a.m. through Video Conferencing / Other Audio Visual Means in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.


Pursuant to Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2024-25, which is being sent through electronic mode to the Members.

The Annual Report containing the Notice is also uploaded on the Company's website and can be accessed at www.sanrhea.com.

Kindly take the same on your record.

Yours Faithfully,

For, Sanrhea Technical Textiles Limited



Dharmesh Patel
(Company Secretary)



**42nd
Annual
Report
2024-25**

SANRHEA
TECHNICAL TEXTILES LIMITED

CORPORATE INFORMATION**Board of Directors**

Shri Tushar Patel	- Managing Director
Smt. Tejal Patel	- Director
Shri Mahendrasingh Hada	- Director
Shri Biren Patel	- Independent Director
Shri Ravishankar Gopal	- Independent Director (Appointed w.e.f. 13.08.2024)
Shri Sanjay Gupta	- Independent Director (Appointed w.e.f. 28.06.2025)
Shri Miten Mehta	- Independent Director*
Shri Vimal Ambani	- Independent Director*

Key Managerial Personnel

Shri Jasubhai Patel	- CFO
Shri Dharmesh Patel	- Company Secretary

Auditors

Kantilal Patel & Co.
(Chartered Accountants)

Audit Committee	• Shri Biren Patel
	• Shri Ravishankar Gopal
	• Shri Tushar Patel
Nomination and Remuneration Committee (NRC)	• Shri Biren Patel
	• Shri Ravishankar Gopal
	• Smt. Tejal Patel
Stakeholders Relationship Committee (SRC)	• Shri Biren Patel
	• Smt. Tejal Patel
	• Shri Tushar Patel
Corporate Social Responsibility (CSR) Committee	• Shri Mahendrasingh Hada
	• Shri Tushar Patel
	• Shri Biren Patel
Risk Management Committee (RMC)	• Shri Biren Patel
	• Shri Tushar Patel
	• Shri Mahendrasingh Hada

Registrar & Transfer Agent

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services
5TH Floor, 506 TO 508,
Amarnath Business Centre - 1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner, Off C G Road,
Elliesebriidge, Ahmedabad - 380006.
Tel No.: +91 79 26465179, Fax: +91 79 26465179
E-mail ID: ahmedabad@linkintime.co.in

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Bankers

Standard Chartered Bank

Punjab National Bank (earlier known as United Bank of India)

Sardar Vallabhbhai Sahakari Bank Ltd.

Registered Office

Parshwnath Chambers, 2nd Floor,

Near New RBI Building, Income Tax,

Ashram Road, Ahmedabad-380014

Manufacturing Unit

Dr. Ambedkar Road,

Near G.E.B.

Kalol - 382721.

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NOTICE

Notice is hereby given that the 42nd Annual General Meeting (AGM) of the members of For Sanrhea Technical Textiles Limited ("the Company") will be held on Friday, 26th September, 2025 at 9.00 a.m. through Video Conferencing / Other Audio Visual Means (VC) to transact the following business :

ORDINARY BUSINESS:

Item no. 1 - Adoption of financial statements

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2025 along with the Reports of the Auditors' and Board of Directors' thereon.

Item no. 2 - Declaration of Dividend

To declare a dividend of ₹ 1.50/- per equity share for the year ended March 31, 2025.

Item no. 3 - To appoint a Director in place of Shri Tushar Patel (DIN:00031632), who retires by rotation and being eligible, offers himself for re-appointment

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Tushar Patel (DIN:00031632), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."

SPECIAL BUSINESS:

Item no. 4 - To approve reappointment of Shri Biren Suryakant Patel (DIN:01010778) as an Independent Non-Executive Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Biren Suryakant Patel (DIN:01010778) who was re-appointed as an Independent Director (Non-Executive) in their meetings w.e.f. 1st September, 2025 and who has submitted a declaration that he meets the criteria for independence as provided under the Act and the Listing Regulations be and is hereby reappointed as an Independent Director of the Company, to hold office for second term of five consecutive years with effect from 30th September, 2025 to 29th September, 2030 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

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Item no. 5 - To approve appointment of Shri Sanjay Gupta (DIN:10939385) as an Independent Non-Executive Director.

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Sanjay Gupta (DIN:10939385), who was appointed as an Additional Director of the Company with effect from June 28, 2025 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature to the office of Director, be appointed as an Independent Director (Non-Executive) of the Company, to hold office for a term of five consecutive years with effect from 28th June, 2025 to 27th June, 2030 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

Item no. 6 - To approve appointment of Shri Mahendrasingh Hada (DIN: 09161284), as a Whole Time Director.

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of the Company be and is hereby accorded to appoint Shri Mahendrasingh Kishansingh Hada (DIN:09161284) as a Whole Time Director of the Company, for a period of 3 (three) years with effect from 1st September, 2025 to 30th August, 2028 on remuneration not exceeding of ₹ 36 Lakhs p.a. in addition he shall be entitled such other allowances or commission as may be decided by the Board from time to time subject to the limit specified in Schedule V of the Companies Act, 2013 on terms and conditions that may be determined by the Board of Directors and whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors be and are hereby authorized to vary and alter the terms and of appointment including salary, commission, perquisites, allowances etc. payable to Shri Mahendrasingh Kishansingh Hada within such prescribed limit or ceiling and as agreed by and between the Company and Shri Mahendrasingh Kishansingh Hada without any further reference to the Company in General Meeting.”

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

Item no. 7 - To approve appointment of CS Jitendra Leeya, Practicing Company Secretary as Secretarial Auditor of the Company for a first term of five years.

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

“RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded, to appoint CS Jitendra Leeya (ACS No.:A31232, CP No.: 14503) Company Secretary (Peer Reviewerd) as Secretarial Auditors of the Company to conduct secretarial audit for the first term of five consecutive years commencing from FY 2025-26 till FY 2029-30 on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor, from time to time.

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board to avail or obtain from the Secretarial Auditors, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the applicable laws, at a remuneration to be determined by the Board of Directors of the Company.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

By order of the Board of Directors
For Sanrhea Technical Textiles Limited

Place: Ahmedabad
Date : 01.09.2025

Dharmesh Patel
Company Secretary

Notes:

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispended the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 and latest being Circular No. 09/2024 dated September 19, 2024 (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and circular no. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024 issued by the Securities Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 42nd Annual General Meeting (“AGM”) of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 28.
2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives for attending the AGM through VC/OAVM, participating thereat and casting their votes through e-voting.

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3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
5. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / RTA (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to ahmedabad@linkintime.co.in by **19th September, 2025**. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to ahmedabad@linkintime.co.in. The aforesaid declarations and documents need to be submitted by the shareholders by **19th September, 2025**.

6. The Members can join the AGM in the VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing live webcast of proceedings of the AGM. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Further, pursuant to the MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / the Registrar / Depositories. The Notice convening the AGM has been uploaded on the website of the Company at www.sanrhea.com and may also be accessed from the relevant section of the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.
8. The Company has fixed **Friday, 12th September, 2025** as the 'Record Date' for determining entitlement of members to receive dividend for the FY 2024-25, if approved at the AGM.

Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after **Friday, 12th September, 2025**, subject to applicable TDS.

"Please note that As per SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, w.e.f. April 1, 2024, dividend to members who holding shares in physical form shall be paid only through electronic mode. Such payment shall be made upon folio being KYC compliant i.e. registering

their PAN, contact details including mobile no., bank account details and specimen signature with RTA / Company”.

9. Book Closure

The Register of Members and the Share Transfer Books of the Company will be closed from **Saturday, September 13, 2025 to Thursday, September 18, 2025** (both days inclusive) for the purpose of this AGM.

10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, MUFG Intime India Private Limited ("**Registrar**" or "**RTA**") at ahmedabad@linkintime.co.in for assistance in this regard.
11. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
12. As per Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. The form can be downloaded from the Company's website. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.
13. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
16. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
17. **Alternatively, Members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing demat account number / Folio number, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy**

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of Aadhaar Card). In case of Individual Shareholders holding securities in demat mode are requested to follow steps mentioned below in Para 28 below under Step 1 (A) i.e. "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

18. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
19. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **Friday, September 19, 2025** may cast their vote by **remote e-Voting. The remote e-Voting period commences on Tuesday, September 23, 2025 at 9:00 a.m. and ends on Thursday, September 25, 2025 at 5:00 p.m.** The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the **cut-off date of Friday, September 19, 2025**. Subject to receipt of requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. **Friday, September 26, 2025**. The Notice of the AGM indicating the instructions of remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl.com or the Company's website www.sanrhea.com
20. Members will be provided with the facility for voting through electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-Voting.
21. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. **Friday, September 19, 2025**., shall be entitled to avail the facility of remote e-voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Friday, August 29, 2025**, may obtain the User ID and password by sending a request along with the requisite documents as mentioned in para 17 above, at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned **para 28 below under Step 1 (A) i.e. "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
22. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
23. **Shri Ashish Doshi partner of SPANJ & ASSOCIATES**, Practising Company Secretaries (Membership No. FCS 3544 & CP No. 2356) has been appointed as the Scrutinizer by the Board for providing facility to the Members of the Company to scrutinize remote e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner.

24. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock Exchange on which the Company's shares are listed, NSDL and RTA and will also be displayed on the Company's website at www.sanrhea.com.
25. Members seeking any information with regard to accounts are requested to write to the Company from their registered email address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's email address at dk.sanrhea@gmail.com atleast 10 days before the meeting so as to enable the management to keep the information ready.
26. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA at ahmedabad@linkintime.co.in for assistance in this regard.

Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP.

In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 or link their PAN with Aadhaar before June 30, 2023, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

27. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
28. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on **Tuesday, September 23, 2025 at 9:00 a.m. and ends on Thursday, September 25, 2025 at 5:00 p.m.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, September 19, 2025**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, September 19, 2025**.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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B) Login Method for e-Voting and joining virtual meeting for shareholders (other than Individual shareholders) holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL e-services i.e. **IDeAS**, you can log-in at <https://eservices.nsdl.com/> with your existing **IDeAS** login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Details of User ID and Password for logging on to NSDL e-voting Portal: Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - (c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at www.evoting.nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- (a) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (b) Select "EVEN" of the company Sanrhea Technical Textiles Limited to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- (c) Now you are ready for e-Voting as the Voting page opens.
- (d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (e) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

29. General Guidelines for shareholders

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdoshiac@gmail.com with a copy marked to evoting@nsdl.com latest by Thursday, September 25, 2025 (upto 11:00 a.m.). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
- (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com to reset the password.

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- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request or contact Ms. Pallavi Mhatre at the designated email IDs: evoting@nsdl.com. Members may also write to the Company Secretary at the Company's email address at (dk.sanrhea@gmail.com).

30. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice

- (a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) by email to dk.sanrhea@gmail.com.
- (b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) to dk.sanrhea@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- (c) Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- (d) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

31. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING THROUGH ELECTRONIC VOTING SYSTEM DURING 42ND AGM ARE AS UNDER:

- (a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- (c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

32. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- (a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- (b) Members are encouraged to join the Meeting through Laptops for better experience.

- (c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (e) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at dk.sanrhea@gmail.com. The same will be replied by the company suitably.
- (f) For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number to dk.sanrhea@gmail.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM.

Company's Details:

SANRHEA TECHNICAL TEXTILES LIMITED

Parshwanath Chambers, 2nd Floor, Nr. New RBI, Income Tax, Ahmedabad - 380 014.

E-mail ID: sanrhea@gmail.com

Registrar and Transfer Agent:

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services

5TH Floor, 506 TO 508,

Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre,

Nr. St. Xavier's College Corner, Off C G Road, Elliesebidge, Ahmedabad - 380006.

Tel No.: +91 79 26465179, Fax: +91 79 26465179

E-mail ID: ahmedabad@linkintime.co.in

Scrutinizer :

SPANJ & ASSOCIATES

Practising Company Secretaries

TF/1, Anison Building, SBI Lane, Nr. Stadium Circle, C. G. Road, Ahmedabad - 380009

E-mail ID: csdoshiac@gmail.com

Explanatory Statement Pursuant to Section 102(1) of The Companies Act, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item no. 4

Shri Biren Suryakant Patel (DIN:01010778) was appointed as an Independent Non- Executive Director of the Company by the members at the 37th AGM of the Company for a period of five consecutive years commencing from 30th September, 2020 to 29th September, 2025.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Biren Suryakant Patel, being eligible for

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Obligations and Disclosure Requirements) Regulations, 2015, Shri Biren Suryakant Patel, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from 30th September, 2025 to 29th September, 2030. The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. In the opinion of the Board, Shri Biren Suryakant Patel fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Biren Suryakant Patel as an Independent Non- Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday/Sunday, upto and including the date of AGM of the Company.

The Board affirms that Shri Biren Suryakant Patel satisfies all stipulated requirements for appointment as an Independent Director (Non-Executive) in accordance with the Companies Act, 2013, its accompanying rules, and the SEBI Listing Regulations. Shri Biren Suryakant Patel maintains complete independence from management while contributing substantial expertise, seasoned experience, and valuable knowledge to the Board's deliberations. His distinguished academic credentials and noteworthy professional achievements further reinforce the Board's conviction that his directorship serves the Company's best interests and enhances our corporate governance standards. The Board of Directors recommends the re-appointment of Shri Biren Suryakant Patel as an Independent Director for a second term of five consecutive years, effective from September 30, 2025, to September 29, 2030.

Details of Shri Biren Suryakant Patel are provided in the "Annexure" to this Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the ICSI. He shall be paid remuneration by way of fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Shri Biren Suryakant Patel setting out the terms and conditions of appointment shall be available for inspection by the members electronically. Members seeking to inspect the same can send an email to dk.sanrhea@gmail.com.

Save and except Shri Biren Suryakant Patel, being the appointee, none of the other Directors / Key Managerial Personnel of the Company / relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 4 for approval of the Members as a Special Resolution.

Item no. 5

The Board of Directors of the Company, based on the recommendation of the Nomination and Compensation-cum-Remuneration Committee and pursuant to the provisions of Section 149, 150, 152 and 161(1) of the Companies Act, 2013 ("the Act") and all the applicable Rules made thereunder read with the Articles of Association of the Company, had approved the appointment of Shri Sanjay Gupta (DIN 10939385) as an Additional Director, designated as Independent Director (Non-Executive) of the Company for a term of up to 5 (five) consecutive years i.e. with effect from 28th June, 2025.

Shri Sanjay Gupta is holding leadership roles in global alliance management, product marketing, and investor relations. This foundation provided him with deep expertise in mergers & acquisitions, international joint

ventures, and strategic planning within the biopharmaceutical industry and has vast experience to drive growth in international markets. His skill set is comprehensive, spanning corporate development, investor relations, global marketing, and business strategy. He is further bolstered by a strong academic background, holding an MBA from HEC School of Management and completing the General Manager Program at Harvard Business School.

In accordance with the provisions of Section 149 read with Schedule IV to the Act and as per amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") appointment of Independent Directors requires approval of the members of the Company.

Shri Sanjay Gupta is qualified to be appointed as a director in terms of Section 164 of the Act and has given his consent to act as a director. The Company has also received declaration from Shri Sanjay Gupta that she meets the criteria of independence as prescribed both under Section 149(6) of the Act, applicable rules made thereunder and Listing Regulations.

The Company has also received notice under Section 160 of the Act from a shareholder proposing the candidature of Shri Sanjay Gupta for the office of a Director of the Company.

The Board is of the opinion that Shri Sanjay Gupta meets all the conditions and criteria for appointment as an Independent Director (Non-Executive), as stipulated under the Companies Act, 2013, its corresponding rules, and the SEBI Listing Regulations. Shri Sanjay Gupta demonstrates independence from the management and brings significant expertise, experience, and relevant knowledge to the Board. Given his strong educational background and considerable professional accomplishments, the Board believes that his appointment is in the best interest of the Company.

Details of Shri Sanjay Gupta are provided in the "**Annexure**" to this Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("**SS-2**"), issued by the ICSI. He shall be paid remuneration by way of fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Shri Sanjay Gupta setting out the terms and conditions of appointment shall be available for inspection by the members electronically. Members seeking to inspect the same can send an email to dk.sanrhea@gmail.com.

Save and except Shri Sanjay Gupta, being the appointee, none of the other Directors / Key Managerial Personnel of the Company / relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 5 for approval of the Members as a Special Resolution.

Item no. 6

Shri Mahendrasingh Hada (DIN: 09161284), is BSC graduate from Rajasthan University and associated with the Company for more than 25 years and established his name in the Textile Industry over two generations.

He has wide and rich experience in the field of Technical Textiles and having gained substantial technical knowledge. He manages Company's Production and Marketing and takes the business to new markets and newer heights.

The Board is confident about Shri Mahendrasingh Hada (DIN: 09161284), being able to function and discharge his duties in an able and competent manner.

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Based on recommendation of Nomination and Remuneration Committee, the Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Mahendrasingh Hada (DIN: 09161284), as an Whole Time Director. Accordingly, the Board recommends passing of the Ordinary Resolution in relation to appointment of Shri Mahendrasingh Hada (DIN: 09161284), as an Whole Time Director for the term of 3 (three) years with effect from 1st September, 2025 to 30th August, 2028, for the approval by the shareholders of the Company.

None of the Directors, Key Managerial Personnel (KMP) or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the said resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 6 for approval of the Members as a Special Resolution.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

I. GENERAL INFORMATION:

1. Nature of Industry:

The Company Sanrhea, an ISO 9001:2015, ISO 14001:2015 approved Company set up its facility to manufacture industrial fabrics in 1997 as a small convertor and has grown over the years to become one of the largest and most reputed manufacturers of RFL - Dipped fabrics for Conveyor Belts, Tyres and other Rubber Products. The company has today established itself as one of the most accepted and respected manufacturer of various industrial fabrics & technical fabrics in India.

2. Date or expected date of commencement of commercial production:

The Company is manufacturing industrial fabrics since 1997 and as such there is no date of commencement of commercial production.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable

4. Financial performance based on given indicators

During the year under report, performance of the company is upto the mark. Sales of the Company are ₹ 7,493.55 Lakh as compare to ₹ 6,803.76 Lakh in the previous year. Gross Profit of the Company is ₹ 961.67 Lakh as compare to ₹ 873.24 Lakh for the previous year. After providing Depreciation, Finance Charges and Taxation, the company has incurred Net Profit of ₹ 463.08 Lakh.

5. Foreign investments or collaboration:

Nil

II. INFORMATION ABOUT THE APPOINTEE:

As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be appointed are given below.

1. Background Details

Shri Mahendrasingh Hada is B.Sc. graduate form Rajasthan University is serving the Company since last 25 years and established his name in the Textile Industry over two generations. His has wide and rich experience in the field of Technical Textiles and having gained substantial technical knowledge.

He manages Company's Production and Marketing and takes the business to new markets and newer heights. Today the business stands strong and is the market leader in manufacturing of various specialised industrial fabrics.

2. Past Remuneration

Shri Mahendrasingh Hada had drawn remuneration of ₹ 23.06 Lakhs during the financial year 2024-25.

3. Recognition or Awards

Not applicable.

4. Job Profile and Suitability of the Appointee

In consideration of his significant contributions over the past several years and his demonstrated commitment to the Company's objectives, the Board has approved the Nomination and Remuneration Committee's recommendation to appoint Shri Mahendrasingh Hada as Whole Time Director. The Board believes he is exceptionally well-suited for this leadership role.

5. Remuneration Proposed

The appointee will be paid remuneration as following or such other limit as may be ascertained under the provisions of Schedule V of the Act, payable as per rules and policies of the Company, for a term of three years w.e.f. 01 September 2025.

