



SHIVA MILLS LIMITED

Regd.Office : 249-A, Bye-Pass Road, Mettupalayam Road, Coimbatore - 641 043, Tamilnadu, India.
Telephone : 0422-2435555 Email : shares@shivamills.com Website : www.shivamills.com
CIN: L17111TZ2015PLC022007 GSTRN: 33AAXCS5170R1ZC

SML/SEC/SEC/208/2025-26

21.7.2025

The Manager
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza" C-1, Block G
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051

BSE Limited
Floor25
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Sir/Madam,

**Sub: Filing of Annual Report for the year 2024-2025 - Regulation 34(1) - reg.
Scrip Code: NSE - SHIVAMILLS ; BSE - 540961**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial year 2024 – 2025 along with the AGM Notice.

The said Annual Report has also been uploaded on the website of the Company at www.shivamills.com

Please take on the record of the above.

Thanking you,

Yours faithfully,

For SHIVA MILLS LIMITED

**M SHYAMALA
COMPANY SECRETARY**

Encl: as above



SHIVA MILLS LIMITED

Regd. Office: 249-A, Bye-Pass Road, Mettupalayam Road, Coimbatore - 641 043. Tamilnadu

Phone : 91-422-2435555, E-mail : shares@shivamills.com

Website : www.shivamills.com, CIN : L17111TZ2015PLC022007

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 10th Annual General Meeting of the Members of the Company will be held on Thursday the 21st August, 2025, at 12.00 Noon (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the meeting.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Sri S K Sundararaman, (DIN 00002691) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

RESOLVED that in partial modification of earlier resolution passed at the Annual General Meeting of the Company held on 25.8.2022, and pursuant to the provisions of Section 197, 198, 199 of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and rules made thereunder and other applicable provision(s) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and further pursuant to the recommendations of Nomination and Remuneration Committee and Board of Directors of the Company, the approval of the Shareholders be and is hereby accorded to pay the following Minimum Remuneration to Sri S V Alagappan, Managing Director (DIN 00002450) with effect from 31.8.2025 till the remaining period of his tenure of office i.e., 30.8.2027:

MINIMUM REMUNERATION:

- a. **BASIC SALARY:** Rs.3,00,000/- (Rupees Three Lakhs only) per month;
- b. **ALLOWANCES:** An amount not exceeding annual Basic Salary
- c. **PERQUISITES:** (not included in the above remuneration)

- ❖ Contribution to Provident Fund @ 12% on basic salary
- ❖ Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.



RESOLVED FURTHER that there shall be no other changes in the terms and conditions of appointment of the Managing Director during the current tenure of office, except the provision for Minimum Remuneration being made for the remaining period of his office from 31.8.2025 to 30.8.2027.

RESOLVED FURTHER that the aforesaid remuneration is payable notwithstanding the situation where the Company has no profits or its profits are inadequate during the relevant financial year.

RESOLVED FURTHER that draft Memorandum Under Section 190(1)(b) of the Companies Act, 2013, setting out the terms and conditions of the remuneration to Managing Director be and is hereby approved.

RESOLVED FURTHER that approval of shareholders be and is hereby accorded in terms of Section 196(3) of the Companies Act, 2013, for continuation of appointment of Sri S V Alagappan (DIN 00002450) as Managing Director, who has already attained the age of 70 years.

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

RESOLVED that in partial modification of earlier resolution passed at the Annual General Meeting of the Company held on 25.8.2022, and pursuant to the provisions of Section 197, 198, 199 of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and rules made thereunder and other applicable provision(s) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and further pursuant to the recommendations of Nomination and Remuneration Committee and Board of Directors of the Company, the approval of the Shareholders be and is hereby accorded to pay the following Minimum Remuneration to Smt A Lalitha, Joint Managing Director (DIN 00003688) with effect from 31.8.2025 till the remaining period of her tenure of office i.e., 30.8.2027:

MINIMUM REMUNERATION:

a. **BASIC SALARY:** Rs.3,00,000/- (Rupees Three Lakhs only) per month;

b. **ALLOWANCES:** An amount not exceeding annual Basic Salary

c. **PERQUISITES:** (not included in the above remuneration)

❖ Contribution to Provident Fund @ 12% on basic salary

❖ Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

RESOLVED FURTHER that there shall be no other changes in the terms and conditions of appointment of the Joint Managing Director during the current tenure of office, except the provision for Minimum Remuneration being made for the remaining period of her office from 31.8.2025 to 30.8.2027.

RESOLVED FURTHER that the aforesaid remuneration is payable notwithstanding the situation where the Company has no profits or its profits are inadequate during the relevant financial year.

RESOLVED FURTHER that draft Memorandum Under Section 190(1)(b) of the Companies Act, 2013, setting out the terms and conditions of the remuneration to Joint Managing Director be and is hereby approved.



5. To consider and 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 Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of Board of Directors of the Company, Sri R Dhanasekaran, Company Secretary in Practice (Membership No: F7070/CP 7745), be and is hereby appointed as a Secretarial Auditor of the Company, for conducting Secretarial Audit for a term of five (5) consecutive years commencing from 1.4.2025 to 31.3.2030, at a remuneration as may be determined by the Board of Directors.