No.	Name of the Director	Designation	Remuneration (p.a.)
1.	Shri Mahendrasingh Hada	Whole Time Director	upto 36,00,000

6. Comparative remuneration profile with respect to the industry, size of the Company, profile of the position and person

After a comprehensive review of Shri Mahendrasingh Hada's profile, responsibilities, and contributions, alongside the Company's size and industry-wide remuneration standards, the Board confirms that the proposed remuneration is appropriate, competitive, and commensurate with his position.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Apart from receiving managerial remuneration and holding of 0.75% of Equity Shares of the Company, he does not have any other pecuniary relationship with the Company.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits:

Our financial performance has been primarily influenced by two significant market challenges. First, we operate in an environment marked by volatility in the supply and pricing of essential raw materials. This unpredictability creates operational inefficiencies and can pressure our margins. Second, we navigate a highly competitive global landscape, where we must directly contend with large-scale manufacturers, particularly from China, which impacts both market share and pricing.

2. Steps taken or proposed to be taken for improvement

To address these challenges, we have implemented a proactive, two-pronged strategy:

- **Supply Chain Stabilization:** We have enhanced our inventory management system by strategically stockpiling key raw materials. This forward-purchasing approach mitigates supply disruption risks and provides a buffer against market price fluctuations.

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- **Competitive Differentiation:** Our core focus is on outperforming competitors through superior quality and innovation. We are making continuous investments in R&D to not only enhance our existing product lines but also to pioneer new solutions tailored for both our domestic and international customers.

3. Expected increase in productivity and profits

We are optimistic about a significant improvement in our financial trajectory. Our operations are tightly managed within budgetary constraints, reinforcing the company's going concern strength. This internal discipline, combined with powerful external tailwinds, positions us for growth.

A major catalyst is the **Indian government's accelerated investment in national infrastructure**, specifically the rapid expansion of roads, ports, and highways. This boom will directly benefit the cement, steel, and mining sectors key end-users of our primary product, Conveyor Belting Fabrics. Furthermore, the anticipated growth in the automobile and tire industry, another critical market for our products, provides an additional and compelling avenue for increased demand and revenue.

IV. Disclosures:

1. The remuneration package of all the managerial persons are given in the respective resolutions.
2. The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

Item no. 7

In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed Company is required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary (PCS), to its Board Report.

The Board of Directors of the Company at its meeting held on May 29, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the members of the Company, appointment of Mr. Jitendra Leeya, Practicing Company Secretary (peer reviewed certificate number: 2089/2022) as Secretarial Auditors of the Company for a term of 5 (five) consecutive years, from the conclusion of the 42nd Annual General Meeting (AGM) until the conclusion of the 47th AGM of the Company to be held in the Financial Year 2029-30.

Mr. Jitendra Leeya is an Associate Member of The Institute of Company Secretaries of India (peer reviewed), with over a decade of professional experience having specialization in corporate, secretarial & compliance advisory services for large and medium sized corporates. He is also involved into regulatory compliance management of various listed and closely held Companies.

Mr. Jitendra Leeya has given his consent to act as secretarial auditor of the Company and confirmed that the aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. Furthermore, in terms of the amended regulations, he has provided a confirmation that he is subject to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

The proposed remuneration to be paid to the Secretarial Auditor for FY 2025-26 is ₹ 1,00,000/- excludes applicable taxes and out-of-pocket expenses. In addition to the Secretarial Audit, the Company may also obtain certifications from Mr. Jitendra Leeya, Practicing Company Secretary under various statutory provisions and other permissible non-audit services as required from time to time.

The Board of Directors may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditor.

The above disclosures are in compliance of the provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Board of Directors of the Company recommends the resolution set out at Item No. 7 for approval of the Members as an Ordinary Resolution.

Details of the Director seeking appointment /re-appointment in the forthcoming Annual General Meeting

[in pursuance to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

Name	Shri Tushar Patel	Shri Biren Patel	Shri Mahendrasingh Hada	Shri Sanjay Gupta
Brief Resume and nature of Expertise in Specific Functional Areas	<p>Shri Tushar Patel belongs to an Industrial family from Gujarat having a reputed and established name in the Textile Industry over three generations. Mr. Patel is an MBA with International Finance from the George Washington University, Washington D.C. Shri Tushar Patel, started his career as a trainee in his father's textile mill, Ms. Mahendra Mills Ltd - One of the largest composite textile units of India. Having gained substantial technical and business experience he ultimately took over as Executive Director of the Mills. Envisaging a very bright prospect in the field of Technical Textiles and having gained substantial technical knowledge over his initial ten years of work at Mahendra Mills, Shri Tushar Patel established Sanrhea Technical Textiles Ltd. in 1996 to manufacture specialised industrial fabrics to cater to the needs of the Tyre, Rubber, Automobile and Infra-structure Industry. A Self trained technocrat entrepreneur, Mr. Patel has today established his Company's product.</p>	<p>Shri Biren Suryakant Patel is a distinguished professional with a strong academic foundation, holding three degrees from Northeastern University in Boston, USA. His educational background encompasses specialized expertise in Management, Marketing, and International Business. With this robust academic training, Shri Biren Patel has developed significant proficiency in strategic leadership, market development, and global business operations. His extensive knowledge and cross-functional acumen make him well-equipped to contribute meaningfully to corporate strategy and governance. As a result, he is positioned as a valuable asset in guiding the Board's oversight and decision-making processes.</p>	<p>Shri Mahendrasingh Hada is BSC graduate form Rajasthan University is serving the Company since last 25 years and established his name in the Textile Industry over two generations. His has wide and rich experience in the field of Technical Textiles and having gained substantial technical knowledge. He manages Company's Production and Marketing and takes the business to new markets and newer heights. Today the business stands strong and is the market leader in manufacturing of various specialised industrial fabrics.</p>	<p>Shri Sanjay Gupta is holding leadership roles in global alliance management, product marketing, and investor relations. This foundation provided him with deep expertise in mergers & acquisitions, international joint ventures, and strategic planning within the biopharmaceutical industry and has vast experience to drive growth in international markets. His skill set is comprehensive, spanning corporate development, investor relations, global marketing, and business strategy. He is further bolstered by a strong academic background, holding an MBA from HEC School of Management and completing the General Manager Program at Harvard Business School.</p>
Date of Birth	07.11.1965	30.09.1969	17.09.1963	25.03.1955

Name	Shri Tushar Patel	Shri Biren Patel	Shri Mahendrasingh Hada	Shri Sanjay Gupta
Qualifications	B.Com & M.B.A.	Triple Degree from Northeastern University in Boston	B.SC	- Master of Business Administration (International Business) - Bachelor of Arts (Economics)
No. of years of Experience	38	5	25	30
Terms and conditions of appointment / re-appointment / change in Remuneration	In terms of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Tushar Patel, who retires by rotation, is proposed to be re-appointed as a Director of the Company, liable to retire by rotation.	Shri Biren Patel will serve for a second term of 5 (Five) consecutive years commencing from 30th September, 2025 to 30th September, 2030	As mentioned in Resolution and statement u/s 102 in the Notice of AGM.	Shri Sanjay Gupta will serve for a term of 5 (Five) consecutive years commencing from 28th June, 2025 to 27th June, 2030
Date on which first appointed on the Board/ current designation	10.08.1987	14.09.2020	30.04.2021	28.06.2025
Number of Board meetings attended during the year	6	6	6	NA
Details of remuneration and remuneration last drawn	168.63 p.a.	NA	The remuneration detail is given in resolution in the Notice of AGM	NIL
Relationship with other Directors / Key Managerial Personnel	Spouse of Smt. Tejal Patel and not related to any other Director / KMP	-	-	-

Name	Shri Tushar Patel	Shri Biren Patel	Shri Mahendrasingh Hada	Shri Sanjay Gupta
Directorships held in other Public Companies (excluding foreign companies)	-	Odhav Enviro Projects Limited	-	-
Membership/ Chairmanship of Committees across Public Companies	-	-	-	-
Memberships/ Chairmanship of Committees of other Public Companies	-	-	-	-
Shareholding % in the Company	31.20%	-	0.75%	-

By order of the Board of Directors
For Sanrhea Technical Textiles Limited

Sanrhea Technical Textiles Limited

Dharmesh Patel
Company Secretary

Place : Ahmedabad
Date : 01.09.2025

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 42nd Annual Report together with the audited financial statement of the company for the year ended on **31st March, 2025**.

The summarized financial results for the year ended **31st March, 2025** are as under:

Financial Results

The Audited Financial Statements of the Company as on March 31, 2025, are prepared in accordance with the relevant applicable Ind AS and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act"). The summarized financial highlight is depicted below:

Particulars	2024-25 (₹ in Lakhs)	2023-24 (₹ in Lakhs)
Revenue from Operations	7493.55	6,803.76
Other Income	18.98	22.33
Profit before Financial Charges, Depreciation and Taxation	961.67	873.24
Less:		
Depreciation	188.72	108.60
Finance Charges	132.33	64.49
Total tax expenses	168.14	180.09
Profit for the year	472.48	520.06
Other Comprehensive income (net of tax)	(9.40)	(7.24)
Total Comprehensive Income for the year	463.08	512.82
Add: Balance as per Last Year's Balance Sheet	1472.52	1009.70
Amount Available for Appropriation	1935.60	1522.52
Less: Appropriation of Dividend	(75.00)	(50.00)
Surplus in Statement of Profit and Loss	1860.60	1472.52

Results Of Operations And State Of Company's Affairs

The key aspects of your Company's performance during the financial year 2024-25 are as follows:

During the year under report, performance of the company is upto the mark. Sales of the Company are ₹ 7,493.55 Lakh as compare to ₹ 6,803.76 Lakh in the previous year. Gross Profit of the Company is ₹ 961.67 Lakh as compare to ₹ 873.24 Lakh for the previous year. After providing Depreciation, Finance Charges and Taxation, the company has incurred Net Profit of ₹ 463.08 Lakh.

Dividend

Your directors have recommended a dividend of 15% (₹ 1.50/- per Equity Share of face value of ₹ 10 each) on the fully paid up Equity Shares out of the profits of the Company for the FY 2024-25. The said dividend, if approved by the shareholders, would result into a cash outflow of ₹ 75 Lakh.

Transfer to Reserve

We do not propose to transfer any amount to general reserve on declaration of dividend.

Material Developments During The Financial Year Under Review And Occurred Between The End Of The Financial Year And The Date Of This Report

Capital Raises through Preferential Issue

During the year under review Board of Directors has considered and approved the proposal of raising funds to Issue, offer and allot 690000 (Six Lakh Ninety thousand) equity shares of face value of ₹ 10/- each fully paid-up, on a preferential basis, to the promoter of the Company at a price of ₹ 52/- per equity share, amounting to ₹ 3,58,80,000/- (Rupees Three Crore Fifty Eight Lakh Eighty Thousand only) in accordance with the applicable provisions of the Companies Act, 2013 and SEBI ICDR Regulations, and also subject to approval of the shareholders of the Company through Postal Ballot.

Capital Structure Of The Company

During the financial year 2024-25, following changes have been made in the share capital of the Company.

- **Authorised Share Capital**

The shareholders of the Company give their consent for Increase in Authorised Share Capital at the 41th Annual General Meetings held on 30.09.2024 from ₹ 5,00,00,000/- to ₹ 10,00,00,000/-.

- **Paid-up share capital**

During the year under review, there has been no change in the share capital of the company.

Deposits

The Company has not accepted any Deposits from the public and it is therefore not required to comply with the requirement under the Companies (Accounts) Rules, 2014.

Annual Return

As provided under Section 92(3) & 134(3)(a) of the Act, Annual Return for FY 2024-25 is uploaded on the website of the Company and can be accessed at <https://sanrhea.com/financial-reporting/>

Particulars of Loan, Guarantees and Investment

During the year under review, your Company has not made any loans, guarantees or investments under section 186 of the Companies Act, 2013 and rules thereof.

Particulars of Contracts or Arrangements with Related Parties

All Related Party Transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with the related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in form AOC-2 is not applicable.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the Company's website and can be accessed at <https://sanrhea.com/code-of-conduct-policies/>

Your attention is drawn to the Related Party disclosures set out in the Notes forming part of the Account.

Annual Report 2024-25

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

Particulars relating to conservation of Energy, Technology Absorption, Foreign exchange earnings and outgo, are given separately in the Annexure hereto and form part of this report as **Annexure - I**.

Material changes and commitments affecting the financial position of the company

There are no material changes and commitments affecting financial position of the company which have occurred between the end of financial year and date of report.

Subsidiaries, Joint Ventures and Associate Companies

During the year under review, Company does not have any subsidiary company and none of the companies has become or ceased to be Company's subsidiaries, joint ventures or associate companies.

Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies

During the year under review, none of the companies have become or ceased to be Company's subsidiaries, joint ventures or associate companies, therefore Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is not required to be given.

Directors And Key Managerial Personnel

A. Directorate

As of March 31, 2025, your Company's Board had Five Directors. The details of Board and Committee composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

The members of the Board of Directors of the Company are of proven competence and integrity. Besides having financial literacy, experience, leadership qualities and the ability to think strategically, the Directors have a significant degree of commitment to the Company and devote adequate time for the meetings, preparation and attendance.

Appointment/Re-appointment

1. Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Shri Tushar Patel (DIN: 00031632), Managing Director will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013.

The Directors recommend his re-appointment at the ensuing AGM.

2. Shri Biren Suryakant Patel (DIN:01010778) was appointed as an Independent Non- Executive Directors of the Company by the members at the 37th AGM of the Company for a period of five consecutive years commencing from 30th September, 2020 to 29th September, 2025. As per Section 149(10) of the Act, an Independent Directors shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Shri Biren Suryakant Patel, being eligible for re-appointment as an Independent Directors and offering for re-appointment as an Independent Director for second term of five consecutive years from 22nd September, 2019 upto 21st September, 2024. The Board considers that their continued

association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Biren Suryakant Patel as an Independent Directors.

The Directors recommend their re-appointments at the ensuing AGM.

3. The Board, based on the recommendation of the Nomination and Remuneration Committee of the Company, appointed on 26th June, 2025, Shri Sanjay Gupta (DIN: 10939385), as an Additional Director in the capacity of Non Executive, Independent Director of the Company with immediate effect for a period of five years, subject to approval of the members of the Company in the ensuing Annual General Meeting.*

The Directors recommend his appointment at the ensuing AGM.

4. Shri Mahendrasingh Hada (DIN: 09161284), is BSC graduate form Rajasthan University and associated with the Company for more than 25 years and established his name in the Textile Industry over two generations. He has wide and rich experience in the field of Technical Textiles and having gained substantial technical knowledge. On the recommendations of Nomination & Remuneration Committee and the Board of Directors, Shri Mahendrasingh Hada is appointed as a Whole Time Director of the Company, for a period of 3 (three) years with effect from 1st September, 2025 on terms and conditions that may be determined by the Board of Directors subject to the approval of Shareholders of the Company at the ensuing AGM.

The Directors recommend his appointment at the ensuing AGM.

The brief resume of the Directors being re-appointed, the nature of their expertise in specific functional areas, names of companies in which they hold Directorships, Committee Memberships/ Chairmanships and their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

B. Key Managerial Personnel/Directors

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Shri Tushar Patel	: Managing Director
Smt. Tejal Patel	: Director
Shri Mahendrasingh Hada	: Director
Shri Jasubhai Patel	: CFO
Shri Dharmesh Patel	: Company Secretary

C. Declaration by Independent Director

As per the requirements of the Companies Act, 2013, the company being a listed company require to appoint independent Directors being a listed company. Therefore, requirement for obtaining Declaration by the Independent Directors pursuant to section 149(6) Companies Act, 2013 is applicable to the company.

List of the Independent directors

Shri Biren Patel	
Shri Ravishankar Gopal	- (Appointed w.e.f. 13.08.2024)
Shri Sanjay Gupta	- (Appointed w.e.f. 28.06.2025)
Shri Miten Mehta*	
Shri Vimal Ambani**	

(Ceased as Directors pursuant to completion of their second and final term w.e.f. 21.09.2024)

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The Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in SEBI.

D. Board Evaluation

Pursuant to Section 134(3)(p) of the Companies Act, 2013 read with rule 8(4) of the Companies (Accounts) Rules, 2014, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

Board Diversity

The Company has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website <https://sanrhea.com/code-of-conduct-policies/>

Meetings of the Board

Six Meetings of the Board of Directors were held during the year. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report.

Committees of the Board

Details of various committees constituted by the Board of Directors as per the provision of the SEBI Listing Regulations and the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this Annual Report.

Audit Committee

The Audit Committee comprises Shri Biren Patel (Chairman), Shri Ravishankar Gopal and Shri Tushar Patel. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

Directors' Responsibility Statement

In accordance with the provisions of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Board of Directors states:

- 1) that in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date.
- 3) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) that the annual financial statements have been prepared on a going concern basis;
- 5) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

- 6) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Managerial Remuneration

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is attached herewith as **Annexure – II**.

Details Of Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future

The Company has not received any significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in Future.

Insurance

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and other assets.

Compliance With Secretarial Standards

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India, which have mandatory application during the FY 2024-25 under review.

Corporate Governance

For the period under review, the Company was exempt from the corporate governance requirements stipulated under SEBI Listing Regulations, in accordance with SEBI Circular No. CIR/CFD/POLICY CELL/7/2014. These requirements will become applicable to the Company effective May 24, 2025.

In a commitment to strong ethical principles, the Company has already established a Code of Business Conduct and Ethics for its Board Members and Senior Management. All such personnel have affirmed their adherence to this Code.

A standalone Corporate Governance report, accompanied by the mandatory compliance certificate from a Practising Company Secretary, will be included in subsequent Annual Reports once the SEBI provisions are in effect.

Management Discussion and Analysis Report

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report as **Annexure - III**.

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Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed PCS Jitendra Leeya, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure - IV**.

Appointment of Secretarial Auditor

Pursuant to the requirements of the SEBI Listing Regulations, the Board of Directors of the Company at their meeting held on May 24, 2025, approved the appointment of M/s PCS Jitendra Leeya, Practicing Company Secretaries a Peer Reviewed Practicing Company Secretary firm, as the Secretarial Auditor of the Company for a term of five consecutive financial years, commencing from FY 2025-26 up to FY 2029-30, to conduct the Secretarial Audit, subject to the approval of the Members at the ensuing Annual General Meeting.

The necessary resolution for the appointment of M/s PCS Jitendra Leeya form part of the Notice convening the ensuing 42nd AGM.

Annual Secretarial Compliance Report

Provision relating to The Annual Secretarial Compliance Report (ASCR), mandated by Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to the Company is not applicable to the Company during reporting period.

Statutory Auditors

M/s. Kantilal Patel & Co., Chartered Accountants (Firm registration number 104744W) was appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 30, 2022. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 is not applicable to the company for the year under review.

Auditor's Report

The Auditors' Report for the financial year 2024-25 does not contain any qualification, reservation or adverse mark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Listing At Stock Exchange

The Company's equity shares are listed on the BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India. The Company has paid the Annual Listing Fees to the BSE Limited for the Financial Year 2024-25.

Disclosures

Corporate Social Responsibility (CSR)

During the year under review, the Company has focused on several corporate social responsibility programs. The Company continues its endeavour to improve the lives of people and provide Providing ration kits to needy persons to eradicating hunger, poverty.

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The policy can be accessed at <https://sanrhea.com/code-of-conduct-policies/>. The Annual Report on CSR activities is annexed herewith and marked as **Annexure V** to this Report.

Internal Financial Control System

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Auditor places Internal Audit reports before the Board of Directors.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant Audit observations and corrective actions thereon are presented before the Board.

Risk Management Policy

The Board of Directors of the Company has put in place a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks

Vigil Mechanism & Whistle Blower Policy

The Company has a Vigil mechanism & Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be reported to the Vigilance & Ethics Officer which operates under the supervision of the Audit Committee, as protected disclosures through an e-mail, or dedicated telephone line or a written letter. Employees may also report directly to the Chairman of the Audit Committee

Prevention of Sexual Harassment of Women at Workplace

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. There were no complaints pertaining to sexual harassment during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. The Company has complied with the provision relating to the constitution of Internal Complaints Committee and during the year under review, as per the table given below, the Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Annual Report 2024-25

Number of Complaints pending as at April 1, 2024	Number of Complaints filed during the year	Number of Complaints disposed of during the year	Number of Complaints pending as at March 31, 2025
0	0	0	0

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

Website

As per Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has maintained a functional website namely "https://sanrhea.com" containing basic information about the Company. The website of the Company is also containing information like Policies, Shareholding Pattern, Financial Results and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company, etc.

Business Responsibility & Sustainability Report (BRSR)

As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, the submission of a Business Responsibility and Sustainability Report (BRSR) is mandatory for the **top 1,000 listed entities by market capitalization**. Since the Company does not fall within the specified threshold, the requirement to submit the BRSR is **not applicable for the financial year ended March 31, 2025**.

General Disclosure

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

- 1) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 2) Issue of shares (Including sweat equity shares) to employees of the Company under any scheme.
- 3) Issued any shares under Employee Stock Option Scheme.
- 4) Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
- 5) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of Act).
- 6) Change in the nature of business.
- 7) Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
- 8) Instances of transferring the funds to the Investor Education and Protection Fund.
- 9) Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- 10) One time settlement of loan obtained from the banks or financial institutions.

Cautionary Statement

Certain Statements in this Annual Report may constitute “forward looking statements”. These forward-looking statements are subject to a number of risks, uncertainties and other factors which could cause actual results to differ materially from those suggested by forward looking statements. Important factors that could influence the Company’s operation can be affected by global and domestic demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in government regulations, tax laws, and other factors such as litigation and industrial relations.

Acknowledgement

Your directors place on record their gratitude to the Central Government, State Governments and Company’s Bankers for the assistance, co-operation and encouragement they extended to the company. Your directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

By order of the Board of Directors
For, Sanrhea Technical Textiles Limited

Place : Ahmedabad
Date : 01.09.2025

Tushar Patel
Managing Director
(DIN: 00031632)

Tejal Patel
Director
(DIN: 01130165)

(A) Conservation of energy**(i) Steps taken for conservation of energy**

Energy conservation remains a cornerstone of our operational strategy. We have implemented rigorous monitoring systems to optimize energy consumption throughout our manufacturing processes. This is supported by ongoing employee engagement and training initiatives that foster a culture of efficiency and eliminate waste. Furthermore, we utilize advanced ventilation systems to manage thermal output from machinery, enhancing both energy efficiency and workplace safety.

(ii) Steps taken by the Company for utilising alternate sources of energy: Nil**(iii) Total energy consumption and energy consumption per unit of production**

Particulars	2024-25	2023-24
Unit (KWH in Lakhs)	24.14	19.90
Total Amount (in Lakhs)	202.95	175.03
Cost/Unit (in Rs.)	8.40	8.80

(B) Technology Absorption**(i) Research and development**

Our R&D strategy is strategically aligned with national imperatives for import substitution and self-reliance. We are aggressively developing a pipeline of specialized technical fabrics designed to replace imports in high-growth sectors, including Automotive, Engineering, Rubber Components, and Defense (specifically for Marine and Inflatable applications). Several innovative fabrics are in advanced stages of development and testing, representing significant future volume and revenue streams as they move toward commercialization and approval with major multinational corporations.

(ii) Technology absorption, adaptation and innovation

In line with our strategic vision, we have successfully commissioned significant technological upgrades to enhance our product quality and manufacturing capabilities. This includes the installation of new Twisting False Twist (TFO) units, advanced Rapier Looms, and a modernized, state-of-the-art Dipping Line. These investments are critical for producing the high-specification fabrics required by our target sectors and solidify our position as a technologically advanced manufacturer.

(C) Foreign exchange earnings and outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as given below:

(Amount in Lakhs)

Particulars	2024-25	2023-24
Earning in Foreign Currency	67.24	204.73
Expenditure in Foreign Currency	1422.23	1401.04

MANAGERIAL REMUNERATION

Statement of particulars under Sections 134(3)(q) and 197(12) of the Companies Act, 2013*

Particulars	Status		
i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year		Number of times	
		Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
	Tushar Patel	25.41:1	-
	Mahendrasingh Hada	3.68:1	20%
ii) Percentage increase in remuneration of each of the Director, the Chief Financial Officer, the Chief Executive Officer, the Company Secretary or the Manager, if any, in the financial year	CFO - 10% Company Secretary - 10%		
iii) Percentage increase in the median remuneration of employees in the financial year	8.50%		
iv) Number of permanent employees on the rolls of Company	100		
v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Non-Managerial Employees - 15.52% Managerial Employees - 11.30%		
vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company	It is affirmed that the remuneration is as per the Remuneration Policy of the Company		

*Read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments

India is on a growth path and our company forms part of the Core sector of the industry. The Infrastructure growth of India as driven by the current government directly and positively effects all core sector industry like Steel, Cement, Automobile, Tyres, and Engineering. Likewise the special importance given to becoming self sufficient in Defense, has opened doors to manufacturing of various specialized products for the Marine and Inflatable Industry. The government has also put in a major drive in not only increasing the national Rail network but also upgrade the locomotives in a major way. Specially engineered Fabrics are required in all the above sectors, and our company happens to be present in all the segments. The effect of war in the Mediterranean as well as between Russia Ukraine continues to keep the European markets weak and instable. This could bring a shift of industry into countries like India and open new opportunities and new associations of growth for the Indian Industry.

Opportunities and Threats

The growth of India and its captive consumption is the biggest opportunity for companies like ours. Not only are the volumes increasing in each sector, but development and growth of the industry is bringing in more and more opportunities. If the government policies continue to be growth oriented as of now, India will continue having an increased demand for the coming two decades at least. This consolidates and secures growth for all companies related to the core sector. The threats of course are the external ones. With the Global instability seen as of now, and the political instability in other countries on account of global wars have become never ending, continues to be a big threat. Also the uncertainty brought in by USA on global tariffs can be a major threat that can destabilize businesses.

Segment - Wise or Product - Wise Performance

CHAFER FABRICS : Chafer Fabrics continue to be the biggest product segment of the Company's product line. Not only have the volumes with the existing customers gone up, but we have been able to add a few new customers. Approvals are in process with some more reputed and valued tyre companies and we are confident that these will be established in the coming year. We are hopeful of increased overall volumes in the coming year in this segment.

BELTING FABRICS : Once a prime product category for the company, the company today has a minimum presence in this segment. This is primarily on account of cheap imports from China, making this segment unviable. However, the company is actively representing the matter along with various associations to the Textile Ministry and is hopeful that a policy change to restrict such imports shall be brought in place. This would immediately revive this segment, which we see as one with tremendous growth prospects within India itself.

SPECIALISED FABRICS : The company continues its thrust in the development and growth of specialized fabrics required by the Auto-Component, Marine Inflatable and Engineering Industry and sees very good growth prospects in this product category. The company has also installed certain value addition machines to cater to certain products that have been developed and are currently under approval with some reputed multinational corporate.

Outlook

The Company is confident of a good and growth oriented future. The product profile and the companies drive to concentrate on specialized products, does slow down the pace of growth. However, it secures an

established, remunerative and long term business. The company has also started efforts to establish its specialized products in the overseas markets and establish a presence outside India. This would strengthen the company's position to put up a full new line and double its output.

Risks and Concerns

As you are aware bulk of the raw material of the company is imported, and there are still no stable and established sources of yarn available in India. Bulk of the raw material comes from China, which is the only globally competitive supplier. Our Government's relations with China and the policies established in purview of the same remain the single biggest risk. Also, the Textile Ministries lack of in-dept knowledge of the Technical Textile Industry and its critical need, is a major encumbrance while drafting policies that could truly help the industry surge.

Internal Control Systems and Their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Auditor places Internal Audit reports before the Board of Directors.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant Audit observations and corrective actions thereon are presented before the Board.

Discussion on Financial Performance With Respect to Operational Performance

The company's Annual Sales have been ₹ 7,493.55 Lakhs. The Gross Profit of the year stood at ₹ 961.67 Lakhs as against a Gross profit of ₹ 873.24 lakhs, in the previous year. After providing Depreciation, Finance Charges and Taxation, the company has incurred Net Profit of ₹ 463.08 Lakh. As you would observe, though the tonnage volumes and revenue of the company have gone up, there has been substantial improvement in the profitability of the company. This has been primarily on account of the shift to higher value and specialized products.

Details of Significant Changes in Key Financial Ratios and Return on Net Worth

Pursuant to amendment made in Schedule V to the SEBI Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations there for are given below:

Ratio	As a 31st March, 2025	As a 31st March, 2024	% Change	Reason for Variance
Current Ratio	2.23	2.21	0.69	-
Debt-Equity Ratio	0.56	0.28	97.06	Due to increase in Borrowings
Debt Service Coverage Ratio	3.64	3.01	20.82	-
Return on Equity Ratio	20.22	27.22	(25.72)	Due to lower Profitability
Inventory turnover ratio	3.62	3.70	(2.16)	-

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Ratio	As a 31st March, 2025	As a 31st March, 2024	% Change	Reason for Variance
Trade Receivables turnover ratio	5.69	5.49	3.64	-
Trade payables turnover ratio	13.82	7.75	78.32	Due to Reduction in Trade payables
Net capital turnover ratio	2.98	3.49	(14.61)	-
Net profit ratio	6.31	7.64	(17.51)	-
Return on Capital employed	19.06	27.45	(30.56)	Due to increase Borrowings
Return on investment	4.23	4.23	-	-

OPERATIONS

The operations of the company have been well on the line and growing. The company has leased two sheds in the nearby industrial estate with a view to have additional space for the ongoing and planned expansion. The shifting and required corrections/alterations in the plant, did disturb the operations a bit. However, this was required and in the interest of the onwards growth planned.

STRATEGY, OUTLOOK AND MARKET

As over the past few years, the strategy of the company continues to concentrate on more and more specialized products. This not only brings in better revenues, but assures secured long term business association. The company continues its drive in reverse engineering and designing specialized fabrics for reputed companies in the Automobile and Marine product industry. Though this is a long process, the company sees a good outlook and is confident of a secure market in these product categories. The Company simultaneously is looking at getting its products approved in the overseas markets and establishing a footing in foreign countries.

EXPANSION CUM DIVERSIFICATION

In the current year, the company has added a few machines as required to balance the process requirements so as to optimally utilize the plant and increase the volumes from the current set up. In the newly leased sheds, the company has installed some value addition machines required for certain high value products, currently under development and approval. The company has also started looking for land in the nearby area, with a view to putting up a full new plant in the coming year or two.

SWOT ANALYSIS

Strengths

- Specialized Product Portfolio: Our core strength is our focused expertise in engineering and manufacturing high-value, difficult-to-make technical fabrics for critical industries, reducing reliance on imports.
- Integrated Certified Facilities: Our reinstated, fully integrated manufacturing plant, backed by ISO and quality certifications, provides us with a competitive edge in quality control and production reliability.
- Strategic Market Positioning: Our presence across key growth segments Tyre (Chafer), Automotive, Engineering, and emerging Defense sectors diversifies our revenue base and aligns perfectly with India's infrastructure and self-reliance goals.

Weaknesses

- Vulnerable Supply Chain: A critical dependency on imported raw materials, primarily from a single geographic region (China), exposes us to significant geopolitical, logistical, and pricing risks.

- Margin Pressure: Volatility in raw material and energy costs, coupled with high working capital expenses, continues to compress margins and challenge profitability.

OPPORTUNITIES & THREATS

Opportunities

- Unprecedented Domestic Demand: India's massive investments in infrastructure (roads, rails, ports), defense indigenization, and core sectors (Steel, Cement, Auto) create a sustained, long-term demand tailwind for our entire product portfolio.
- Global Supply Chain Shift: Ongoing global instability presents a catalyst for companies to diversify sourcing away from traditional bases, opening doors for Indian manufacturers to capture export opportunities and form new international partnerships.
- Policy Support for Indigenous Manufacturing: Government initiatives like PLI schemes and potential anti-dumping duties on cheap imports (e.g., for Belting Fabrics) can directly benefit domestic producers.

Threats

- Geopolitical and Trade Policy Volatility: Fluctuating global trade policies, tariffs (e.g., from the USA), and unresolved international conflicts pose persistent risks to global economic stability and export markets.
- Intense Global Competition: The constant threat of subsidized, low-cost imports, particularly from China, threatens the viability of certain product segments (e.g., Belting Fabrics) and overall market pricing.
- Regulatory Hurdles: The pace and effectiveness of government policy formulation specific to the technical textiles industry remains a concern, potentially delaying crucial support measures.

RISKS AND CONCERNS

The Company operates in a complex environment characterized by several material risks:

- Supply Chain Concentration Risk: Our heavy reliance on imported raw materials, with China as the primary source, represents our most significant vulnerability. This exposes us to price volatility, supply disruption, and geopolitical tensions.
- Governmental Policy Risk: The industry's growth is highly sensitive to government policy. This includes both the positive opportunity of growth-oriented infrastructure spending and the risk of inadequate or slow policy support for technical textiles and protection against unfair trade practices.
- Competitive Risk: The pressure from cheap imports and the need to continuously innovate and enhance cost efficiency to maintain competitiveness is an ongoing challenge.
- Macroeconomic Risk: Global instability, currency (Rupee) fluctuations, and shifts in tariff regimes can destabilize markets and impact our cost structure and export competitiveness.

Mitigation Strategy: Our strategy to mitigate these risks involves diversifying our supplier base where possible, actively engaging with industry associations to advocate for supportive policies, relentlessly focusing on product specialization and quality to differentiate from low-cost competition, and prudently managing our working capital and operational costs.

Material Developments in Human Resources / Industrial Relations Front, Including Number of People Employed

As of March 31, 2025, our team consists of 100 full-time employees. This streamlined structure supports our growth journey by enhancing operational agility. Concurrently, we have strengthened our people strategy, implementing a robust Performance Management System and cultivating a transparent and participative organizational culture to empower our team."

Cautionary Statement

This report contains forward-looking statements based on current expectations and projections about future events. These statements are subject to numerous risks, uncertainties, and assumptions that could cause actual results to differ materially. Key factors include, but are not limited to, domestic and global economic conditions, competitive pressures, raw material price volatility, currency exchange rate fluctuations, changes in government regulations, and the company’s ability to manage growth and retain skilled personnel.

Certification

Sanrhea Technical Textiles Limited is an ISO 9001 and ISO 14001 Certified by DNV.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 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

SANRHEA TECHNICAL TEXTILES LIMITED

CIN: L17110GJ1983PLC006309

Regd. Off: PARSHWANATH CHAMBERS,

2ND FLOOR, NR. NEW R B I,

INCOME TAX CIRCLE, AHMEDABAD - 380014

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SANRHEA TECHNICAL TEXTILES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2025 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buyback of Securities Regulations, 2018; and
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (d), (e), (g) and (h) of para (v) mentioned hereinabove during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;
- (vi) I further report that having regard to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof made available to me, on test-check basis, the Company has compliance management system for the sector specific laws in textile sector applicable specifically to the Company.

During the period under review the Company has endeavored to establish the compliance management system to adhere to the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove. However, our review for the year highlighted a few areas where the company is working to strengthen its adherence to regulatory guidelines. The management has demonstrated a commitment to resolving these items swiftly. This includes completing the update of the corporate website to meet all aspects of SEBI LODR Regulation 46 and the Companies Act, 2013, as well as finalizing all pending IEPF-related forms and outstanding filings with the ROC and Stock Exchange. We acknowledge the company's positive assurances that these steps are underway and expect them to be completed in the near future.

Further, I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances of the laws and regulations mentioned hereinabove as applicable to the Company.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as required under Listing Regulations, 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, which are as under:

- Mr. Ravishankar Gopal (DIN: 08821784) was appointed as an Additional Independent Director of the Company w.e.f. 13th August, 2024 for a term of 5 years.
- Mr. Miten Mehta (DIN: 00929483) and Mr. Vimal Ambani (DIN: 00351512) ceases to be an Independent Director of the Company upon completion of second term as an Independent Director of the Company from the close of business hours on 21st September, 2024
- Special Resolution was passed at Annual General Meeting of the members of the Company on 30th September, 2024 for Regularization of Mr. Ravishankar Gopal (DIN: 08821784) as an Independent Director of the Company for a term of 5 years

The company has endeavored to establish a system of sending adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda at least seven days in advance, and a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

I further report that, the company has endeavored to establish adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period of the Company there were following events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- Special Resolution was passed through Postal Ballot process on 15th March, 2025 for issue and allotment of 6,90,000 Equity Shares at an issue price of ₹ 52/- (Rupees Fifty Two only) (including premium of ₹ 42/- (Rupees Forty Two only) on preferential basis to promoters of the Company.

Place: Ahmedabad
Date: 24th May, 2025

Jitendra Pravinbhai Leeya
Practicing Company Secretary
ACS/FCS No.:A31232
C P No.: 14503
P R No.: 2089/2022
UDIN: A031232G000429951

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

To,

The Members

SANRHEA TECHNICAL TEXTILES LIMITED

CIN: L17110GJ1983PLC006309

Regd. Off: PARSHWANATH CHAMBERS,

2ND FLOOR, NR. NEW R B I,

INCOME TAX CIRCLE,

AHMEDABAD - 380014

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2025

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad

Date: 24th May, 2025

Jitendra Pravinbhai Leeya
Practicing Company Secretary
ACS/FCS No.:A31232
C P No.: 14503
P R No.: 2089/2022
UDIN: A031232G000429951

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members

SANRHEA TECHNICAL TEXTILES LIMITED

CIN: L17110GJ1983PLC006309

Regd. Off: PARSHWANATH CHAMBERS,

2NDFLOOR, NR. NEW R B I,

INCOME TAX CIRCLE, AHMEDABAD - 380014

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SANRHEA TECHNICAL TEXTILES LIMITED** having CIN: L17110GJ1983PLC006309 and having registered office at Parshwanath Chambers, 2nd Floor, Nr. New R B I, Income Tax Circle, Ahmedabad - 380014 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Tushar Mahendra Patel	00031632	10/08/1987
2.	Ms. Tejalben Tusharbhai Patel	01130165	13/02/2015
3.	Mr. Biren Suryakant Patel	01010778	14/09/2020
4.	Mr. Mahendrasingh Kishansingh Hada	09161284	30/04/2021
5.	Mr. Ravishankar Gopal	08821784	13/08/2024

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

Date: 01.09.2025

Place : Ahmedabad

ASHISH C DOSHI, PARTNER

SPANJ & ASSOCIATES

Company Secretaries

FCS No.: F3544

COP No.: 2356

P R Certificate No. : 6467/2025

UDIN : F003544G001126182

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

1. Brief outline on CSR Policy of the Company:

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

The CSR Policy has been uploaded on the website of the Company at <https://sanrhea.com/code-of-conduct-policies/>

2. Composition of CSR Committee:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Mahendrasingh Hada	Chairman / Director	2	2
Mr. Tushar Patel	Member / Managing Director	2	2
Mr. Biren Patel	Member / Independent Director	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of CSR committee: <https://www.sanrhea.com/investors/>

CSR Policy and Projects: <https://sanrhea.com/code-of-conduct-policies/>

CSR Projects approved by the Board: <https://sanrhea.com>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year: NIL

6. (a) Average net profit of the company as per section 135(5): 554.42 Lakhs
- (b) Two percent of average net profit of the company as per section 135(5): 11.09 Lakhs
- (c) Surplus arising out of the CSR project/ activities of the previous financial year: NIL
- (d) Amount required to be set off for the financial year: 0.29 Lakhs
- (e) Total CSR obligation for the financial year (6b+6c-bd): 10.80 Lakhs
7. (a) Amount spent against ongoing projects for the financial year: NIL
- (b) Amount spent against other than ongoing projects for the financial year: Rs. 11.40 Lakhs
- (c) Amount spent in Administrative Overheads: NIL

- (d) Amount spent on Impact Assessment: NIL
- (e) Total amount spent for the Financial Year (7a+7b+7c+7d): Rs. 11.40 Lakhs
- (f) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	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
11.40	Not Applicable		Not Applicable		

- (g) Excess amount for set off:

Sr. No.	Particular	(Amount in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	11.09
(ii)	Total amount spent for the Financial Year	11.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.31
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.29
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.60

8. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable
10. 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

By order of the Board of Directors
For, Sanrhea Technical Textiles Limited

Place : Ahmedabad
Date : 01.09.2025

Mahendrasingh Hada
(Chairman CSR Committee)
(DIN: 09161284)

Tushar Patel
(Managing Director)
(DIN: 00031632)

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereto) ('Listing Regulations'), hereinafter referred to as SEBI Listing Regulations, the Board of Directors of Sanrhea Technical Textiles Limited ("the Company") has pleasure in presenting the Company's report containing the details of governance systems and processes for the financial year 2024-25.