6. 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 148 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and further pursuant to the recommendation of Audit Committee, the remuneration of Rs.1,00,000 (Rupees One Lakh only) (besides reimbursement of out of pocket expenses incurred by him for the purpose of Audit) payable to Sri M Nagarajan, Cost Auditor (Firm Registration No. 102133), as approved by the Board of Directors for conducting the audit of the Cost Records of the Company for the Financial Year ending 31st March, 2026 be and is hereby ratified and confirmed.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN AND MANAGING DIRECTOR
DIN 00002450



STATEMENT OF MATERIAL FACTS CONCERNING ITEMS OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM 3

Sri S V Alagappan, Chairman and Managing Director of the Company is associated with the textile industry/business for about 4 decades. Under his stewardship, the Company has grown from strength to strength and has achieved the status of one of the most reputed companies in the Textile Industry. Sri S V Alagappan (DIN 00002450) was appointed as a Managing Director of the Company for a period of five years with effect from 31.8.2022 and his tenure of office ends on 30.8.2027.

Sri S V Alagappan was appointed as Managing Director of the Company for a period of Five (5) years w.e.f. 31.8.2022, after getting the required approvals. He was eligible for minimum remuneration for a period of 3 years commencing from 31.8.2022, in the absence or inadequacy of profits. The remuneration package was a fixed one and without any time-scale increment during the said period of 3 years. Hence it is necessary to fix his remuneration for the remaining period of his tenure (i.e., from 31.8.2025 to 30.8.2027)

The Board of Directors have proposed to fix the remuneration payable to Sri S V Alagappan for the period from 31.8.2025 to 30.8.2027 after considering the following grounds.

The services rendered by Sri S V Alagappan, for the sustainment and development of the Company over the tenure of Office, his leadership and understanding of the basics of the business, his dedicated micro management skills, have been instrumental in the development of the Company over the years.

The Board of Directors opined that his continued association would be beneficial for the future growth of the Company also.

As per the amended provisions of Section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013, managerial remuneration may be paid without any ceiling limit with the approval of Shareholders by way of Special Resolution.

Based on the aforesaid facts, considering the progress made by the Company under his dynamic leadership and considering the industry benchmarks for the remuneration for similar position, the Board considered and fixed the remuneration payable to him with effect from 31.8.2025 to 30.8.2027, as recommended by Nomination and Remuneration Committee at their meeting held on 21.5.2025.

A copy of memorandum setting the terms and conditions of appointment of Managing Director is available at the Registered Office of the Company during business hours for inspection of members.

Approval of shareholders by Special Resolution is required pursuant to Section 196(3) of the Companies Act, 2013 to Sri SV Alagappan, who attained the age of 70 years. The Board recommended the aforesaid resolution for approval of shareholders in compliance of Section 196(3) of the Companies Act, 2013, considering his guidance and experience which would be important for the growth of the Company.

The Board of Directors recommend the Special Resolution as set out in this item of the Notice for approval of members.

Except Sri S V Alagappan, the appointee, Smt A Lalitha, as relative, none of the Directors and Key Managerial Personnel of the Company and their relative is concerned or interested financially or otherwise, in the resolution set out at Item No.3.

ITEM 4

Smt A Lalitha, Joint Managing Director of the company is associated with the Textile Industry/business nearly 2 decades. She was appointed as Joint Managing Director of the Company for a period of 5 years with effect from 31.8.2022, after getting the required approvals and her tenure of office ends on 30.8.2027. She was eligible for a minimum remuneration for a period of 3 years commencing from 31.8.2022, in the absence or inadequacy of profits. The remuneration package was fixed one and without any Time-scale increment during the said period of 3 years. Hence it is necessary to fix the remuneration for remaining period of her tenure (i.e., from 31.8.2025 to 30.8.2027)

The Board of Directors have proposed to fix the remuneration payable to Smt A Lalitha for the period from 31.8.2025 to 30.8.2027 after considering the following grounds.

The services rendered by Smt A Lalitha, Joint Managing Director for the sustainment and development of the Company over the tenure of office are commendable. The Board of Directors opined that her continued association would be beneficial for the future growth of the Company also.

As per the amended provisions of Section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013, a managerial remuneration may be paid without any ceiling limit with the approval of Shareholders by way of Special Resolution.

Based on the aforesaid facts, considering the progress made by the Company under her dynamic leadership and considering the industry benchmarks for the remuneration for similar position, the Board considered and fixed the remuneration payable to her with effect from 31.8.2025 to 30.8.2027, as recommended by Nomination and Remuneration Committee at their meeting held on 21.5.2025.

A copy of memorandum setting the terms and conditions of appointment of Joint Managing Director is available at the Registered Office of the Company during business hours for inspection of members.

The Board of Directors recommend the Special Resolution as set out in this item of the Notice for approval of members.