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Sanrhea Technical Textiles Limited is built on the principles of integrity, transparency, and accountability to all its stakeholders. The Company considers robust corporate governance not only as a regulatory requirement but also as a core strategic pillar for sustainable growth, trust-building, and long-term value creation.

The governance philosophy of the Company is based on ethical conduct, effective oversight by the Board of Directors, and fair and timely disclosures. The Company strives to foster a culture where decision-making is transparent, objective, and aligned with the best interests of the Company and its stakeholders.

The Board of Directors provides strategic guidance and exercises independent oversight of management, ensuring that business operations are conducted in accordance with established policies, regulatory requirements, and performance objectives. This framework of checks and balances enables effective risk management and ensures adherence to the highest standards of operational and financial discipline.

The provisions relating to Corporate Governance under **Regulations 17 to 27, Schedule V and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** have become **applicable to the Company with effect from May 24, 2025**. The Company confirms that it has initiated necessary steps to comply with the said provisions and is committed to continually strengthening its governance framework in line with the evolving size, complexity, and aspirations of the business.

BOARD OF DIRECTORS

At Sanrhea, the Board has strived hard to achieve long term vision of the Company. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value and brand creation and is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides direction, independent views and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

Composition of the Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on March 31, 2025, Board comprised of 5 (Five) members, one of whom is a Managing Director, 1 (One) is Director, one Woman Non-Executive & Non-Independent Director and 2 (Two) are Independent Directors. The profiles of Directors can be found on directors. The Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations.

The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("the Act"). All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and section 149 of the Act. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors are related to any other Director except two Directors.

In compliance with Regulation 26 of the SEBI Listing Regulations, None of the Directors on the Board holds directorships in more than 10 (Ten) Public Limited Companies or as Independent Director in more than 7 (Seven) Listed Companies. Further, none of the Directors on Company's Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies. The Managing Director of the Company does not serve as an Independent Director in any other listed entity.

The Composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations. The composition of Board as on March 31, 2025 is as under:

Name of the Director	Category	No. of Directorship in listed entities including this listed entity	Names of other listed entities along with category of directorship	Number of Committee positions held in other Public Companies ¹	
				Chairperson	Membership
Shri Tushar Patel	Managing Director, Promoter	1	0	0	2
Smt. Tejal Patel	Non-Executive, Promoter	1	0	0	1
Shri Mahendrasingh Hada	Director	1	0	0	0
Shri Biren Patel	Independent Director	1	0	2	0
Shri Ravishankar Gopal	Independent Director	1	0	0	1

1st excludes Private Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and for determination of limit of committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee alone shall be considered.

Shares And Convertible Instruments Held By Directors

There are no convertible instruments issued by the company to the directors of the Company during the financial year 2024-25. The details of equity shares of the Company held by Directors as on March 31, 2025 are given below:

Sr. No.	Name of the Director	Designation	Shares held
1	Shri Tushar Patel	Managing Director, Promoter	1485272
2	Smt. Tejal Patel	Non-Executive, Promoter	786028
3	Shri Mahendrasingh Hada	Director	42550
4	Shri Miten Mehta [#]	Independent Director	0
5	Shri Vimal Ambani [#]	Independent Director	0
6	Shri Biren Patel	Independent Director	0

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Sr. No.	Name of the Director	Designation	Shares held
7	Shri Ravishankar Gopal*	Independent Director	0
8	Shri Sanjay Gupta*	Independent Director	0

*(Appointed w.e.f. 13.08.2024)

#(Ceased as Directors pursuant to completion of their second and final term w.e.f. 21.09.2024)

Board and Committee Meetings and Procedures

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

The functions performed by the Board include review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of financial results of the Company and review of Company's Operation & Performance. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. The maximum interval between any two meetings did not exceed 120 days. The Board notes compliance reports of all laws applicable to the Company, every quarter.

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board / Committee meetings.

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda.

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company, as required under Regulation 17(3) of the SEBI Listing Regulations.

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard-1.

Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments / divisions. Action taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Committees for noting.

Number of Board Meetings

During the year under review, Board met 6 (Six) times i.e. 30.05.2024, 13.08.2024, 29.08.2024, 13.11.2024, 31.01.2025 and 13.02.2025.

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The details of attendance of Directors at the board Meetings and at the last Annual General Meeting, held on September 30, 2024, are as under:

Name of Director(s)	Number of Board Meetings held and attended during FY 2024-25		Attended Last AGM
	Held during the tenure	Attended	
Shri Tushar Patel	6	6	Yes
Smt. Tejal Patel	6	6	Yes
Shri Mahendrasingh Hada	6	6	Yes
Shri Miten Mehta [#]	3	3	Yes
Shri Vimal Ambani [#]	3	0	
Shri Biren Patel	6	6	
Shri Ravishankar Gopal [*]	3	3	NA

*(Appointed w.e.f. 13.08.2024)

^(Ceased as Directors pursuant to completion of their second and final term w.e.f. 21.09.2024)

During the year, the Board of Directors accepted all recommendations of the Committees of the board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

During the year under review, the Board of Directors of the Company has not amended any of the policies. Accordingly, the policies are on website of the Company at <https://sanrhea.com/code-of-conduct-policies/>

CORE SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Business - Leadership

Financial - Expertise

Risk Management

Global Experience

Strategic Planning

Research and Development and Innovation

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Corporate Governance

While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Directors	Area of Expertise					
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Research and Development and Innovation	Corporate Governance
Shri Tushar Patel	Y	Y	Y	Y	Y	Y
Smt. Tejal Patel	Y	Y	Y	Y	Y	Y
Shri Mahendrasingh Hada	Y	Y	Y	Y	Y	Y
Shri Biren Patel	Y	Y	Y	Y	Y	Y
Shri Ravishankar Gopal	Y	Y	Y	Y	Y	Y
Shri Sanjay Gupta	Y	Y	Y	Y	Y	Y

Note: Each Director may possess varied combinations of skills / expertise within the described set of parameters and it is not necessary that all Directors possess all skills / expertise listed therein.

Details of the Directors seeking appointment / re-appointment in forthcoming Annual General Meeting

The information as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to appointment / reappointment of Directors of the Company are given in the Annexure of the Notice of the Annual General Meeting.

Meeting of Independent Directors

The Company's independent directors shall meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and Board as whole. 1 (one) such meeting was held on 13.11.2024.

Succession planning

The Nomination and Remuneration Committee works with the Board on succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within Board of Directors and the organisation to introduce new perspectives while maintaining experience and continuity.

Committees of the Board

The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. Minutes of the proceedings of Committee meetings are circulated to the respective committee members and placed before the Board meetings for noting.

In conformity to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Companies Act, 2013, the composition of these committees of Board are constituted and reconstituted. As on date, the Board has established the following Committees:

Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee.

A. Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Terms of Reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations as amended from time to time and Section 177 of the Companies Act, 2013. The brief terms of reference of the Audit Committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3) (c) of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified Opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;

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12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries;
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. , of the Company and its shareholders;
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

The audit committee shall mandatorily review the following information:

1. The Management Discussion and Analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal Audit Reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Internal Auditor.
5. statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).
6. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
7. Examination of the financial statement and auditors' report thereon;
8. Approval or any subsequent modification of transactions of the Company with related parties;

9. Scrutiny of inter-corporate loans and investment;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end use of funds raised through public offers and related matters;
13. Any other matters as prescribed by law from time to time.

The powers of the Audit Committee shall include the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition, Meetings and Attendance of the Audit Committee

During the Financial Year 2024-25, Four (4) meetings of the Audit Committee were held on 30.05.2024, 13.08.2024, 13.11.2024 and 31.01.2025. The intervening gap between two meetings did not exceed one hundred and twenty days.

The details of the Audit Committee meetings attended by its members during the financial year 2024-25 are given below:

Sr. No.	Name	Designation	Number of Meetings held during FY 2024-25	
			Held during the tenure	Attended
1	Shri Biren Patel	Chairman	4	4
2	Shri Ravishankar Gopal*	Member	2	2
3	Shri Tushar Patel	Member	4	4
4	Shri Miten Mehta#	Member	2	2

**(Appointed w.e.f. 13.08.2024)*

#(Ceased as Director pursuant to completion of his second and final term w.e.f. 21.09.2024)

All members of the Audit Committee have accounting and financial management knowledge and expertise/exposure. The Audit Committee meetings are attended by the internal Auditor and Chief Financial Officer. The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee attended the last Annual General meeting (AGM) held on September 30, 2024 to answer shareholders' queries.

B. Nomination and Remuneration Committee

The Constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

Terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

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2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
8. To perform such other functions as may be necessary or appropriate for the performance of its duties.
9. To evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director and based on capabilities identified, recommend the appointment of Independent Director.
10. To recommend to the Board the appointment and removal of Directors and Senior Management.
11. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Composition, Meetings and Attendance of the Nomination and Remuneration Committee

During the Financial Year 2024-25, One (1) meeting of the Nomination and Remuneration Committee were held on 13.08.2024.

The details of the Nomination and Remuneration Committee meetings attended by its members during the financial year 2024-25 are given below:

Sr. No.	Name	Designation	Number of Meetings held during FY 2024-25	
			Held during the tenure	Attended
1	Shri Biren Patel	Chairman	1	1
2	Shri Miten Mehta [#]	Member	1	1
3	Shri Tushar Patel	Member	1	1
4	Shri Ravishankar Gopal [*]	Member	-	-

^{*}(Appointed w.e.f. 13.08.2024)

[#](Ceased as Director pursuant to completion of his second and final term w.e.f. 21.09.2024)

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Nomination and Remuneration Committee Meetings at its subsequent Board Meetings. The Company Secretary acts as a Secretary to the Committee.

Remuneration Policy

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company accessed at <https://sanrhea.com/code-of-conduct-policies/>

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long-term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals.

Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, and compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

Details of Remuneration to Executive Directors

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components) to its Executive Directors within the limits prescribed under the Companies Act, 2013 and approved by the shareholders.

Details of the remuneration paid / payable to the Executive Directors of the Company during the financial year 2024-25 are as under:

(Amount in Lakhs)

Name of Directors	Designation	Salary
Shri Tushar Patel	Managing Director	168.63
Shri Mahendrasingh Hada	Director (Executive)	23.06

The Company has not granted stock options to the Managing / Executive Directors or Employees of the Company.

Details of Remuneration to Non-Executive Directors

(Amount in Lakhs)

Name	Sitting Fees	Commission	Total
Smt. Tejal Patel	0	0	0
Shri Biren Patel	0.28	0	0.28
Shri Miten Mehta*	0	0	0
Shri Ravishankar Gopal	0.08	0	0.08
Shri Vimal Ambani	0	0	0

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The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committees. The Company has not granted stock options to Non-Executive and Independent Directors.

C. Stakeholders' Relationship Committee

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of the Companies Act, 2013 and Listing Regulations.

Terms of Reference:

1. To look into various aspects of interest of shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Reviewing the measures taken for effective exercise of voting rights by shareholders.
3. Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Reviewing of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.
6. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants

Composition, Meetings and Attendance of the Stakeholders' Relationship Committee during the Financial Year 2024-25 One (1) meeting of the Stakeholders' Relationship Committee was held on 13.11.2024.

The details of the Stakeholders' Relationship Committee meeting attended by its members during the financial year 2024-25 are given below:

Sr. No.	Name	Designation	Number of Meetings held during FY 2024-25	
			Held during the tenure	Attended
1	Shri Biren Patel	Chairman	1	1
2	Smt. Tejal Patel	Member	1	1
3	Shri Tushar Patel	Member	1	1

The Minutes of the Stakeholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board meeting.

Compliance Officer

Shri Dharmesh Patel, Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations for complying with requirements of Securities Laws.

Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent addresses all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

Details of Investors Complaint received during the financial year 2024-25:

Complaints pending as at April 1, 2024	Complaints received	Complaints disposed	Complaints Pending as at March 31, 2025
0	0	0	0

No instruments of transfer were pending as on March 31, 2025.

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee comprises Shri Mahendrasingh Hada as the Chairman, Shri Tushar Patel and Shri Biren Patel as the members of the Committee.

The terms of reference of the Committee are as under:

1. To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
2. To recommend the amount of expenditure to be incurred on the activities.
3. To monitor the corporate social responsibility policy of the Company from time to time. During the year, the Committee met two times on 13.08.2024 and 13.02.2025. Meeting and attendance during the year:

Sr. No.	Name	Designation	Number of Meetings held during FY 2024-25	
			Held during the tenure	Attended
1	Shri Mahendrasingh Hada	Chairman	2	2
2	Shri Tushar Patel	Member	2	2
3	Shri Biren Patel	Member	2	2

E. Risk Management Committee

The Company has constituted Risk Management Committee on 28th June, 2025 to frame, implement and monitor the risk Management plan for the Company.

The Committee carried out its functions as per the powers and roles given by the Board of Directors under Regulation 21 of Listing Regulations.

The terms of reference of the Committee are as under:

1. To formulate a detailed Risk Management Policy, which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly Environment, Social and Governance related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

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3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors

During the year, the no Committee meeting of the Committee was held.

Composition, Meetings and Attendance of the Risk Management Committee.

Sr. No.	Name	Designation	Number of Meetings held during FY 2024-25	
			Held during the tenure	Attended
1	Shri Biren Patel	Chairman	0	0
2	Shri Tushar Patel	Member	0	0
3	Shri Mahendrasingh Hada	Member	0	0

GENERAL BODY MEETINGS

A. ANNUAL GENERAL MEETINGS

The Day, Date and Time of the Annual General Meetings (AGMs) held during last three years and the special resolution(s) passed thereat, are as follows:

Financial Year	Date of AGM	Time	Venue	Special Resolution(s) passed
2021-22	30.09.2022	9:00 am	Annual General Meeting through Video Conferencing/ Other Audio Visual Means facility	NIL
2022-23	30.09.2023	9:00 am	Annual General Meeting through Video Conferencing/ Other Audio Visual Means facility	<ul style="list-style-type: none"> Re-appointment of Managing Director
2023-24	30.09.2024	9:00 am	Annual General Meeting through Video Conferencing/ Other Audio Visual Means facility	<ul style="list-style-type: none"> Appointment of Shri Ravishankar Gopal as an Independent Non-Executive Director. Increase in Authorised Share Capital of the Company and Alteration of Capital Clause of Memorandum of Association of the Company

Whether Special Resolutions were put through postal ballot last year, details of voting pattern:

There was one special resolution passed through postal ballot process during FY 2024-25.

During the year, the Company sought the approval of the shareholders through notice of postal ballot dated 13.02.2025 to issue create and allot equity shares to promoter on preferential basis.

The results of the Postal Ballot were announced on 17.03.2025. M/s. SPANJ & ASSOCIATES, Practicing Company Secretaries was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Resolution Description	Type of Resolution	No. of Votes Polled	Votes cast in favor		Votes cast against		Invalid Votes
			No. of votes	%	No. of votes	%	
Issue create and allot equity shares to promoter on preferential basis.	Special Resolution	3584845	3547726	98.9646	37119	1.0354	0

Whether any resolutions are proposed to be conducted through postal ballot:

No Resolution is proposed to be passed by way of Postal Ballot at the ensuing Annual General Meeting.

Procedure for Postal Ballot:

The postal ballot is conducted in accordance with the procedure set out in Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 22 of Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and various Circulars issued by MCA and SEBI in this regard.

Extraordinary General Meeting (EGM)

During the Financial Year 2024-25, no an Extra-ordinary General Meeting was held.

MEANS OF COMMUNICATION

Financial Results

The quarterly/half-yearly and annual financial results of the Company are normally published in the Business Standard (English) and Jay Hind (Gujarati).

The quarterly/half-yearly and annual financial results and other official news release are placed on the website of the Company i.e. <https://sanrhea.com/financial-reporting/>, immediately after its submission to the Stock Exchange.

Intimation to Stock Exchanges

The company regularly intimates to the Stock Exchange all price sensitive and other information which are material and relevant to the investors.

Earnings Calls and Presentations to Analysts

No analyst or investor meetings were convened during the year. The Company remains committed to transparent communication and, should such interactions be scheduled in the future, will ensure all presentation materials and call transcripts are published on the company website.

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Website

The Company's website contains a separate dedicated section 'Investors Relations' where shareholders' information is available.

SEBI Complaints Redress System (SCORES)

Investor complaints are processed at SEBI in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.

Dispute Resolution Mechanism at Stock Exchanges (SMART ODR):

As per SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31 2023, a common Online Dispute Resolution Portal (ODR Portal) has been established for investors to facilitate online conciliation and arbitration of disputes related to securities. Investors can now opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA regarding delays or defaults in processing investor service requests. This is in addition to the existing SCORES system, where investors initially lodge their complaints or grievances against the Company. If an investor is not satisfied with the resolution provided by the Company, RTA, or SCORES, they may initiate the Online Dispute Resolution process through the ODR Portal at <https://smartodr.in/login>. The link to the ODR Portal is also displayed on the Company's website at <https://sanrhea.com>. In compliance with SEBI guidelines, the Company has communicated this Dispute Resolution Mechanism to all Members holding shares in physical form. As on March 31, 2025, no matters, relating to the Company, were pending in SMART ODR mechanism.

Designated exclusive email-IDs

The Company has designated the following email-IDs exclusively for investor servicing:

- For queries on Annual Report : dk.sanrhea@gmail.com
- For queries in respect of shares in physical mode : ahmedabad@in.mpms.mufg.com

GENERAL SHAREHOLDER INFORMATION

Company Registration Details : The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17110GJ1983PLC006309.

Annual General Meeting

Day & Date : Friday, September 26, 2025

Time : 09:00 a.m.

Mode : Through Video Conferencing / Other Audio Visual Means

Registered Office

Parshwnath Chambers, 2nd Floor,
Near New RBI Building, Income Tax,
Ashram Road, Ahmedabad-380014

Financial Year

Starting on 1st April and ending on 31st March every year.

Financial Calendar for FY 2025-26 (Tentative Schedule, subject to change)

Quarter ending June 30, 2025	: Mid August, 2025
Quarter and Half-year ending September 30, 2025	: Mid November, 2025
Quarter ending December 31, 2025	: Mid February, 2026
The Year ending March 31, 2026	: End May, 2026

Record Date and Cut-off Date

The Register of Members and the Share Transfer Books of the Company will be closed from **Saturday, September 13, 2025 to Thursday, September 18, 2025** (both days inclusive) for the purpose of this AGM.

The Company has fixed **Friday, 12th September, 2025** as record date & cut-off date for the purpose of determining the list of shareholders eligible to vote at the 42nd Annual General Meeting and entitlement for dividend.

Dividend Payment Date

Final Dividend of ₹ 1.5/- (15%) per share will be paid on or after **Friday, 3rd October, 2025**, if approved by the members in the ensuing Annual General Meeting.

Listing On Stock Exchange

The Equity Shares of the Company is listed with the following Stock Exchange:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001

Scrip Code - 514280; Symbol: SANTETX

Depositories:

1. National Securities Depository Limited (NSDL)

Trade World, 4th Floor, kamala Mills Compound, Sanapati Bapat Marg, Lower Parel, Mumbai - 400013

2. Central Depository Services (India) Limited (CDSL)

Marathon Futorex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai - 400013

The Shares of the Company are traded compulsorily in Demat Segments. The ISIN allotted to the Company's Equity

Shares under the depository system is **INE589J01015**.

There was no suspension of trading in the Securities of the Company during the year under review.

Payment of Listing Fees

Annual Listing Fees for the FY 2024-25 is being paid by the Company to BSE Limited.

Payment of Depository Fees

Annual Custody / Issuer fee is being paid by the Company within the due date based on invoices received from the Depositories.

Annual Report 2024-25

Fees Paid to the Statutory Auditors

Total fees for all services paid by the Company to statutory auditors of the Company, during the year ended March 31, 2025, is Rs.4.03 lakhs.

Credit Rating: Not Applicable

Registrar and Transfer Agents

MUFG Intime India Private Limited is appointed as Registrar and Transfer Agents of the Company for both Physical and Demat Shares. The address is given as below:

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services

5TH Floor, 506 TO 508, Amarnath Business Centre - 1 (ABC-1),

Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road,

Elliesebriidge, Ahmedabad - 380006.

Tel No.: +91 79 26465179, Fax: +91 79 26465179

E-mail ID: ahmedabad@linkintime.co.in

Shareholders are requested to correspond directly with the Registrar and Transfer Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

Share Transfer System

SEBI has mandated that, effective April 1, 2019; no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialize their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialized. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

Trading in equity shares of the Company is permitted only in dematerialized form.

Distribution of Shareholding as on March 31, 2025 is as follows:

Shares Range	Number of Shareholders	% of Total Shareholders	Total Shares For The Range	% of Issued Capital
1 to 500	3235	89.86	425834	8.52
501 to 1000	198	5.44	164303	3.28
1001 to 2000	88	2.42	133501	2.67
2001 to 3000	20	0.55	51321	1.03
3001 to 4000	16	0.44	55807	1.12
4001 to 5000	4	0.11	18116	0.36
5001 to 10000	17	0.47	113441	2.27
10001 to *****	26	0.71	4037677	80.75
Total	3604	100	5000000	100

Shareholding Pattern as on March 31, 2025 is as follows:

Category	Number of Shareholders	% of Total
Promoters	2	45.43
Relatives Of Promoters	6	5.89
Corporate Bodies (Promoter Co)	2	20.21
Central Government	1	0.01
Other Bodies Corporate	16	3.07
Hindu Undivided Family	26	0.85
Non Resident Indians	22	0.29
Non Resident (Non Repatriable)	0	0
Public	3529	24.25
Total	3604	100

Dematerialisation of Shares and Liquidity the Equity Shares of the Company are tradable in compulsory dematerialised segment of the stock exchange and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The demat security (ISIN) code for the Equity Share is **INE589J01015**.

As on March 31, 2025, 41,73,250 equity shares were in dematerialized form. The Company's Equity Shares are frequently traded on the BSE Limited.

Outstanding GDRS / ADRS / Warrants / Any Other Convertible Instruments

The company has not issued any GDRS, ADRS or other convertible instruments.

Proceeds from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion as part of the quarterly review of financial results, whenever applicable.

Contributions

The Company has not made any contributions to/ spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups.

Plant Locations

Sanrhea Technical Textiles Limited

Dr. Ambedkar Road, Near G.E.B. Kalol, Gujarat - 382721.

Commodity Price Risks or Foreign Exchange Risk and Commodity Hedging Activity

Since there is no Commodity Price Risks or Foreign Exchange Risk for the Company, it is not doing any hedging activity for such risks.

Details of Unpaid / Unclaimed Dividend Amounts

The details of the unpaid / unclaimed amounts lying with the Company as on March 31, 2025 are available on the website of the Company at <https://sanrhea.com>

Annual Report 2024-25

Address for Correspondence

Sanrhea Technical Textiles Limited

Parshwnath Chambers, 2nd Floor, Near New RBI Building, Income Tax, Ashram Road, Ahmedabad-380014
Tel: +91 9898040696 | Email: Website: | CIN: L17110GJ1983PLC006309

For any queries relating to the shares of the Company, correspondence may be addressed to the Company's RTA at:

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services

5TH Floor, 506 TO 508,

Amarnath Business Centre - 1 (ABC-1),

Beside Gala Business Centre,

Nr. St. Xavier's College Corner, Off C G Road,

Elliesebidge, Ahmedabad - 380006.

Tel No.: +91 79 26465179, Fax: +91 79 26465179

E-mail ID: ahmedabad@linkintime.co.in

OTHER DISCLOSURES

Disclosure on materially significant related party transactions that may have potential conflict with the Company's interests at large

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company and can be accessed at <https://sanrhea.com/code-of-conduct-policies/>

All the contracts/arrangements/ transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

During the FY 2024-25, contracts/ arrangements/transactions were entered into with related parties in accordance with the policy of the Company on Materiality of Related Party Transactions and on dealing with Related Party Transactions. The Company has made full disclosure of transactions with the related parties as set out in Note 46 of Standalone Financial Statement, forming part of the Annual Report.

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Para C of Schedule V to the Listing Regulations

The provisions relating to Corporate Governance paras (2) to (10) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have become applicable to the Company with effect from May 24, 2025. The Company confirms that it has initiated necessary steps to comply with the said provisions and is committed to continually strengthening its governance framework in line with the evolving size, complexity, and aspirations of the business.

Subsidiary Companies

As on March 31, 2025, the Company has no Subsidiary Companies.

The Company has formulated policy for determining 'material' subsidiaries which has been disclosed on the website of the Company.

The subsidiaries of the Company function with an adequately empowered board of directors and sufficient resources. The minutes of the Board Meetings of the subsidiary companies along with the

details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The Financial Statements of the subsidiary companies are presented to the Audit Committee. The information in respect of the loans and advances in the nature of loans to subsidiaries pursuant to Regulation 34 of the SEBI Listing Regulations is provided in Notes to the standalone Financial Statements.

Whistle Blower Policy

The Company has implemented a Whistle Blower Policy covering the employees. The Policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of Conduct. Employees can lodge their Complaints through anonymous e-mails besides usual means of communications like written complaints. The Whistle Blower Policy as approved by the Board is available on the website of the Company at <https://sanrhea.com/code-of-conduct-policies/>

This is to confirm that no person has been denied access to the Chairperson of the Audit Committee for making a complaint under the policy. During the year, no complaint has been received by the Whistle Officer or the Audit Committee.

Risk Management

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization to ensure smooth operation and effective management control. The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same.

Code of Conduct for Prevention of Insider Trading

The Company's Code of Conduct for Prevention of Insider Trading, as approved by the Board of Directors, inter alia, prohibits purchase / sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

Disclosure by Listed Entity and Its Subsidiaries of 'Loans and Advances in the Nature of Loans to Firms/ Companies in Which Directors Are Interested' - Loans and Advances granted to subsidiaries are given in Notes to the Standalone Financial Statement.

NIL

Disclosure of certain types of agreements binding listed entities

During the F. Y. 2024-25, there was no any binding agreement entered into.

Senior Management

A senior management team consists of core member of the management team, which are leading and managing a team of employees, providing guidance and support as needed. There has no change in the senior management team since close of the previous Financial Year.

Adoption of Mandatory and Non-Mandatory requirements

The Company has complied with all mandatory requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34 of the Listing Regulations.

Annual Report 2024-25

A. The Board

Your Company maintains a separate office for its Non-Executive Chairman. All necessary infrastructure and assistance are made available to enable him to discharge his responsibilities effectively.

B. Shareholders Right

The Quarterly, Half-yearly and Annual Financial Results of the Company are published in newspapers and posted on Company's website. The same are also available on the site of the stock exchange where the shares of the Company are listed i.e. <https://www.sanrhea.com/investors/>

C. Modified Opinion(s) Audit Report

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on financial statements.

D. Reporting of Internal Auditor

The Internal Auditor of the Company is permanent invitee to the Audit Committee Meeting and regularly attends the meeting for reporting their findings of the internal audit to the Audit Committee.

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

During the financial year 2024-25, the Company had passed the necessary Board Resolution and obtained the approval of the Members through Postal Ballot for issuance of equity shares on a preferential basis. However, the Company has not raised or allotted any equity shares during the year under review.

The Company affirms that, as and when funds are raised through preferential allotment, it will ensure compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including disclosure to the Audit Committee and the Board regarding the utilisation of such funds as part of the quarterly review of financial results. Further, the Company will submit the Monitoring Agency Report under Regulation 32(6) of the SEBI (LODR) Regulations, 2015, whenever applicable.

The details of any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year and which is not accepted by the Board

The Board of Directors of the Company has accepted all recommendation of the Committees of the Board.

Disclosures with respect to demat suspense account/ unclaimed suspense account

The Company do not have any demat suspense account/ unclaimed suspense account and no shares of the Company are unclaimed.

The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No/NA)
1.	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b)	Yes
2.	Board composition	17(1),17(1 A)&17(1 C), 17(1 D)&17(1 E)	Yes
3.	Meeting of Board of directors	17(2)	Yes
4.	Quorum of Board meeting	17(2 A)	Yes
5.	Review of Compliance Reports	17(3)	Yes
6.	Plans for orderly succession for appointments	17(4)	Yes
7.	Code of Conduct	17(5)	Yes
8.	Fees/compensation	17(6)	Yes
9.	Minimum Information	17(7)	Yes
10.	Compliance Certificate	17(8)	Yes
11.	Risk Assessment & Management	17(9)	Yes
12.	Performance Evaluation of Independent Directors	17(10)	Yes
13.	Recommendation of Board	17(11)	Yes
14.	Maximum number of Directorships	17 A	Yes
15.	Composition of Audit Committee	18(1)	Yes
16.	Meeting of Audit Committee	18(2)	Yes
17.	Role of Audit Committee and information to be reviewed by the audit committee	18(3)	Yes
18.	Composition of nomination & remuneration committee	19(1)&(2)	Yes
19.	Quorum of Nomination and Remuneration Committee meeting	19(2 A)	Yes
20.	Meeting of Nomination and Remuneration Committee	19(3 A)	Yes
21.	Role of Nomination and Remuneration Committee	19(4)	Yes
22.	Composition of Stakeholder Relationship Committee	20(1),20(2)&20(2 A)	Yes
23.	Meeting of Stakeholders Relationship Committee	20(3 A)	Yes
24.	Role of Stakeholders Relationship Committee	20(4)	Yes
25.	Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
26.	Meeting of Risk Management Committee	21(3 A)	Yes
27.	Quorum of Risk Management Committee meeting	21(3 B)	Yes

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Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No/NA)
28.	Gap between the meetings of the Risk Management Committee	21(3 C)	Yes
29.	Vigil Mechanism	22	Yes
30.	Policy for related party Transaction	23(1),(1 A),(5),(6),&(8)	Yes
31.	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2),(3)	Yes
32.	Approval for material related party transactions	23(4)	Yes
33.	Disclosure of related party transactions on consolidated basis	23(9)	Yes
34.	Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
35.	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5)&(6)	Yes
36.	Alternate Director to Independent Director	25(1)	NA
37.	Maximum Tenure	25(2)	Yes
38.	Appointment, Re-appointment or removal of an Independent Director through special resolution or the alternate mechanism	25(2 A)	Yes
39.	Meeting of Independent Directors	25(3)&(4)	Yes
40.	Familiarization of Independent Directors	25(7)	Yes
41.	Declaration from Independent Director	25(8)&(9)	Yes
42.	Directors and Officers insurance	25(10)	Yes
43.	Confirmation with respect to appointment of Independent Directors whose signed from the listed entity	25(11)	NA
44.	Memberships in Committees	26(1)	Yes
45.	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
46.	Policy with respect to Obligations of directors and senior management	26(2)&26(5)	Yes
47.	Approval of the Board and shareholders for compensation or profit sharing in connection with dealings in the securities of the listed entity	26(6)	NA
48.	Vacancies in respect Key Managerial Personnel	26 A(1)&26 A(2),26 A(3)	Yes

Web links for the matters referred in this Report are as under:

Sr. No.	Item with Web address	Compliance status (Yes/No/NA)
1.	Details of business https://sanrhea.com	Yes
2.	Memorandum of Association and Articles of Association https://sanrhea.com/shareholders-information/	Yes
3.	Brief profile of board of directors including directorship and full-time positions in body corporates https://www.sanrhea.com/investors/	Yes
4.	Terms and conditions of appointment of Independent Directors https://sanrhea.com/code-of-conduct-policies/	Yes
5.	Composition of various committees of board of directors https://www.sanrhea.com/investors/	Yes
6.	Code of conduct of board of directors and senior management personnel https://sanrhea.com/code-of-conduct-policies/	Yes
7.	Details of establishment of vigil mechanism/ Whistle Blower policy https://sanrhea.com/code-of-conduct-policies/	Yes
8.	Criteria of making payments to non-Executive Directors https://sanrhea.com/code-of-conduct-policies/	Yes
9.	Policy on dealing with related party transactions https://sanrhea.com/code-of-conduct-policies/	Yes
10.	Policy for determining 'material' subsidiaries https://sanrhea.com/code-of-conduct-policies/	Yes
11.	Details of familiarization programmes imparted to Independent Directors https://sanrhea.com/code-of-conduct-policies/	Yes
12.	email address for grievance Redressal and other relevant details https://www.sanrhea.com/investors/	Yes
13.	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances https://www.sanrhea.com/investors/	Yes
14.	Financial results https://sanrhea.com/financial-reporting/	Yes
15.	Shareholding pattern https://sanrhea.com/shareholders-information/	Yes
16.	Details of agreements entered in to with the media companies and/or their associates	NA
17.	Schedule of analyst or institutional investor meet and Presentations prepared by the listed entity for analysts or institutional investors meet, post earnings or quarterly calls prior to beginning of such events	NA
18.	Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means	NA
19.	New name and the old name of the listed entity	NA
20.	Advertisements as per regulation 47(1) https://sanrhea.com/newspapers-advertisement/	Yes

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Sr. No.	Item with Web address	Compliance status (Yes/No/NA)
21.	Credit rating or revision in credit rating obtained	NA
22.	Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	NA
23.	Secretarial Compliance Report	NA
24.	Materiality Policy as per Regulation 30(4) https://sanrhea.com/code-of-conduct-policies/	Yes
25.	Disclosure of contact details of KMP who are authorized for the purpose of determining materiality as required under regulation 30(5) https://www.sanrhea.com/investors/	Yes
26.	Disclosures under regulation 30(8) https://www.sanrhea.com/investors/	Yes
27.	Statements of deviation(s) or variations(s) as specified in regulation 32	NA
28.	Dividend Distribution policy as per Regulation 43 A(1)	NA
29.	Annual return as provided under section 92 of the Companies Act, 2013 https://sanrhea.com/financial-reporting/	Yes
30.	Employee Benefit scheme documents framed in terms of SEBI (SBEB) Regulations, 2021	NA
31.	Confirmation that the above disclosures are in a separate section as specified in regulation 46(2) https://sanrhea.com	Yes
32.	Compliance with regulation 46(3) with respect to accuracy of disclosures on the website and timely updating https://sanrhea.com	Yes
33.	Dividend Distribution policy as per Regulation 43 A(as applicable)	NA
34.	It is certified that these contents on the website of the listed entity are correct https://sanrhea.com	Yes

CEO and CFO Certification

The Managing Director (MD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report. The MD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

No Disqualification Certificate From Company Secretary In Practice

Certificate from Shri Ashish Doshi partner of SPANJ & ASSOCIATES, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

Compliance Certificate of Company Secretary in Practice

Certificate from Shri Ashish Doshi partner of SPANJ & ASSOCIATES, Practicing Company Secretaries, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

Certificate on Compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2024-25.

Disclosures with respect to demat suspense account/unclaimed suspense account

In our ongoing commitment to safeguard investor interests and ensure regulatory compliance, the Company is in the process of establishing a demat suspense account/unclaimed suspense account. This initiative is aimed at managing shares arising from unclaimed entitlements in a secure and systematic manner, in line with SEBI regulations. As of March 31, 2025, there are no shares to be transferred to this account.

**By order of the Board of Directors
For, Sanrhea Technical Textiles Limited**

**Place: Ahmedabad
Date : 01.09.2025**

**Tushar Patel
Managing Director
(DIN: 00031632)**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of

SANRHEA TECHNICAL TEXTILES LIMITED

CIN: L17110GJ1983PLC006309

Ahmedabad

We have examined the compliance of conditions of Corporate Governance by SANRHEA TECHNICAL TEXTILES LIMITED, for the year ended 31st March, 2025, as stipulated in Regulations 17-27, clauses (b) to (i) and (t) of Regulation 46 (2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us along with documents & submissions for regulatory compliances provided for our verification and representation made by the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Date: 01.09.2025

Place: Ahmedabad

ASHISH C DOSHI, PARTNER

SPANJ & ASSOCIATES

Company Secretaries

ACS/FCS No.: F3544

COP No.: 2356

P R Certi No.: 6467/2025

UDIN : F003544G001126072

CEO / CFO CERTIFICATE

To,

The Board of Directors

Sanrhea Technical Textiles Limited

We have reviewed financial statements and the cash flow statement of Sanrhea Technical Textiles Limited ("the Company") for the year ended March 31, 2025 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
5. We have indicated to the Auditors and the Audit Committee that:
 - a. there are no significant changes in internal controls over financial reporting during the year;
 - b. there are no significant changes in accounting policies during the year; and
 - c. there are no instances of significant fraud of which we have become aware.

**By order of the Board of Directors
For, Sanrhea Technical Textiles Limited**

**Place : Ahmedabad
Date : 01.09.2025**

**Tushar Patel
Managing Director
(DIN: 00031632)**

**Jasubhai Patel
CFO**

Independent Auditor's Report

To the members of Sanrhea Technical Textiles Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sanrhea Technical Textiles Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

S. No.	Key Audit Matter	Auditor's Response
1.	<p>Inventory Existence and Valuation</p> <p>The Company recognised inventory of ₹ 1286.32Lakhs at March 31, 2025. Inventory is held by Company's plant.</p> <p>We focused on this matter because of the:</p> <ul style="list-style-type: none"> - Relevance of the inventory for profitability on the financial statement. - Complications inherent in ascertaining the valuation of Inventory. 	<p>Our Audit procedures comprised:</p> <ul style="list-style-type: none"> ➤ Choosing a sample of inventory items and comparing the counted quantities with the recorded quantities. We then verified any differences found during physical verification to ensure accurate accounting. ➤ Observing a sample of management's inventory count procedures to evaluate compliance with the company's process. ➤ Making inquiries about non-moving inventory items and examining the conditions of items counted. ➤ Assessing a selection of controls over inventory existence across the company. Additionally, we confirmed the inventory held by Job worker at their place for Job work. ➤ Checking approvals for reviewing selling prices, authorizing and recording costs, and ensuring that subsequent selling prices exceed the inventory's accounted value. ➤ Testing the valuation of inventory in line with Indian Accounting Standard -2. ➤ Testing the design, implementation, and effectiveness of key controls management established for provision computations and to ensure inventory provision accuracy. <p>We identified no significant exceptions from these procedures.</p>

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'. We have nothing to report in this regard.

Management's responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act and the rules thereunder, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are

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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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 or Board of Directors either intend 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigation which would have impact on its financial statements.