Except Smt A Lalitha, the appointee, Sri S V Alagappan, as relative, none of the Directors and Key Managerial Personnel of the Company and their relative is concerned or interested financially or otherwise, in the resolution set out at Item No.4.



Information pursuant to Schedule V of the Companies Act, 2013:

S. no	Name	Sri S V Alagappan	Smt A Lalitha
I	General Information		
	1) Nature of industry	Textile Manufacturing	
	2) Date or expected date of commencement of commercial production	Not applicable, existing Company.	
	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	Financial Year 2024 - 25 (Rs. in Lakhs) Total Income 17,091.62 Profit / (Loss) after tax : (381.12) Rate of Dividend : Nil Earning Per share : (4.41)	
	5) Foreign investments or collaborators, if any	The Company has not made any foreign investments or collaborators	
II	Information about the appointee:		
	1) Background details	Sri S V Alagappan, holds B.Com., B.L., degree. He is associated with the Textile Industry for about four decades. Sri S V Alagappan occupies the position of Managing Director in the Company since 2017. Under his stewardship, the Company has grown from strength to strength and has achieved the status of one of the most reputed companies in the Textile Industry.	Smt A Lalitha, holds B.Com., degree. She is associated with the Textile Industry for about two decades. Smt A Lalitha occupies the position of Joint Managing Director in the Company since 2017. Under her stewardship, the Company has grown from strength to strength and has achieved the status of one of the most reputed companies in the Textile Industry.
	2) Past remuneration	YearRs. in Lakhs 2024-2538.88 2023-2438.88 2022-2338.88	YearRs.in Lakhs 2024-2536.00 2023-2436.00 2022-2336.00
	3) Recognition or awards	—	
	4) Job profile and suitability	He is the Managing Director of the Company and devotes whole time	She is the Joint Managing Director Company and



Information pursuant to Schedule V of the Companies Act, 2013: Contd.,

S. no	Name	Sri S V Alagappan	Smt A Lalitha
		attention to the management of the day-to-day affairs of the Company, subject to superintendence and guidance of Board of Directors.	devotes whole time attention to the management of the day-to-day affairs of the Company subject to superintendence and guidance of Board of Directors.
	5) Remuneration proposed	As proposed in item 3 under Special Business of the Notice to Shareholders.	As proposed in item 4 under Special Business of the Notice to Shareholders.
	6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized business.	Proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized business.
	7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director	Does not have any pecuniary relationship with the Company except remuneration drawn as Joint Managing Director
III	Other information:		
	1) Reasons of loss or inadequate profits	Consequent to supply-demand mismatch, where supply exceeded demand, unfavourable pricing environment in the cotton yarn market impacted the operating results.	
	2) Steps taken or proposed to be taken for improvement	To improve overall performance, the Company is implementing a market diversification strategy by gradually reducing reliance on the hosiery yarn segment and increasing focus on the warp yarn market, targeting up to 50% concentration. This balanced approach is expected to stabilize revenue streams and drive long-term profitability in a competitive market environment.	
	3) Expected increase in productivity and profits in measurable terms	Based on product diversification and an optimized product mix, the Company expects to improve profit margins while maintaining productivity levels. This strategic realignment will enhance operational efficiency without compromising production output, driving sustainable profitability alongside consistent productivity.	



ITEM 5

Pursuant to the provisions of Section 2014(1) of the Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions if any of the Companies Act, 2013, and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circulars issued thereunder to the extent applicable, and other applicable Regulations framed by the SEBI in this regard, Secretarial Auditor needs to be appointed for a period of five (5) consecutive years i.e., from 1.4.2025 to 31.3.2030.

The following disclosures are furnished pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- a. Proposed fees payable to Statutory Auditor: As determined by the Board of Directors
- b. Basis of recommendation:

The Board of Directors at its meeting held on 22.5.2025, have recommended and proposed to the members of the Company, appointment of Sri R Dhanasekaran (FCS 7070), Practicing Company Secretary as the Secretarial Auditor of the Company, based on recommendation of Audit Committee at its meeting held on 22.5.2025, on payment of such remuneration as may be approved by the members at the Annual General Meeting.

Sri R Dhanasekaran (FCS 7070), Practicing Company Secretary, the proposed Secretarial Auditor is also a peer reviewed Company Secretary, (Peer Review No. 811/2020) has given his consent and confirmed that he is not disqualified to be appointed as the Secretarial Auditor of the Company for a period of five (5) years i.e., from 1.4.2025 to 31.3.2030.

The Board of Directors recommend the Ordinary Resolution as set out in this item of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

ITEM 6

The Board of Directors of the Company, on recommendation of the Audit Committee, approved the appointment and payment of remuneration to Sri M Nagarajan, Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2026.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be approved by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2026, as set out in the resolution.