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- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) The Company was not required to transfer any amount to the Investor Education and Protection Fund during the year.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.
- (v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with the section 123 of the Act to the extent it applies to payment.

As stated in note 15 to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- (vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention

For Kantilal Patel & Co.
Chartered Accountants
Firm's Registration No.: 104744W

Jinal A. Patel
Partner

Membership No.: 153599
UDIN: 25153599BMJLRT8314

Place: Ahmedabad
Date: May 24, 2025

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Sanrhea Technical Textiles Limited

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

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company does not have intangible assets during the year and hence, reporting under Clause 3(i)(a)(B) is not applicable.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment, so as to cover all the assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment due for verification during the year were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) With respect to immovable properties of buildings, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the building shown in the balance sheet is on leasehold, for which the lease agreement is not registered in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or any other parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities during the year. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the operations of the Company.

(vii) In respect of statutory dues:

- (a) In our opinion, the company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, to the appropriate authorities.

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

- (b) Based on the records of the Company examined by us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, which have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).

(ix) (a) The Company is regular in repayment of loans or other borrowings or in payment of interest thereon to lenders.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.

- (c) The Company has utilised the money obtained by way of term loans during the year for the purpose for which they were obtained.

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

- (e) The Company does not have subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.

- (f) The Company does not have subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

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

(xii) In our opinion, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion, the Company is in compliance with Section 177 and Section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence, provisions of section 192 of Act are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable to the Company. (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion, during the year, the Company is not covered under the criteria provided in sub-section (1) of Section 135 of the Act for applicability of provisions of corporate social responsibility (CSR), and hence, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion, during the year, the Company is not covered under the criteria provided in sub-section (1) of Section 135 of the Act for applicability of provisions of corporate social responsibility (CSR), and hence, reporting under clause 3(xx)(b) of the Order is not applicable.

For Kantilal Patel & Co.
Chartered Accountants
Firm's Registration No.: 104744W

Jinal A. Patel
Partner

Place: Ahmedabad
Date: May 24, 2025

Membership No.: 153599
UDIN: 25153599BMJLRT8314

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Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Sanrhea Technical Textiles Limited

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

Report on the internal financial controls with reference to the financial statements under section 143(3)(i) of the Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The 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 on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

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

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 with reference to these financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, 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 with reference to the financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Kantilal Patel & Co.
Chartered Accountants
Firm's Registration No.: 104744W

Jinal A. Patel
Partner

Membership No.: 153599
UDIN: 25153599BMJLRT8314

Place: Ahmedabad
Date: May 24, 2025

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Balance Sheet as at 31st March 2025

₹ in Lakhs

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	1,133.98	616.95
(b) Financial assets			
(i) Investments	3	4.96	4.96
(ii) Other Financial Assets	4	43.10	50.14
(c) Non-current tax assets (Net)	5	6.28	11.40
(d) Deferred tax assets (Net)	6C	31.07	25.21
(e) Other assets	7	1.46	199.18
Total Non-current assets		1,220.85	907.84
(2) Current assets			
(a) Inventories	8	1,286.32	1,160.97
(b) Financial assets			
(i) Trade receivables	9	1,331.79	1,301.87
(ii) Cash and cash equivalents	10	29.45	2.31
(iii) Bank Balances other than (ii) above	11	24.28	44.26
(iv) Other Financial assets	12	19.19	8.68
(c) Other current assets	13	597.27	47.95
Total current assets		3,288.30	2,566.04
TOTAL ASSETS		4,509.15	3,473.88
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14	500.00	500.00
(b) Other equity	15	2,030.18	1,642.10
Total equity		2,530.18	2,142.10
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	413.49	73.08
(b) Provisions	17	88.75	98.32
Total non-current liabilities		502.24	171.40
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	990.85	530.26
(ii) Trade payables	19		
a) Total outstanding dues of Micro & Small Enterprises		11.24	24.39
b) Total outstanding dues of Creditors other than Micro & Small Enterprises		245.96	401.88
(iii) Other financial liabilities	20	26.06	13.09
(b) Other current liabilities	21	44.05	28.96
(c) Provisions	22	101.10	54.81
(d) Liabilities for current tax (Net)	23	57.47	106.99
Total current liabilities		1,476.73	1,160.38
TOTAL EQUITY & LIABILITIES		4,509.15	3,473.88
Summary of material accounting policies			
1			

The accompanying notes form an integral part of the financial statements

As per our report of even date

For KANTILAL PATEL & CO

CHARTERED ACCOUNTANTS

Firm Registration No.: 104744W

Jinal A. Patel

Partner

Membership No.: 153599

Place : Ahmedabad

Date: May 24, 2025

For and on behalf of the Board of Directors

Tushar Patel

Managing Director

DIN: 00031632

Dharmesh Patel

Company Secretary

Membership No.: F11150

Place : Ahmedabad

Date: May 24, 2025

Tejal Patel

Director

DIN: 01130165

Jasubhai Patel

Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March 2025

₹ in Lakhs

Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024
I Income			
Revenue from operations	24	7,493.55	6,803.76
Other Income	25	18.98	22.33
Total Income (I)		7,512.53	6,826.09
II EXPENSES			
Cost of materials consumed	26	4,641.25	4,241.11
Changes in inventories of finished goods, stock-in-trade and work in progress	27	(212.91)	(81.00)
Employee benefit expenses	28	788.09	719.72
Finance costs	29	132.33	64.49
Depreciation and amortization expense	2.0	188.72	108.60
Other expenses	30	1,334.43	1,073.02
Total Expenses (II)		6,871.91	6,125.94
III Profit before exceptional items and tax (I-II)		640.62	700.15
IV Exceptional Items		-	-
V Profit before tax (III-IV)		640.62	700.15
VI Tax expense:			
(1) Current tax	6A	169.98	187.78
(2) Deferred tax	6B	(2.70)	(7.69)
(3) Short / (Excess) provision of earlier Year	6C	0.86	-
Total tax expenses		168.14	180.09
VII Profit for the year		472.48	520.06
Other Comprehensive Income / (Expense)			
(i) Items that will not be reclassified to profit or loss in subsequent periods:			
(a) Remeasurements of the defined benefit plans		(12.56)	(9.67)
(b) Income Tax effect		3.16	2.43
(ii) Other Comprehensive Income that will be reclassified to profit or loss in subsequent periods:		-	-
VIII Total Other Comprehensive Income/(Expense) (i+ii)		(9.40)	(7.24)
IX Total Comprehensive Income for the year(VII+VIII)		463.08	512.82
Earning per share (Face Value of ₹ 10 each, P.Y ₹ 10 each)			
- Basic	35	9.45	10.40
- Diluted	35	9.45	10.40
Summary of material accounting policies	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For KANTILAL PATEL & CO

CHARTERED ACCOUNTANTS

Firm Registration No.: 104744W

Jinal A. Patel

Partner

Membership No.: 153599

Place : Ahmedabad

Date: May 24, 2025

For and on behalf of the Board of Directors

Tushar Patel

Managing Director

DIN: 00031632

Dharmesh Patel

Company Secretary

Membership No.: F11150

Place : Ahmedabad

Date: May 24, 2025

Tejal Patel

Director

DIN: 01130165

Jasubhai Patel

Chief Financial Officer

Statement of Cash Flows for the year ended 31 March 2025

₹ in Lakhs

Particulars	For The year ended 31st March, 2025	For The year ended 31st March, 2024
A. Cash flow from operating activities		
Profit before tax	640.62	700.15
Adjustments for:		
Depreciation and Amortization Expenses	188.72	108.60
(Profit)/Loss on sale of Property, Plant & Equipment	(11.25)	0.05
Unrealised Foreign Exchange Fluctuation (Gain)/Loss	0.32	(3.73)
Dividend income	(0.21)	(0.21)
Interest income	(4.02)	(5.66)
Interest expenses	109.40	53.57
Cash generated from Operations before Working Capital changes	923.58	852.77
Adjustments for:		
Decrease / (Increase) in Other Current Financial Assets	(10.51)	(0.92)
Decrease / (Increase) in Other Current Assets	(549.33)	7.84
Decrease/ (Increase) in Trade Receivables	(30.24)	(124.72)
Decrease/ (Increase) in Inventories	(125.35)	(75.52)
Decrease/ (Increase) in Other Non Current Financial Assets	(0.04)	-
Decrease/ (Increase) in Other Non Current Assets	3.86	(194.08)
(Decrease)/ Increase in Other Current Liabilities	15.09	(2.13)
(Decrease)/ Increase in Trade and Other Payables	(169.08)	(236.74)
(Decrease)/ Increase in Non-current Provisions	(22.13)	0.48
(Decrease)/ Increase in Current Provisions	46.29	18.10
Cash generated from operating activities	82.14	245.08
Direct taxes paid (Net of Refund)	(224.85)	(114.86)
Net Cash flow generated from / (used in) operating activities (A)	(142.71)	130.22
B. Cash flow from Investing activities		
Capital expenditure on payment towards Property, Plant and Equipment and Capital Work in Process	(506.76)	(39.35)
Proceeds from sale of Property, Plant and Equipment	11.25	1.25
Interest received	5.76	4.68
Dividends received	0.21	0.21
Margin money fixed Deposits (placed) / matured	36.86	(2.21)
Net Cash flow generated from / (used in) investing activity (B)	(452.68)	(35.42)
C. Cash flow from Financing activities		
Proceeds / (Repayment) from Non-current Borrowings	414.55	76.85
Proceeds / (Repayment) from Current Borrowings	386.45	(172.75)
Dividend Paid	(75.00)	(50.00)
Interest paid	(103.47)	(53.61)
Net Cash flow generated from / (used in) financing activity (C)	622.53	(199.51)

₹ in Lakhs

Particulars	For The year ended 31st March, 2025	For The year ended 31st March, 2024
Net increase in cash and cash equivalents (A + B + C)	27.14	(104.71)
Cash and cash equivalents at the beginning of the year	2.31	107.02
Cash and cash equivalents at end of the year	29.45	2.31

Cash & Cash Equivalent comprise of:

Cash on hand	6.72	2.16
With banks - on current account	22.73	0.15
Total Cash and cash equivalents at the end of the year (Note No. 10)	29.45	2.31

Note:

- The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- The Company has total sanctioned limit of ₹ 1,170 Lakhs (March 31, 2024 : ₹ 900 Lakhs) with banks, out of which ₹ 916.71 Lakhs (March 31, 2024 : ₹ 453.38 Lakhs) has been utilised.
- Changes in liabilities arising from Financing Activities

₹ In Lakh

Particulars	As at April 1, 2024	Cash Flows	Non Cash Changes		As at March 31, 2025
			Other Changes	Current/ Non-Current classification	
Borrowings Non-Current	73.08	414.55	-	(74.14)	413.49
Borrowings Current	530.26	386.45	-	74.14	990.85
Finance Cost	0.35	(103.47)	104.90	-	1.78

Particulars	As at April 1, 2023	Cash Flows	Non Cash Changes		As at March 31, 2024
			Other Changes	Current/ Non-Current classification	
Borrowings Non-Current	73.11	76.85	-	(76.88)	73.08
Borrowings Current	626.12	(172.75)	-	76.88	530.26
Finance Cost	0.39	(53.61)	53.57	-	0.35

Summary of material accounting policies Note 1

As per our report of even date

For KANTILAL PATEL & CO
CHARTERED ACCOUNTANTS
Firm Registration No.: 104744W

Jinal A. Patel
Partner
Membership No.: 153599

Place : Ahmedabad
Date: May 24, 2025

For and on behalf of the Board of Directors

Tushar Patel
Managing Director
DIN: 00031632

Dharmesh Patel
Company Secretary
Membership No.: F11150

Place : Ahmedabad
Date: May 24, 2025

Tejal Patel
Director
DIN: 01130165

Jasubhai Patel
Chief Financial Officer

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

A. Equity Share Capital

Balance at the beginning of the April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Share Capital	Balance at the end of March 31, 2025
500.00	-	500.00	-	500.00

Balance at the beginning of the April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Share Capital	Balance at the end of March 31, 2024
500.00	-	500.00	-	500.00

B. Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Retained Earnings	Securities Premium	
Balance at the beginning of April 1, 2024	1,472.52	169.58	1,642.10
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	1,472.52	169.58	1,642.10
Total Comprehensive Income for the current year	463.08	-	463.08
Dividend Paid	(75.00)	-	(75.00)
Balance at the end of March 31, 2025	1,860.60	169.58	2,030.18

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Retained Earnings	Securities Premium	
Balance at the beginning of April 1, 2023	1,009.70	169.58	1,179.28
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting period	1,009.70	169.58	1,179.28
Total Comprehensive Income for the previous year	512.82	-	512.82
Dividend Paid	(50.00)	-	(50.00)
Balance at the end of March 31, 2024	1,472.52	169.58	1,642.10

Summary of material accounting policies Note 1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For KANTILAL PATEL & CO
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 104744W

Jinal A. Patel
 Partner
 Membership No.: 153599

Place : Ahmedabad
 Date: May 24, 2025

For and on behalf of the Board of Directors

Tushar Patel
 Managing Director
 DIN: 00031632

Dharmesh Patel
 Company Secretary
 Membership No.: A33891

Place : Ahmedabad
 Date: May 24, 2025

Tejal Patel
 Director
 DIN: 01130165

Jasubhai Patel
 Chief Financial Officer

Notes to Financial Statements for the Year Ended March 31, 2025

1. MATERIAL ACCOUNTING POLICIES

1.01 Company Information

Sanrhea Technical Textiles Limited is public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the manufacturing of Industrial Fabrics like Conveyor Belting fabrics, Chafer fabrics for Tyres, Diaphragm fabrics for Auto industries, Liners, etc. The company caters to both domestic and international markets.

1.02 Basis of Preparation of Financial Statements:

(i) Compliance with Ind-AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) , as applicable to the standalone financial statements of the Company.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve month as its operating cycle.

(iii) Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(iv) Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.03 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of Defined benefit obligation - refer note 1.12

Estimation of current tax expenses - refer note 1.6

1.04 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value as per Ind AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.05 Revenue recognition

The company earns revenue primarily from sale of Conveyor Belting fabrics, Chafer fabrics for Tyres, Diaphragm fabrics for Auto industries and Liners.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The transaction price of goods sold is net of variable consideration on account of various discounts offered by the Company as the part of contract. Revenue (net of variable consideration) is recognised only to the extent that is highly probable that amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

Goods and Services Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when control of the goods have passed to the buyer, usually on delivery of the goods. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Interest income

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

Dividends

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

Contract Balances:

Trade receivables:

A receivable represents the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer note 1.14 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). recognised as

revenue when the company performs under the contract.

1.06 Taxes

Tax expenses comprise of current and deferred tax.

Current income tax

- a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b Current tax items are recognised in correlation to the underlying transaction either in Profit & Loss, Other Comprehensive Income or directly in equity.

Deferred tax

- a Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b Deferred tax liabilities are recognised for all taxable temporary differences.
- c Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax losses can be utilized.
- d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- e Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.
- f Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.
- g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

1.07 Property, Plant and Equipment

Property, Plant and Equipment (PPE) (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

Capital Work in progress included in PPE is stated at cost. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term constructions projects if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful lives estimated by the management. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Plant & Machinery	Estimated Useful Life
1) Building (SLM)	10 years
2) Electric Installation(WDV)	20 years
3) Furniture(WDV)	10 years
4) Vehicles(WDV)	8 years

Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase. Leasehold improvements are amortized over the period of lease or estimated useful life, whichever is lower.

1.08 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

1.09 Inventories

Inventories are valued as under:

a Raw Materials, Packing Materials and Stores & Spares :

Raw materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on First-in-First-out basis.

b Finished Goods & Work in Progress :

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

c Waste :

Waste comprises scrap and by-products generated during the manufacturing process, which are not intended to be processed further into finished goods. Waste is classified and valued separately from work-in-progress and finished goods.

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The valuation of waste is carried out at net realizable value (NRV). NRV represents the estimated selling price in the ordinary course of business, less estimated costs of completion, if any, and the estimated costs necessary to make the sale.

d Stock-in-Trade :

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.10 Impairment of non-financial assets

Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (i.e. Cash Generating Unit) (or group of Cash Generating Units) to which the goodwill relates. When the recoverable amount of the Cash Generating Unit is less than its carrying amount, an impairment loss is recognised. Impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the Cash Generating Unit level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

1.11 Provisions, Contingent Liabilities and Contingent Assets:

- a Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

- b If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

1.12 Employee benefits

a Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated

absences etc., and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

b Post-Employment Benefits:

i) Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans.

The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

ii) Defined Benefit Plans:

The Employee's Gratuity Fund Scheme and compensated absences is Company's defined benefit plans. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government Securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligations under the defined benefit plans, to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefits plans are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense on a straight-line basis over the average period until the benefits become vested.

c Long Term Employee Benefits:

The employees' long term compensated absences are company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet. In case of funded plans, the full value of plan assets is reduced from the gross obligation to recognise the obligation on the net basis.

d Employee Separation Costs:

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is payable in the year of exercise of option by the employee. The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

1.13 Financial instruments

Financial Assets

Initial recognition and measurement:

The company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

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 recognized 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.

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

However trade receivables that do not contain a significant financing component are measured at transaction price.

Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Derivative Financial Instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts its foreign currency risks. Such derivative financial instrument recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as Financial liabilities when the fair value is negative. Any gain & losses arising from the change in Fair Value of Derivative are taken directly to Profit & Loss Account

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

(1) Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2) Fair value through other comprehensive Income:

Assets that do not meet the criteria for amortised cost are measured at fair value through Other Comprehensive Income. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

Impairment of Investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The company transfers its contractual rights to receive cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;
- iii. The company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-

through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

- iv. The company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial assets, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On De-recognition of a financial asset, (except as mentioned in ii above for financial assets measured a FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss

Financial liabilities at amortised cost (Loans and borrowings)

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

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

This category generally applies to borrowings. For more information refer Note 16 & 18.

1.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

1.15 Statement of Cashflows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, and unrealized foreign currency gains and losses etc.; and
- iii. all other items for which the cash effects are investing or financing cash flows.

1.16 Key accounting estimates and judgements

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

Critical accounting estimates and assumptions

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

A. Property, plant and equipment

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

B. Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with IND AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 28 & 38 of Financial statement.

1.17 Recent Accounting Pronouncements Issued But Not Yet Effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended on March 31, 2025, MCA has notified Ind AS 117 – Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, effective from April 1, 2024. The Company has assessed these amendments and determined that they do not have any significant impact on its financial statements.

On May 7, 2025, MCA notified the amendment in Ind AS 21-The Effects of Changes in Foreign Exchange Rates. These amendments aim to provide guidance on assessing whether a currency is exchangeable and on estimating the spot exchange rate when exchangeability is lacking. The amendments are effective from annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statement.

Note :-

2 The company has not revalued any of its Property, Plant and Equipments.

Building shown above is on leasehold land, for which lease agreement is not registered in the name of the Company. Lease agreement was executed in 1992 but immediately after agreement, lessor went for liquidation and so there is no valid registered lease agreement.

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3 Non-current Investments

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
(I) Investment in Equity Instruments (Quoted) (Valued at Fair Value through Other Comprehensive Income)		
33 [March 31, 2024 : 33] Kinetic Lease Finance Ltd. of ₹ 10/- each fully paid up	-	-
Sub Total (I)	-	-
(II) Investment in Equity instruments (Unquoted) (Valued at Fair Value through Other Comprehensive Income)		
Avantika Investments Pvt. Ltd.		
1,300 [March 31, 2024 : 1,300] Equity shares of ₹ 100 each fully paid up	2.08	2.08
Sub Total (II)	2.08	2.08
(III) Investment in Equity instruments (Unquoted) (Valued at Amortised cost)		
Sardar Vallabhbhai Sahkari Bank Ltd.		
11,519 [March 31, 2024 : 11,519] Equity shares of ₹ 25 each fully paid up	2.88	2.88
Sub Total (III)	2.88	2.88
Total (I + II + III)	4.96	4.96
Aggregate Amount of Quoted Investments	-	-
Aggregate Amount of Unquoted Investments	4.96	4.96
Fair Value of Quoted Investments	-	-
Aggregate Amount of Impairment in value of Investments	-	-

4 Other Non-current Financial Assets

(At Amortised Cost) (Unsecured, Considered Good unless otherwise stated)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Security deposits	25.46	25.42
Interest accrued on Fixed Deposits	0.82	2.55
Margin Money Fixed Deposits with maturity of more than twelve months	16.82	22.17
Total	43.10	50.14

5 Non-current Tax assets (Net)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Advance Income Tax (Net of Provision for Taxation)	6.28	11.40
Total	6.28	11.40

6 Income tax

A. Income tax recognised in Statement of Profit or Loss:

₹ in Lakhs

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
Current Tax:		
Current tax	169.98	187.78
Tax in respect of earlier year	0.86	-
Total Current Tax	170.84	187.78
Deferred tax	(2.70)	(7.69)
Total tax expense	168.14	180.09
Effective income tax rate	26.25%	25.72%

B. A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in Lakhs

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
Profit before tax	640.62	700.15
Enacted tax rate in India (Normal rate)	25.168%	25.168%
Expected income tax expense/ (benefit) at statutory tax rate	161.23	176.21
Expenses disallowed for tax purposes	8.50	10.90
Income exempt from tax	(0.05)	(0.05)
Tax pertaining to prior years	0.86	-
Other adjustments	(2.40)	(6.97)
Tax expense for the year	168.14	180.09

C. Movement In Deferred Tax Assets And Liabilities

₹ in Lakhs

Movement during the year ended March 31, 2025	As at April 01, 2024	Credit/ (charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2025
Deferred Tax Liabilities				
Property, Plant and Equipment	(9.33)	(1.22)	-	(10.55)
Deferred Tax Asset				
Expenditure allowed in the Year of Payment	33.53	2.85	3.16	39.54
Allowance for Doubtful Debts	1.01	1.07	-	2.08
Total Deferred Tax Assets/ (Liabilities)	25.21	2.70	3.16	31.07

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₹ in Lakhs

Movement during the year ended March 31, 2024	As at April 01, 2023	Credit/ (charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2024
Deferred Tax Liabilities				
Property, Plant and Equipment	(12.81)	3.48	-	(9.33)
Deferred Tax Asset				
Expenditure allowed in the Year of Payment	27.89	3.20	2.43	33.53
Allowance for Doubtful Debts	-	1.01	-	1.01
Total Defered Tax Assets/ (Liabilities)	15.08	7.69	2.43	25.21

7 Other Non-current Assets

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Capital Advances	-	198.98
Other Advances	-	0.20
Prepaid Expenses	1.46	-
Total	1.46	199.18

8 Inventories

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Raw materials and chemicals	604.01	692.64
Work-in-progress	504.96	340.04
Finished goods	170.80	122.80
Stores & spares	6.55	5.49
Total	1,286.32	1,160.97

9 Trade receivables (At Amortised Cost)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	1,340.03	1,305.87
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	-	-
Total	1,340.03	1,305.87
Less: Expected Credit Loss Allowance	(8.24)	(4.00)
Total Trade Receivables	1,331.79	1,301.87

Note: No trade or other receivables are due from director or other officers of the company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Reconciliation of Expected Credit Loss Allowance

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Balance at the beginning of the year	4.00	-
Add: Allowance for the year	4.24	4.00
(Less): Actual Write off during the year (net of recovery)	-	-
Balance at the end of the year	8.24	4.00

9.1 Additional Information

		Ageing as on 31st March, 2025						
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	More than 3 years	
(i)	Undisputed Trade receivables – considered good	1,057.00	142.40	12.83	106.08	21.21	0.51	1,340.03
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total		1,057.00	142.40	12.83	106.08	21.21	0.51	1,340.03
Less : Expected Credit Loss Allowance		-	-	-	(8.24)	-	-	(8.24)
Total Trade Receivables		1,057.00	142.40	12.83	97.84	21.21	0.51	1,331.79

		Ageing as on 31st March, 2024						
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	More than 3 years	
(i)	Undisputed Trade receivables – considered good	932.34	207.74	115.10	49.81	0.37	0.51	1,305.87
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total		932.34	207.74	115.10	49.81	0.37	0.51	1,305.87
Less : Expected Credit Loss Allowance		-	(4.00)	-	-	-	-	(4.00)
Total Trade Receivables		932.34	203.74	115.10	49.81	0.37	0.51	1,301.87

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10 Cash and Cash Equivalents

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Cash on hand	6.72	2.16
Balances with banks in current accounts	22.73	0.15
Total	29.45	2.31

Cash at banks earns interest at floating rates based on daily bank deposit rates.

11 Balance with Bank other than cash and cash equivalents

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
(i) On Unpaid Dividend	24.28	12.74
(ii) Margin money fixed deposit with maturity more than three months but less or equal to twelve months	-	31.52
Total	24.28	44.26

12 Other Current Financial Assets

(At Amortised Cost) (Unsecured Considered Good unless otherwise stated)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Advances recoverable in cash or kind	6.47	5.58
Interest accrued but not due	1.60	1.60
Security deposits	1.50	1.50
Margin money Fixed Deposit with maturity of less than 12 months	9.62	-
Total	19.19	8.68

13 Other Current Assets (Unsecured Considered Good unless otherwise stated)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Balances with Government Authorities	2.99	5.98
Advance to Employees	14.67	11.93
Prepaid expenses	13.69	7.26
Advance for Goods & Expenses	565.92	19.47
Other Assets	-	3.31
Total	597.27	47.95

14 Equity Share Capital

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Authorised		
5000000 (March 31, 2024: 5000000) Equity Shares of ₹ 10 /- each	500.00	500.00
Issued, Subscribed and Fully Paid-up Equity Shares		
5000000 (March 31, 2024: 5000000) Equity Shares of ₹ 10 /- each	500.00	500.00
Total Issued, Subscribed and Fully Paid-up Equity Share Capital	500.00	500.00

a. Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Period

₹ in Lakhs

Equity Shares	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the period	50,00,000	500.00	50,00,000	500.00
Add : Allotment on Conversion of Warrants	-	-	-	-
Outstanding at the end of the period	50,00,000	500.00	50,00,000	500.00

b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company.

₹ in Lakhs

Name of the Shareholder	March 31, 2025		March 31, 2024	
	No. of shares held	% holding in the class	No. of shares held	% holding in the class
Tushar Patel	14,85,272	29.71%	14,85,272	29.71%
Tejal Patel	7,86,028	15.72%	7,86,028	15.72%
Mahendra Credit And Investment Co. Pvt. Ltd.	8,90,750	17.82%	8,90,750	17.82%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

d. Details of shares held by Promoters / Promoters Group

Sr. No.	Promoters / Promoter Group Name	Category	As at 31st March, 2025			As at 31st March, 2024	
			No. of Equity Shares Held	% of Total Shares	% change during the year	No. of Equity Shares Held	% of Total Shares
1	Tushar Patel	Promoter	14,85,272	29.71%	-	14,85,272	29.71%
2	Tejalben Tusharbhair Patel	Promoter	7,86,028	15.72%	-	7,86,028	15.72%
3	Mahendra A Patel (HUF)	Promoter Group	93,700	1.87%	-	93,700	1.87%
4	Nihita Khatau	Promoter Group	72,600	1.45%	-	72,600	1.45%
5	Kahini Kanoria	Promoter Group	57,600	1.15%	-	57,600	1.15%
6	Tushar Mahendrabhai Patel (HUF)	Promoter Group	58,800	1.18%	-	58,800	1.18%
7	Sanaya Patel	Promoter Group	5,900	0.12%	-	5,900	0.12%
8	Rhea Patel	Promoter Group	5,900	0.12%	-	5,900	0.12%

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Sr. No.	Promoters / Promoter Group Name	Category	As at 31st March, 2025			As at 31st March, 2024	
			No. of Equity Shares Held	% of Total Shares	% change during the year	No. of Equity Shares Held	% of Total Shares
9	Mahendra Credit And Investment Co. Pvt. Ltd.	Promoter Group	8,90,750	17.82%	-	8,90,750	17.82%
10	Avantika Investment Pvt. Ltd.	Promoter Group	1,19,700	2.39%	-	1,19,700	2.39%
TOTAL			35,76,250			35,76,250	

15 Other Equity

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Securities Premium		
Balance as per last financial statements	169.58	169.58
Add : Addition During the year	-	-
Closing Balance	169.58	169.58
Retained Earnings		
Balance as per last financial statements	1,472.52	1,009.70
Profit for the year	472.48	520.06
Other Comprehensive Income / (Loss) for the year	(9.40)	(7.24)
Less: Appropriation of Dividend	(75.00)	(50.00)
Closing Balance	1,860.60	1,472.52
Total Other Equity	2,030.18	1,642.10

Nature and Purpose of Reserves:

Securities Premium:

Securities Premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

Retained Earnings:

Retained earnings are the profit/ (loss) that the Company has earned/ incurred till date less any transfer to general reserve, dividends or other distribution paid to Shareholders. Retained earnings include re-measurement loss/ (gain) on defined benefit plans (net of taxes) that will not be reclassified to Statement of Profit and Loss.

Distribution Made and Proposed

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Cash Dividends on Equity Shares declared and paid:		
Final Dividend for the year ended March 31, 2024 : ₹ 1.50 per share (March 31, 2023 : ₹ 1.00 per share)	75.00	50.00
Proposed Dividend on Equity Shares:		
Dividend for the year ended March 31, 2025: ₹ 1.50 per share (March 31, 2024: ₹ 1.50 per share)	75.00	75.00

16 Non-current Borrowings (At Amortised Cost) ₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Vehicle Loans (secured)		
From Bank	42.32	69.14
From Others	214.79	7.34
Term Loan (secured)		
From a Bank	230.52	73.48
The above amount includes		
Amount disclosed under the head "Current Borrowings" (Refer Note No. 18)	(74.14)	(76.88)
Total	413.49	73.08

a Repayment Schedule of Loans ₹ in Lakhs

Particulars	Sanctioned Term (in Months)	Sanctioned/ Disbursed/ Amount	Outstanding As at March 31, 2025	Rate of Interest	No. of Installments outstanding (Monthly)
Vehicle Loans	60	18 Lakhs to 225 Lakhs	257.11	7.20 % to 10.15 %	18 to 54
Term Loans	34 to 60	51.33 Lakhs to 200 Lakhs	230.52	9.90%	26 to 53

- b. Vehicle Loan obligations are secured by hypothecation of vehicles taken on hire purchase.
- c. Term loan from bank is secured against mortgage of Plant & machine.
- d. Term loans were applied for the purpose for which the loans were obtained.
- e. The Company has not been declared as a willful defaulter by any bank or financial institution or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- f. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of companies beyond the statutory period.

17 Non-current Provisions ₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Provision for Employee Benefits		
Gratuity (Refer Note No. 38)	88.75	98.32
Total	88.75	98.32

18 Current Borrowings (At Amortised Cost) ₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Current maturities of Non-current borrowings (Secured) (Refer Note No. 16)	74.14	76.88
Cash credit from banks (secured)	916.71	453.38
Total	990.85	530.26

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(i) Cash credit from banks:

- a. Indian rupee Working Capital loan from a nationalised bank carries interest @ 9.90 % p.a. The loan is secured by hypothecation of Stock, Book Debts, Plant & Machineries, security of personal assets of Managing Director, a group company guarantee & guaranteed by Managing Director of the Company.
- b. Indian rupee Working Capital loan from Co operative bank carries interest @ 11 % p.a. The loan is secured by hypothecation of Twister machines.

- (ii) Quarterly statements filed with banker for the borrowed funds from banks on the basis of securities of current assets are majorly in agreement with books of account.

19 Trade payables

(At Amortised Cost) (Unsecured Considered Good unless otherwise stated)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Total outstanding dues of Micro Enterprises & Small Enterprises	11.24	24.39
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	245.96	401.88
Total	257.20	426.27

19.1 Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Sr. No.	Particulars	31st March, 2025	31st March, 2024
A i)	Principal amount remaining unpaid at the end of the accounting year (including creditors for capital goods)	11.24	24.25
ii)	Interest due on above	-	0.14
B	The amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year.	-	-
C	The amount of interest accrued and remaining unpaid at the end of the financial year	-	-
D	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED.	-	-
E	The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid.	-	-
Total		11.24	24.39

19.2 Trade Payables ageing schedule as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	11.24	-	-	-	-	11.24
(ii) Others	227.70	0.39	-	-	-	228.09
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	238.94	0.39	-	-	-	239.33
Add: Unbilled Dues	17.87	-	-	-	-	17.87
Total	256.81	0.39	-	-	-	257.20

Trade Payables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	24.39	-	-	-	-	24.39
(ii) Others	351.39	0.82	-	-	-	352.21
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	375.78	0.82	-	-	-	376.60
Add: Unbilled Dues	49.67	-	-	-	-	49.67
Total	425.45	0.82	-	-	-	426.27

20 Other Current Financial Liabilities (At Amortised Cost)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Interest accrued but not due on borrowings	1.78	0.35
Unclaimed Dividend*	24.28	12.74
Total	26.06	13.09

*Note: There are no amounts due for payment to the Investors Education and Protection fund as at the year end.

21 Other Current Liabilities

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Contract Liability (Advance from Customers)	0.42	1.69
Statutory Dues Payable	43.63	27.27
Total	44.05	28.96

22 Current Provisions

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Provision for Employee Benefits		
Compensated Absences	33.83	19.56
Gratuity (Refer Note No. 38)	67.27	35.25
Total	101.10	54.81

23 Liabilities for Current Tax (Net)

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Tax Balances: (Provisions Less Advance Tax)	57.47	106.99
Total	57.47	106.99

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24 Revenue from operations

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
A Sale of Products		
Finished goods	7,290.58	6,757.30
Traded goods	184.58	0.08
Revenue from Contracts with Customers	7,475.16	6,757.38
B Other operating revenue		
Export Incentive	0.94	32.59
Scrap sales	16.94	13.64
Jobwork Income	0.51	0.15
Revenue from operations	7,493.55	6,803.76

Revenue from contracts with customers

24.1 Disaggregated revenue informaton

₹ in Lakhs

Particulars	31st March, 2025	31st March, 2024
Set out below is the disaggregation of the Company's revenue from contracts with customers :		
Type of goods or services:		
Sales of Products -		
Industrial Fabrics	7,290.58	6,757.30
Industrial Yarn	184.58	0.08
Revenue from contracts with customers	7,475.16	6,757.38
Other Operating Revenue	18.39	46.38
Revenue from Operations	7,493.55	6,803.76
Sales of Products		
In India	7,407.11	6,517.15
Outside India	68.05	240.23
Revenue from contracts with customers	7,475.16	6,757.38
Timing of revenue recognition		
Goods transferred at a point in time	7,475.16	6,757.38
Revenue from contracts with customers	7,475.16	6,757.38

24.2 Segment :

Segment reporting as defined in Indian Accounting Standard 108 is not applicable since the entire operation of the Company relates to only one segment i.e. Industrial fabrics. Similarly, revenue of international segment does not exceed 10 % of the total revenue and hence there is also no reportable geographical segment.

24.3 Contract Balances

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Trade receivables	1,331.79	1,301.87
Contract liabilities	0.42	1.69

Set out below is the amount of revenue recognized from Opening contract liabilities:-

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Amounts included in contract liabilities at the beginning of the year	1.69	1.06
Performance Obligations satisfied and revenue recognized during current year	1.69	0.84

24.4 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Revenue as per contracted price	7,549.64	6,783.74
Adjustments :		
Shortage/Quality Claims	38.96	23.17
Sales Return & Rate Difference	35.52	3.19
Revenue from contract with customers	7,475.16	6,757.38

24.5 Performance obligation

Information about the Company's performance obligations are summarised below:

Industrial Fabrics

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 180 days from delivery, usually backed up by financials arrangements.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2025 are as follows:

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Within one year	385.70	272.12
More than one year	-	-

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25 Other income

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Interest income on:		
Bank deposits	2.19	3.69
Security deposit	1.83	1.98
Dividend income on Long-term investments	0.21	0.21
Profit on sale of Property, Plant & Equipment (Net)	11.25	0.19
Foreign Exchange Fluctuation Gain	0.84	14.30
Miscellaneous Income	2.66	1.96
Total	18.98	22.33

26 Cost of Materials Consumed

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Raw Materials:		
Inventory at the beginning of the year	692.64	698.72
Add: Purchases	4,552.62	4,235.03
Less: Inventory at the end of the year	(604.01)	(692.64)
Total Cost of Materials Consumed	4,641.25	4,241.11

27 Changes in inventories of finished goods, Stock-in -Trade and work-in- progress

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Inventories at the Closing of the year		
Work-in-Progress	504.96	340.04
Finished Goods	170.79	122.80
Sub Total (i)	675.75	462.84
Inventories at the Beginning of the year		
Work-in-Progress	340.04	263.37
Finished Goods	122.80	118.47
Sub Total (ii)	462.84	381.84
Total (ii-i)	(212.91)	(81.00)

28 Employee Benefit Expenses

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Salaries, Wages and Bonus	715.45	648.71
Contribution to provident and other fund	49.95	49.68
Gratuity Contribution & Provisions (Refer Note No. 38)	17.82	15.33
Staff welfare Expense	4.87	6.00
Total	788.09	719.72

29 Finance costs

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Interest on:		
Working Capital Facilities from Banks	82.52	32.96
Secured Loans	17.20	10.31
Others	9.68	10.30
Bank & other charges	22.93	10.92
Total	132.33	64.49

30 Other Expenses

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Consumption of stores and spares	127.90	93.73
Power and fuel	343.07	307.35
Weaving & Other job work charges	217.51	146.60
Freight and forwarding charges	245.47	170.53
Directors Sitting Fees	0.36	-
Corporate Social Responsibility Expenses	11.40	-
Expenses related to Short Term Lease	25.13	23.04
Rates and taxes	1.64	1.55
Insurance	22.32	13.19
Repairs and maintenance		
Plant and machinery	18.99	8.00
Buildings	43.47	55.14
Travelling and conveyance	148.94	170.56
Professional charges	48.65	24.86
Brokerage & Commission	23.98	20.56
Payment to auditor (Refer details below)	4.03	5.04
Property, Plant and Equipments written off	-	0.24
Expected Credit Loss allowance on Trade Receivables	4.24	4.00
Miscellaneous expenses	47.33	28.63
Total	1,334.43	1,073.02

30.1 Payment to Auditor as:

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Audit fee	2.40	2.40
Tax Audit fee	0.90	0.90
Limited review & Certification	0.47	1.45
Others	0.26	0.29
Total	4.03	5.04

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Corporate Social Welfare Expenses

₹ in Lakhs

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
a) Gross amount required to be spent by the Company during the Year	11.09	-
b) Amount approved by the board be spent during the year	11.40	-
c) Amount spent during the Year		
i) Construction/acquisition of any asset		
In Cash / Bank	-	-
Yet to be paid in cash	-	-
ii) On purposes other than (i) above		
In Cash / Bank	11.40	-
Yet to be paid in cash	-	-
d) Amount related to spent/unspent obligation		
i) Contribution to Trust	-	-
ii) Others	-	-
iii) Unspent amount in relation to :		
- Ongoing project	-	-
- Other than Ongoing project	-	-
Total	11.40	-

31 Contingencies and Commitments (Refer Note No. 1.12)

a. Contingent liabilities not provided for in respect of:

₹ in Lakhs

Sr. No.	Particulars	31st March, 2025	31st March, 2024
(1)	Claims against the Company / disputed liabilities not acknowledged as debts	-	-
(2)	Disputed Statutory Claims	-	-
TOTAL		-	-

b. Commitments

Commitments on account of estimated amount of contracts remaining to be executed on capital account and not provided for relating to Tangible Assets is ₹ Nil (March 31, 2024 : ₹ 274.40)

32 Fair Value Measurement

Financial Instrument by category and hierarchy

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

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

1. 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 institutions approximate their carrying amount largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rate are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this

evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair values of such instruments is not materially different from their carrying amounts:-

For the financial assets and liabilities that are measured at fair values, the carrying amount are equal to the fair value.