The Board of Directors recommend the Ordinary Resolution as set out in this item of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.6.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN AND MANAGING DIRECTOR
DIN 00002450

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) and in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment / re-appointment

Name	Sri S V Alagappan	Smt A Lalitha	Sri S K Sundararaman
Age	83 years	55 years	52 years
Qualification	B.Com., B.L.	B.Com.,	MBBS., MBA
Experience, Skills and capabilities	He has more than 4 decades of experience in Textile Industry. Sound knowledge on Company's business, policies, vision and mission, strengths, weakness, opportunities and threats of the Company's business operations.	She has nearly 2 decades of experience in Business/ Industry. Optimum level of utilization of skills and expertise for business decisions.	He is associated with the Textile Industry around two decades and holding MBA Degree from Cambridge University, United Kingdom, have wide experience in the field of Textile Technology. He is well known in the Textiles Industry for his innovative approach and development of new technical textile products. He has experience in Textile/ Business expertise/ professional skills/intellectual inputs in relation to Company's business.
Terms and conditions of appointment or re-appointment	Term of Appointment as Managing Director for 5 years with effect from 31.8.2022 to 30.8.2027.	Term of Appointment as Joint Managing Director for 5 years with effect from 31.8.2022 to 30.8.2027.	The Director will retire by rotation at the ensuing Annual General Meeting and eligible, offers himself for re-appointment.
Last drawn remuneration (2024-2025)	Rs. 38.88 lakhs	Rs. 36.00 lakhs	Not Applicable
Date of first appointment on the Board	24.11.2015	31.08.2017	24.11.2015
No. of shares held	21,780	2,13,680	Nil
Relationship with Directors, Managers and KMP	Father of Smt A Lalitha, Joint Managing Director	Daughter of Sri S V Alagappan, Managing Director	Nil
No. of Board Meetings attended during 2024-2025	5 out of 5 meetings held.	3 out of 5 meetings held.	5 out of 5 meetings held.
Other Directorship	Shiva Texyarn Limited Anamallais Cars Private Limited Annamallai Retreading Company Private Limited Bannari Amman Automobiles Private Limited Shiva Automobiles Private Limited	Anamallais Cars Private Limited Annamallai Retreading Company Private Limited Bannari Amman Automobiles Private Limited Shiva Automobiles Private Limited	Shiva Texyarn Limited Shanthi Gears Limited Pricol Limited Bannari Amman Spinning Mills Limited SKS Agencies Limited Vedanayagam Hospital Private Limited Abirami Ecoplast Private Limited Sundar Ram Enterprise Private Limited L K Distributors Private Limited Abirami Distributors Private Limited Firebird Entrepreneurial Ventures Private Limited Confederation of Indian Textile Industry



Other Directorship			Srirangalakshmi Agro Private Limited Sunantha Indian Fine Cotton Association The Southern India Mills Association The SIMA Cotton Development & Research Association
Member of Committees	Nil	Stakeholders Relationship Committee - Member	Audit Committee - Member Nomination and Remuneration Committee - Member Stakeholders Relationship Committee - Chairman
Chairman/ Member of the Committees of the Boards of other Companies	Shiva Taxyarn Limited - Stakeholders Relationship Committee - Chairman	Nil	Shiva Taxyarn Limited Audit Committee - Member Stakeholders Relationship Committee - Member Shanthi Gears Limited Audit Committee - Member Stakeholders Relationship Committee - Chairman Pricol Limited - Nomination and Remuneration Committee - Chairman Stakeholders Relationship Committee - Chairman
Listed entities from which the Director has resigned in the past three years	Nil	Nil	Nil



Notes:

- In accordance with the provisions of the Companies Act, 2013, read with the Rules made thereunder and General Circular No. 09/2024 dt:19.9.2024 and other Circulars issued by the Ministry of Corporate Affairs ("MCA") from time to time, and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dt: 3.10.2024 issued by SEBI ("the Circulars"), companies are allowed to hold AGM through Video Conference/Other Audio Visual Means ("VC/OAVM") upto 30th September, 2025, without the physical presence of members. The AGM of the Company is being held through VC/OAVM.
- Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
- Institutional/Corporate Shareholders (i.e., other than individuals/HUF, NRI, etc.,) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to sharpcs1@gmail.com with copies marked to the Company at shares@shivamills.com and to its RTA at coimbatore@in.mpms.mufg.com
- Members are requested to submit the questions in advance to the e-mail address shares@shivamills.com.
- As per MCA General Circular No. 20/2020 dt: 5.5.2020 and 2/2022 dt: 5.5.2022, 10/2022 dt: 28.12.2022, 9/2023 dt: 25.9.2023 and 9/2024 dt:19.9.2024, and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dt: 13.5.2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dt: 5.1.2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dt: 7.10.2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dt: 3.10.2024, the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the financial year ended 31.3.2025 and the Notice calling the AGM pursuant to Section 101 of the Act read with the Rules framed thereunder, such statements are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/the Depository Participant(s). A letter containing the web link, along with the exact path to access the complete details of the Annual Report, is being sent to shareholders who have not registered their email address with the Company's RTA or DP. The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same to Company e-mail id viz., shares@shivamills.com by clearly mentioning their Folio number/DPID and Client ID.
- The members attending the meeting through VC/OAVM shall be reckoned for the purpose of Quorum as stipulated under Section 103 of the Companies Act, 2013.
- All the resolutions will be passed through the facility of e-voting system only.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business in respect of items 3 to 6 of the Agenda are annexed hereto.



- The dividend declared for the Financial Year 2016-17 remaining unclaimed for a period of 7 years were transferred to the "Investor Education and Protection Fund" of the Central Government and for subsequent years will be transferred to the "Investor Education and Protection Fund" of the Central Government, on the respective due dates. Shareholders, who have not encashed their dividend warrants are requested to write to the Registrars and Share Transfer Agents, M/s. MUFG Intime India Private Limited "Surya" 35, May flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028 for claiming the dividend.
- Previous year figures are given in brackets for the purpose of comparison.
- Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection through electronic mode only.
- In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at a meeting. Please note that the voting through electronic means is optional for the members. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided.
- The voting through electronic means will commence on 18.8.2025 at 10.00 A.M (IST) and will end on 20.8.2025 at 5.00 P.M (IST). The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter. The persons those who are holding shares as on the cut-off date of 14.8.2025 are only eligible to cast their e-voting.
- The Notice of the Annual General Meeting along with the Annual Report for the financial year 2024-25 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated 19.9.2024 and 3.10.2024. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2024-25 will also be available on the Company's website www.shivamills.com; websites of the Stock Exchanges i.e., National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- The Company has appointed Sri R Dhanasekaran, Practicing Company Secretary, to act as the Scrutinizer for conducting the voting process in a fair and transparent manner.
- **Updation of PAN, KYC and Nomination details:**
As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/CIR/2023/37 dt: 16.3.2023, it is mandatory for the shareholders holding securities in physical form shall furnish PAN, KYC and nomination details. Any payment including dividend shall only be made electronically w.e.f. 1.4.2024 upon updating the same. The relevant circular and necessary forms are available in the Company's website at <http://www.shivamills.com/shares/investors-kyc-formats/>



- **Issue of securities in dematerialized form:**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dt: 25.1.2022 has mandated listed companies to issue securities only in dematerialized form while processing service requests viz., issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, sub-division/Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. According to the operational guidelines mentioned in the circular, security holders are requested to demat the physical shares in the timeline prescribed. The Company has opened a Suspense Escrow Demat Account with Stock Holding Corporation of India Limited in this regard.

Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and/or not updated the Bank Account mandate the following instructions to be followed:

- (i) Shareholders holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address if any, self-attested copy of PAN Card and bank account details (enclose cancelled cheque leaf) quoting their folio nos. to the Registrar and Share Transfer Agents M/s. MUFG Intime India Private Limited, 'Surya' 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028
- (ii) In the case of Shares held in Demat mode:
The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

- Instructions for e-voting and joining the Annual General Meeting are as follows:

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter User ID and Password. Click on "Login"



- c) 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.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.
- d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi Tab
- c) Login with existing my easi username and password
- d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.



OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

- a) To register, visit URL: [https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration /](https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/)
<https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided username and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through "e-voting" option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository, website after successful authentication, wherein user can see e-voting feature.
- d) After successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

1. Visit URL: <https://instavote.linkintime.co.in>



Shareholders who have not registered for INSTAVOTE facility:

2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in NSDL form, shall provide 'D' above

**Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

- ▶ Set the password of your choice
(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Enter Image Verification (CAPTCHA) Code
- ▶ Click “Submit” (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
 - A. User ID: Enter your User ID
 - B. Password: Enter your Password
 - C. Enter Image Verification (CAPTCHA) Code
 - D. Click “Submit”
4. Cast your vote electronically:
 - A. After successful login, you will be able to see the “Notification for e-voting”.



- B. Select 'View' icon.
- C. E-voting page will appear.
- D. Refer the Resolution description and cast your vote by selecting your desired option 'Favour Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- E. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - A. Investor ID' -
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - B. 'Investor's Name - Enter Investor's Name as updated with DP.
 - C. 'Investor PAN' - Enter your 10-digit PAN.
 - D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
 - E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".



STEP 3 - Voting through remote e-voting.

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will be able to see the "Notification for e-voting".
- c) Select "View" icon for "Company's Name / Event number".
- d) E-voting page will appear.
- e) Download sample vote file from "Download Sample Vote File" tab.
- f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
- g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.
- h) (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpgms.mufig.com or contact on:- Tel: 022-4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual

Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under '**SHAREHOLDER**' tab.
- Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

User ID:

NSDL demat account – User ID is 8 Character DPID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".



In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&), at least one numeral, at least one alphabet and at least one capital letter*

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

INSTAMEET VC INSTRUCTIONS FOR SHAREHOLDERS

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30th September 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

1. Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login"

- ▶ Select the "**Company**" and '**Event Date**' and register with your following details: -
 - A. **Demat Account No. or Folio No**: A. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
Shareholders holding shares in physical form – shall provide Folio Number.
 - B. **PAN**: Enter your 10-digit Permanent Account Number (PAN)
(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **Mobile No.**: Enter your mobile number.
 - D. **Email ID**: Enter your email id, as recorded with your DP/Company.
- ▶ Click "**Go to Meeting**" (You are now registered for InstaMeet and your attendance is marked for the meeting).



Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
4. Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
3. Click on 'Submit'.
4. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
5. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
6. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.



Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.muvg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN AND MANAGING DIRECTOR
DIN 00002450



SHIVA MILLS LIMITED



10th

**Annual Report
2025**

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**BOARD OF DIRECTORS**

Sri S V Alagappan	Chairman and Managing Director
Smt A Lalitha	Joint Managing Director
Sri S K Sundararaman	Non-Independent Director
Sri S Palaniswami	Independent Director
Sri C Sivasamy	Independent Director
Sri S Marusamy	Independent Director (till 14.10.2024)
Sri M Ganeshkumar	Independent Director
Sri K Manikandan	Independent Director (w.e.f.28.6.2024)

CHIEF FINANCIAL OFFICER

Sri R Selvaraj

COMPANY SECRETARY

Smt M Shyamala

STATUTORY AUDITORS

M/s. V K S Aiyer & Co.
Chartered Accountants
Coimbatore - 641 011

INTERNAL AUDITORS

M/s B M & Associates
Chartered Accountants
Coimbatore - 641 044

COST AUDITOR

Sri M Nagarajan
Cost Auditor
Coimbatore - 641 018

SECRETARIAL AUDITOR

Sri R Dhanasekaran
Practicing Company Secretary
Coimbatore - 641 018

BANKERS

ICICI Bank Ltd
Indian Overseas Bank

REGISTERED OFFICE

249-A, Bye-Pass Road,
Mettupalayam Road
Coimbatore - 641 043. Tamilnadu
Phone : 91-422-2435555
E-mail : shares@shivamills.com
Website : www.shivamills.com
CIN : L17111TZ2015PLC022007

REGISTRAR & SHARE TRANSFER AGENT

MUFG INTIME INDIA PRIVATE LIMITED
(Formerly Known as Link Intime India Private Limited)
'Surya' 35, May Flower Avenue
Behind Senthil Nagar, Sowripalayam Road
Coimbatore - 641 028
CIN : U67190MH1999PTC118368



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 10th Annual Report together with Audited Financial Statements of the Company for the year ended 31st March, 2025. The Financial Results are summarized and given below:

Rs. in Lakhs

Financial Results	2024 - 25	2023 - 24
Total Income	17091.62	15,881.54
Profit/(Loss) before Interest and Depreciation	373.87	354.78
Less: Interest	122.77	76.10
Profit before Depreciation	251.10	278.68
Less: Depreciation	675.82	671.70
Profit/(loss) before Tax	(424.73)	(393.02)
Less: Provision for Income Tax		
- Current Tax	-	-
- Prior Year Tax	-	3.26
- Deferred Tax Liability (Net) written back	(43.61)	(71.37)
Profit/(loss) after Tax	(381.12)	(324.91)
Other Comprehensive income	3.52	(42.71)
Total Comprehensive Income/ (Loss) for the year	(377.59)	(367.62)

DIVIDEND

Your directors have not recommended any Dividend for the year under review.

PRESENTATION OF FINANCIAL STATEMENTS

The Financial Statements for the year ended 31st March, 2025 have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Companies (Accounts) Rules, 2014 and other relevant provisions of the Act.

REVIEW OF OPERATIONS

During the year under review, the Spinning Unit produced 5722.69 tonnes (Last Year 5594.27 tonnes) of cotton yarn and 1865.58 tonnes (Last Year 1701.21 tonnes) of waste cotton. The Spinning unit sold 5646.28 tonnes (Last Year 5384.89 tonnes) of cotton yarn and 1938.17 tonnes (Last Year 1571.59 tonnes) of waste cotton.

The Wind Mills with aggregate installed capacity of 10.65 MW generated 160.08 lakhs units (Last Year 181.64 lakhs units) of Wind Electricity during the year. There has been an decrease in wind power generation by 11.86 % as compared with previous year generation. The power generated by the wind mills were fully utilized for captive consumption at the textile mill during the year.

PROSPECTS FOR THE CURRENT YEAR

The Company's annual performance for the current year will depend on the demand for yarn in both domestic



and export markets at remunerative prices, as well as the availability of quality cotton at reasonably stable rates. With the support of its windmills, the Company is expected to achieve a marginal profit.

TRANSFER TO RESERVES

The Company has not transferred any amount to Reserves during the year.

CHANGES IN SHARE CAPITAL

There were no changes in the share capital of the Company during the year.

TRANSFER OF UNCLAIMED DIVIDEND/INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') as amended, all unpaid or unclaimed dividends which were required to be transferred by the company to the IEPF pertaining to the Financial Year 2016-17 were transferred to IEPF Authority.

The Company has also transferred Shares in respect of which dividend amount remained unpaid/unclaimed for a consecutive period of 7 (Seven) years or more to IEPF Authority.

The details of unpaid/unclaimed dividend and the Shares transferred to IEPF Authority are available on the Company's website www.shivamills.com

EVENT SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report.

There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one-time settlement with any Bank or Financial Institution.