• **Accounting classification and fair values** ₹ in Lakhs

Financial Assets & Financial Liabilities	As at 31st March, 2025				As at 31st March, 2024			
	Fair value Through OCI	Amortised Cost	Total Carrying Value	Total Fair Value	Fair value Through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets								
Cash and Cash Equivalents (Refer note no 10)	-	29.45	29.45	29.45	-	2.31	2.31	2.31
Bank balances other than cash and cash Equivalents (Refer note no 11)	-	24.28	24.28	24.28	-	44.26	44.26	44.26
Investments (Refer note no 3)	2.08	2.88	4.96	4.96	2.08	2.88	4.96	4.96
Trade receivables (Refer note no 9)	-	1,331.79	1,331.79	1,331.79	-	1,301.87	1,301.87	1,301.87
Other Financial Assets (Refer note no 4 & 12)	-	62.29	62.29	62.29	-	58.82	58.82	58.82
Total	2.08	1,450.69	1,452.77	1,452.77	2.08	1,410.14	1,412.22	1,412.22
Financial Liabilities								
Borrowings (Refer note no 16 & 18)	-	1,404.34	1,404.34	1,404.34	-	603.34	603.34	603.34
Trade Payable (Refer note no 19)	-	257.20	257.20	257.20	-	426.27	426.27	426.27
Other Financial Liabilities (Refer note no 20)	-	26.06	26.06	26.06	-	13.09	13.09	13.09
Total	-	1,687.60	1,687.60	1,687.60	-	1,042.70	1,042.70	1,042.70

• **Valuation Methodology**

Investments in equity shares included in Level 3 of the fair value hierarchy have been valued using the cost approach to arrive at their fair value. Cost of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

• **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.

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For assets which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

Particulars	₹ in Lakhs					
	As at 31st March, 2025			As at 31st March, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	Quoted price in active Market	Significant observable inputs	Significant unobservable inputs	Quoted price in active Market	Significant observable inputs	Significant unobservable inputs
Assets						
Investment (other than investment in subsidiaries, Joint Venture & Associates) (Refer note no 3)	-	-	2.08	-	-	4.96
Total	-	-	2.08	-	-	4.96

33 Capital risk Management

Equity Share capital and other equity are considered for the purpose of company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The Capital structure of the company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	31st March, 2025	31st March, 2024
Borrowings	1,404.34	603.34
Less: Cash and Cash Equivalent	29.45	2.31
Net Debt	1,374.89	601.03
Total Equity	2,530.18	2,142.10
Capital Gearing Ratio	0.54	0.28

34 Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risks. The company's senior management has the overall responsibility for establishing and governing the company's risk management framework. The company has constituted a Risk management committee, which is responsible for developing and monitoring the company's risk management policies. The company's risk management policies are established to identify and analyse the risks faced by the company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the company.

A. Management of Liquidity Risk

Liquidity risk is the risk that the company will face in meeting its obligation associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

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Due to dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability of under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

The following table shows the maturity analysis of the company's financial liabilities based on the contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

Exposure as at 31st March 2025

₹ in Lakhs

Particulars	Carrying Amount	Less than 1 year	1 - 5 years	Beyond 5 years	Total
Financial Liabilities					
Borrowings (Refer note no 16 & 18) *	1,404.34	1,069.03	381.73	-	1,450.76
Trade Payable (Refer note no 19)	257.20	257.20	-	-	257.20
Other Financial Liabilities (Refer note no 20)	26.06	26.06	-	-	26.06
Total Financial Liabilities	1,687.60	1,352.29	381.73	-	1,734.02

*The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments

Exposure as at 31st March 2024

₹ in Lakhs

Particulars	Carrying Amount	Less than 1 year	1 - 5 years	Beyond 5 years	Total
Financial Liabilities					
Borrowings (Refer note no 16 & 18)	603.33	530.26	73.08	-	603.34
Trade Payable (Refer note no 19)	426.27	426.27	-	-	426.27
Other Financial Liabilities (Refer note no 20)	13.09	13.09	-	-	13.09
Total Financial Liabilities	1,042.69	969.62	73.08	-	1,042.70

Financial Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

₹ in lakhs

Particulars	As at 31st March, 2025	As at 31st March, 2024
Expiring within one year (Bank overdraft and other facilities)	253.29	446.63
Expiring beyond one year (bank loans)	-	-

B. Management of Market Risk

The company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Foreign Currency risk
- Price risk
- Interest rate risk

The above risks may affect the company's income and expenses, or the value of its financial instruments. The company's exposure to and management of these risks are explained below:

(i) Foreign Currency risk

Particular of unhedged foreign currency exposures as at the reporting date.

Currency exposure as at 31st March 2025

Amount in Foreign Currency Amount in Lakhs

Particulars	USD	EURO
Trade receivables	0.36	-
Trade Payable	5.75	-

Amount in INR Amount in Lakhs

Particulars	USD	EURO
Trade receivables	30.91	-
Trade Payable	491.29	-

Currency exposure as at 31st March 2024

Amount in Foreign Currency Amount in Lakhs

Particulars	USD	EURO
Trade receivables	0.05	-
Trade Payable	0.98	-

Amount in INR Amount in Lakhs

Particulars	USD	EURO
Trade receivables	4.17	-
Trade Payable	81.74	-

Management Policy

The company manages foreign currency exposures within the prescribed limits, through use of forward exchange contracts. Foreign currency exchange rate exposure is partly balanced by purchasing of goods/commodities in the respective currencies.

Sensitivity to Risk

A change of 5% in Foreign currency would have following Impact on profit before tax as well as Equity

₹ in Lakhs

Particulars	Impact on Profit before tax		Impact on Equity	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
USD				
Increase by 5%	(23.02)	(3.88)	(17.23)	(2.90)
Decrease by 5%	23.02	3.88	17.23	2.90
EURO				
Increase by 5%	-	-	-	-
Decrease by 5%	-	-	-	-

(ii) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity Analysis

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

A change of 5% in market index would have following Impact on profit before tax as well as Equity

₹ in Lakhs

Particulars	Impact on Profit before tax		Impact on Equity	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
BSE Index 100 - Increase by 5%	-	-	-	-
BSE Index 100 - Decrease by 5%	-	-	-	-

The above referred sensitivity pertains to quoted equity investments. Profit for the year would increase/decrease as a result of gains/losses on equity securities as at Fair Value through Other Comprehensive Income(FVTOCI).

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to interest rate risk

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

₹ in Lakhs

Particulars	Impact on Profit before tax		Impact on Equity	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
50 bp decrease	3.43	2.23	2.57	1.67
50 bp increase	(3.43)	(2.23)	(2.57)	(1.67)

C Management of Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The Company's exposure to customers is diversified except three customers as at March 31, 2025 comprising 58.41 % of Revenue and one customer as at March 31, 2024 comprising 23.27 % of Revenue, no single customer contributes to more than 10% of Revenue as at March 31, 2025 and March 31, 2024.

35 Earnings per Share (EPS) as per Indian Accounting Standard 33:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

₹ in Lakhs		
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Net Profit as per Statement of Profit & Loss	472.48	520.06
For Basic		
No. of weighted average outstanding Equity Shares for Basic EPS	50,00,000	50,00,000
Basic Earning per Equity Share of ₹ 10/- each	9.45	10.40
For Diluted		
No. of weighted average outstanding Equity Shares for Diluted EPS	50,00,000	50,00,000
Diluted Earning per Equity Share of ₹ 10/- each	9.45	10.40

36 Related Party Transactions as per Indian Accounting Standard 24:

The disclosure in pursuance to Indian Accounting Standard-24 on "Related Party disclosures" is as under:

(a) Name of Related Parties & Relationship

SN	Name	Relationship	Manner
1	Tushar M. Patel	Managing Director	Key Managerial Personnel
2	Tejal T. Patel	Non-Executive Director	Key Managerial Personnel
3	Mahendrasingh Hada	Executive Director	Key Managerial Personnel
4	Dharmesh Patel	Company Secretary	Key Managerial Personnel
5	Jasu Patel	Chief Financial Officer	Key Managerial Personnel
6	Mahendra A Patel (HUF)	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Key Managerial Personnel sharing more than 20 % in profits
7	Mahendra Credit And Investment Co. Pvt. Ltd.	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Key Managerial Personnel sharing more than 20 % in profits
8	Avantika Investments Pvt. Ltd.	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Key Managerial Personnel sharing more than 20 % in profits
9	Tejal Trading Pvt. Ltd.	Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Key Managerial Personnel sharing more than 20 % in profits
10	Miten Mehta	Independent Director	
11	Vimal Ambani	Independent Director	
12	Biren Patel	Independent Director	
13	Sanaya Patel	Close Member of Key Managerial Personnel	Relative as Daughter of Managing Director
14	Rhea Patel	Close Member of Key Managerial Personnel	Relative as Daughter of Managing Director
15	Yashwantkavar Hada	Close Member of Key Managerial Personnel	Relative as Wife of Executive Director

(b) Transactions during the year with related parties mentioned in (a) above, in ordinary course of business & balances outstanding as at the year end:

₹ in Lakhs					
Transaction	Total	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person	Independent Director
(a) Rent Paid					
Mahendra Credit and Investment Co. Pvt. Ltd.	-	-	-	-	-
P.Y.	(0.08)	-	-	(0.08)	-

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Transaction	Total	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person	Independent Director
(b) Managerial Remuneration					
(i) Dharmesh Patel	9.54	9.54	-	-	-
P.Y. (8.04)	(8.04)	(8.04)	-	-	-
(ii) Jasu Patel	10.46	10.46	-	-	-
P.Y. (9.47)	(9.47)	(9.47)	-	-	-
(iii) Tushar Patel	168.63	168.63	-	-	-
P.Y. (151.67)	(151.67)	(151.67)	-	-	-
(iv) Mahendrasingh Hada	23.06	23.06	-	-	-
P.Y. (19.67)	(19.67)	(19.67)	-	-	-
(c) Purchase					
Mahendra Credit and Investment Co. Pvt. Ltd.	196.75	-	-	196.75	-
P.Y. (9.00)	(9.00)	-	-	(9.00)	-
(d) Remuneration Paid					
(i) Yashwantkavar Hada	11.16	-	11.16	-	-
P.Y. (9.35)	(9.35)	-	(9.35)	-	-
(ii) Sanaya Patel	13.50	-	13.50	-	-
P.Y. (12.60)	(12.60)	-	(12.60)	-	-
(iii) Rhea Patel	13.50	-	13.50	-	-
P.Y. (12.60)	(12.60)	-	(12.60)	-	-
(e) Loan Received					
Mahendra Credit and Investment Co. Pvt. Ltd.	130.00	-	-	130.00	-
P.Y. -	-	-	-	-	-
(f) Loan Repaid					
Mahendra Credit and Investment Co. Pvt. Ltd.	130.00	-	-	130.00	-
P.Y. -	-	-	-	-	-
(g) Interest on Loan					
Mahendra Credit and Investment Co. Pvt. Ltd.	3.84	-	-	3.84	-
P.Y. -	-	-	-	-	-
(h) Against corporate Guarantee Taken					
Tushar Patel	40.00	40.00	-	-	-
P.Y. (519.07)	(519.07)	(519.07)	-	-	-
Mahendra Credit and Investment Co. Pvt. Ltd.	155.00	-	-	155.00	-
P.Y. -	-	-	-	-	-

Note: 1. No amount has been provided as doubtful debts or advances / written off or written back in respect of debts due from / to above parties. Figures in brackets relate to previous year.

2. The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions.

Compensation to Key Managerial Personnel of the Company:

₹ in Lakhs

Nature of Benefits	For the year ended 31st March 2025	For the year ended 31st March 2024
Short-term employee benefits	211.69	188.85
Post-employment gratuity benefits *	-	-
Total	211.69	188.85

Note: * Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. Post-employment gratuity benefits of Key Managerial Personnel has not been included in (b) above.

37 Segment Information as per Indian Accounting Standard 108:

Segment reporting as defined in Indian Accounting Standard 108 is not applicable since the entire operation of the Company relates to only one segment i.e. Industrial fabrics. Similarly, revenue of international segment does not exceed 10 % of the total revenue and hence there is also no reportable geographical segment.

38 Post Retirement Benefit Plans as per Indian Accounting Standard 19:

As per Actuarial Valuation as on March 31, 2025 following is recognised in the financial statements in respect of Employee Benefit Schemes:

A. Amount recognised in the Balance Sheet

₹ in Lakhs

Gratuity:	As at 31st March, 2025	As at 31st March, 2024
Present value of plan liabilities	(156.02)	(133.57)
Fair value of plan assets	-	-
Deficit/(Surplus) of funded plans	(156.02)	(133.57)
Unfunded plans	-	-
Net plan liability/ (Asset)*	(156.02)	(133.57)

B. Movements in plan assets and plan liabilities

₹ in Lakhs

Gratuity:	For the year ended 31st March, 2025			For the year ended 31st March, 2024		
	Plan Assets	Plan liabilities	Net	Plan Assets	Plan liabilities	Net
As at April 1	-	133.57	133.57	-	110.83	110.83
Current service cost	-	8.18	8.18	-	8.31	8.31
Past service cost	-	-	-	-	-	-
Employer contributions	-	(7.92)	(7.92)	-	(2.26)	(2.26)
Return on plan assets excluding actual return on plan assets	-	-	-	-	-	-
Actual return on plan asset	-	-	-	-	-	-
Interest cost	-	9.64	9.64	-	7.02	7.02

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Gratuity:	For the year ended 31st March, 2025			For the year ended 31st March, 2024		
	Plan Assets	Plan liabilities	Net	Plan Assets	Plan liabilities	Net
Actuarial (gain)/loss arising from changes in demographic Assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial Assumptions	-	2.95	2.95	-	2.00	2.00
Actuarial (gain)/loss arising from experience adjustments	-	9.60	9.60	-	7.66	7.66
Employer contributions	-	-	-	-	-	-
Benefit payments	-	-	-	-	-	-
As at March 31	-	156.02	156.02	-	133.56	133.56

The liabilities are split between different categories of plan participants as follows:

Particulars	Gratuity	
	As at 31st March, 2025	As at 31st March, 2024
Active members	95	102

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

₹ in Lakhs

Gratuity:	For the year ended 31st March 2025	For the year ended 31st March 2024
Current service cost	8.18	8.31
Finance cost/(income)	9.64	7.02
Past service cost	-	-
Net impact on the Profit / (Loss) before tax	17.82	15.33
Remeasurement of the net defined benefit liability:		
Actuarial (Gains)/Losses on Obligation For the Period	(12.56)	(9.67)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net Gain recognised in the Other Comprehensive Income / (Loss) before tax	(12.56)	(9.67)

D. Assets

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Gratuity:		
Unquoted		
Government Debt Instruments	-	-
Corporate Bonds	-	-
Insurer managed funds	-	-
Others	-	-
Total	-	-

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

Gratuity:	For the year ended 31st March 2025	For the year ended 31st March 2024
Financial Assumptions		
Discount rate	6.83%	7.22%
Salary Escalation Rate	6.00%	6.00%
Attrition Rate	2.00%	2.00%
Demographic Assumptions		
Published rates under the Indian Assured Lives Mortality (2012-14) Urban table.		

F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

₹ in Lakhs

Gratuity:	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Change in Present Value of plan liabilities due to		Change in Present Value of plan liabilities due to	
	Increase in factor by 100 bps	Decrease in factor by 100 bps	Increase in factor by 100 bps	Decrease in factor by 100 bps
Discount rate	(7.25)	7.85	(6.81)	7.85
Salary Escalation Rate	8.34	(7.37)	7.70	(6.77)
Attrition Rate	0.34	(0.40)	0.58	(0.66)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end 31st March, 2025 as follows:

₹ in Lakhs

Gratuity :	For the year ended 31st March 2025	For the year ended 31st March 2024
1st Following year	67.27	35.25
2nd Following year	2.42	23.03
3rd Following year	5.41	6.81
4th Following year	3.29	4.83
5th Following year	24.92	2.97
Thereafter	151.18	161.01

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

Leave obligations

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of ₹ 33.83 lakhs [March 31, 2024: ₹ 19.56 lakhs] is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 45.82 lakhs [March 31, 2024: ₹ 30.58 lakhs].

- 39 The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on September 29, 2020, which could impact the contributions of the Company towards certain employment benefits. The effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period of notification of the relevant provisions.

40 Key Financial Ratio

Sr. No.	Ratio	Numerator	Denominator	As a 31st March, 2025	As a 31st March, 2024	% Change	Reason for Change in ratio in excess of 25% compared to preceding year
1	Current Ratio	Current assets	Current liabilities	2.23	2.21	0.69	
2	Debt-Equity Ratio	Total Debt	Total shareholders' equity	0.56	0.28	97.06	Due to increase in Borrowings
3	Debt Service Coverage Ratio	Earnings for debt service = Net Profit before tax+ Non-cash operating expenses (depreciation and amortisation)+ Finance Cost+ other adjustments like Loss on sale of property, plant and equipment	"Debt Service = Interest paid + Lease Payments + Principal Repayments of borrowings"	3.64	3.01	20.82	

Sr. No.	Ratio	Numerator	Denominator	As a 31st March, 2025	As a 31st March, 2024	% Change	Reason for Change in ratio in excess of 25% compared to preceding year
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's equity	20.22	27.22	(25.72)	Due to lower Profitability
5	Inventory turnover ratio	Cost of Goods Sold	Average Inventory	3.62	3.70	(2.16)	
6	Trade Receivables turnover ratio	Revenue from Operations	Average Trade receivable	5.69	5.49	3.64	
7	Trade payables turnover ratio	Total Purchase	Average Trade payable	13.82	7.75	78.32	Due to Reduction in Trade payables
8	Net capital turnover ratio	Revenue from Operations	Average Working capital = Average(Current assets – Current liabilities)	2.98	3.49	(14.61)	
9	Net profit ratio	Net Profit after Tax	Revenue from Operations	6.31	7.64	(17.51)	
10	Return on Capital employed	Earnings before interest and taxes	Capital Employed (i.e Tangible Net Worth + Total Debt + Deferred Tax Liability)	19.06	27.45	(30.56)	Due to increase Borrowings
11	Return on investment	Investment Income	Average Investment	4.23	4.23	-	

41 Other Statutory Information

- (I) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (II) The Company do not have any transactions with companies struck off.
- (III) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (IV) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (V) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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- (VI) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- (VII) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (VIII) The Company has been maintaining its books of accounts in the accounting software which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021. The Company has preserved Audit trail as per statutory requirements for record retention.

As per our report of even date

For KANTILAL PATEL & CO
CHARTERED ACCOUNTANTS
Firm Registration No.: 104744W

Jinal A. Patel
Partner
Membership No.: 153599

Place : Ahmedabad
Date: May 24, 2025

For and on behalf of the Board of Directors

Tushar Patel
Managing Director
DIN: 00031632

Dharmesh Patel
Company Secretary
Membership No.: F11150

Place : Ahmedabad
Date: May 24, 2025

Tejal Patel
Director
DIN: 01130165

Jasubhai Patel
Chief Financial Officer

[illegible]

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Regd. Office : Parshwanath Chambers, 2nd Floor, Nr. New RBI, Income Tax, Ahmedabad – 380014