PUBLIC DEPOSITS

The Company has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. The Company has no public deposits outstanding at the beginning and at the end of the year.

CORPORATE GOVERNANCE

To comply with requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 both in letter and spirit, your Company is committed to the principles of good Corporate Governance and continues to adhere good corporate governance practices consistently.

A separate section is given on Corporate Governance, Management Discussion and Analysis along with a certificate from a Practicing Company Secretary regarding compliance of conditions of Corporate Governance as



stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms part of this Annual Report.

ANNUAL RETURN

Pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013, Annual Return for Financial Year ended on 31st March, 2025, is being posted on the website of the Company viz., www.shivamills.com

DIRECTORS

Your directors express their profound grief on the demise of Sri S Marusamy, Independent Director (DIN 00610091), who passed away on 14.10.2024. Sri S Marusamy was associated with the Company since 24.11.2015 as an active member of the Board of Directors during his tenure of office as an Independent Director. The Board places on record its whole-hearted gratefulness of the valuable contribution made by him to the Company.

Sri K Manikandan (DIN 10674837) was appointed as an Additional Director of the Company w.e.f. 28.6.2024 with the approval of shareholders at the Annual General Meeting held on 21.8.2024. Sri K Manikandan was appointed as a (Non - Executive Independent Director) to hold office for 5 years from 28.6.2024 to 27.6.2029.

Sri S K Sundararaman, Director (DIN 00002691) will retire by rotation at the ensuing Annual General Meeting; he is eligible for re-appointment and seeks his re-appointment.

All the Independent Directors have given declarations that they have met the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying 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 SEBI/Ministry of Corporate Affairs or any such Statutory Authority.

AUDIT COMMITTEE

The Audit Committee comprises of

- | | |
|----------------------|--|
| Sri S Palaniswami | - Independent Director / Chairman |
| Sri S K Sundararaman | - Non-Executive Non-Independent Director |
| Sri C Sivasamy | - Independent Director |
| Sri M Ganeshkumar * | - Independent Director |

The Board has implemented the suggestions made by the Audit Committee from time to time.



KEY MANAGERIAL PERSONNEL

Key Managerial Personnel of the Company are as below:

Name of the persons	Designation
Sri S V Alagappan	Managing Director
Sri R Selvaraj	Chief Financial Officer
Smt M Shyamala	Company Secretary

EVALUATION OF BOARD OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the evaluation of Independent Directors are done by the entire Board of Directors including performance and fulfilment of independence criteria specified in the Regulation and their independence from the Management. Independent Directors at their meeting held on 6.2.2025 without participation of non-Independent Directors and Management, considered and evaluated the Boards' performance and performance of the Chairman and Managing Director.

The Board has carried out an annual evaluation of performance of Board and of individual Directors as well as the Committees of Directors. The evaluation has been conducted internally in the manner defined by Nomination and Remuneration Committee.

BOARD MEETINGS

During the year under review, Five Board Meetings were conducted. The details of the same have been given in the Corporate Governance Report under applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forming part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees regulated by the provisions of Section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the Financial Statements.

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The policy has been posted in the website of the Company: www.shivamills.com

POLICY ON NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors have framed a policy setting out the framework for payment of Remuneration to Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Policy lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The policy is explained as part of the Corporate Governance Report. The Committee ensures that



- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c) Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year in the ordinary course of business and the prices were at arm's length basis. Hence, the provisions of Section 188 (1) of the Companies Act, 2013 are not attracted. Further no materially significant related party transactions were entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Approval of Audit Committee was obtained for transactions of repetitive nature on annual basis. All related party transactions are placed before the Audit Committee for approval and Board of Directors for their review. The policy on Related Party Transactions is available in the website www.shivamills.com

There were no transactions made with any person or entity belonging to promoter/promoter group which holds 10% or more shareholding in the Company.

Disclosure of these transactions in form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out below:

PARTICULARS OF CONTRACTS / ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED

Particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are given in form AOC - 2 in **Annexure - I**

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status and the Company's operation in future.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134 (5) of the Companies Act, 2013 your Directors confirm that:

- a) Your Directors have followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation relating to material departures;
- b) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of



affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- c) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) Your Directors have prepared the annual accounts on a going concern basis;
- e) Your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Your Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

The present Auditors of the Company M/s VKS Aiyer & Co., Chartered Accountants, Coimbatore (Firm Registration No: 000066S), were appointed for a term of 5 years, pursuant to the resolution passed by the members at the Annual General Meeting held on 20th September, 2021. Pursuant to Section 40 of the Companies (Amendment) Act, 2017, the proviso to Section 139 (1) relating to ratification of appointment of Auditors every year has been omitted. Accordingly, the term of office of present Auditors will be continued without requirement of ratification.

Auditor's Report for the Financial year 2024-2025 does not contain any qualification, reservation or adverse remarks requiring any comments by the Board of Directors.

DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under provisions of Section 143 (12) of the Companies Act, 2013 and rules made thereunder.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company appointed Sri R Dhanasekaran, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure - II**

The report does not contain any qualification, reservation or adverse remark.

As per provisions of the Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors have proposed to appoint Sri R Dhanasekaran, Practicing Company Secretary as Secretarial Auditor for a term of five consecutive years commencing from 1.4.2025 to 31.3.2030. Suitable resolution is included in the notice of AGM for approval of the shareholders.



COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules 2014, as amended from time to time, the Board of Directors, on the recommendation of Audit Committee, has re-appointed Sri M Nagarajan, Cost Accountant, Coimbatore as Cost Auditor to conduct Cost Audit of the Company for the financial year 2025-2026. The Company has maintained such accounts and cost records as required under Section 148(1) of the Companies Act, 2013.

JOINT VENTURE, ASSOCIATE AND SUBSIDIARIES

The Company does not have any Joint Venture, Associate and Subsidiaries as per Rule 6 of the Companies (Accounts) Rules, 2014. Hence, no reporting of the same in Form AOC-1 has been made.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

The Company has appointed M/s B M Associates, Chartered Accountants, to monitor and evaluate the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and to the Chairman and Managing Director of the Company.

Based on the report of Internal Auditors, corrective actions are taken in the respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

STATEMENT ON RISK MANAGEMENT POLICY

The Company has developed a Risk Management Policy and implemented the same. At present the Company has not identified any element of risk which may be of threat to the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The Company has not met any of the criteria prescribed under Section 135(1) of the Companies Act, 2013, during the immediately preceding Financial Year i.e., 2023-24 and hence the Company is not required to spend any amount on account of CSR for the Financial Year 2024-25. Annual Report on CSR activities and its related particulars are not applicable for the Financial Year 2024-25, hence it is not enclosed. The Committee consists of the following Directors:



1. Sri S V Alagappan Managing Director
2. Smt A Lalitha Joint Managing Director
3. Sri S Palaniswami Independent Director

The Company has amended and adopted the CSR Policy on 6.2.2021 in line with the CSR Rules as amended by Ministry of Corporate Affairs. The Policy on Corporate Social Responsibility is available in the website www.shivamills.com.

STATUTORY DISCLOSURES

- I. **Conservation of Energy and others** - The particulars required to be included in terms of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2025 relating to Conservation of Energy, etc., is enclosed as **Annexure - III**.
- II. **Remuneration of Directors and other details** - The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2025 is provided in **Annexure - IV**.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year under review the human relations continued to be very cordial.

The Company has an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, and an Internal Complaints Committee (ICC) has been constituted to redress complaints of sexual harassment as provided therein. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

a.	No. of complaints filed during the financial year	2024-25	Nil
b.	No. of complaints disposed off during the financial year	2024-25	Nil
c.	No. of complaints pending as on end of financial year	2024-25	Nil

ACKNOWLEDGEMENT

Your Directors acknowledge with thanks the financial assistance extended by the Bankers for providing the required credit facilities to the Company. Your Directors wish to place on record their appreciation of the contribution made by the employees for their support to get over the difficulties faced by the Company.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN & MANAGING DIRECTOR
DIN 00002450



ANNEXURE - I

Form AOC - 2

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

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

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

Not Applicable. During the year, all transactions with the related parties were entered at arm's length.

2. Details of material contracts or arrangements or transactions at arm's length basis- Nil

By Order of the Board
S V ALAGAPPAN
CHAIRMAN & MANAGING DIRECTOR
DIN 00002450

Coimbatore
22nd May, 2025

**ANNEXURE - II****FORM NO. MR - 3****SECRETARIAL AUDIT REPORT****(FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025)****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To

The Members

SHIVA MILLS LIMITED

(CIN: L17111TZ2015PLC022007)

249-A, Bye-Pass Road, Mettupalayam Road,
Coimbatore - 641 043.

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by SHIVA MILLS LIMITED ("the Company") for the financial year ended on 31st March 2025 ('Audit Period') according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 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') to the extent applicable to the Company;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - 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) Regulations, 2014; (Not applicable to the company during the Audit Period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company during the Audit Period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the Audit Period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- vi. The following other laws specifically applicable to the company:
 - a. Textile Committee Act, 1963
 - b. Textiles (Development and Regulation) order, 2001
 - c. Textiles (Consumer Protection) Regulation, 1985

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc., mentioned above.

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



I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under review, the company has appointed an Independent director, and the change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

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

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

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

I further report that, during the audit period:

The company has not taken any events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Coimbatore
Date: 22nd May, 2025

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No. 811/2020
ICSI UDIN: F007070G000373414



ANNEXURE - III CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2025 is given here below and forms part of the Directors' Report.

A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy;

❖ **Energy-Efficient Fan Implementation in Comber Department and Humidification Plant**

The installation of ultra high-efficiency fans for continuation suction in new Comber machines has improved suction performance while reducing energy consumption. Similarly, replacing conventional fans with energy-efficient models in the humidification plant has led to power savings. These combined efforts have contributed to consistent and measurable energy savings across departments.

❖ **Compressor Pressure** Optimizing the compressor pressure settings, along with the installation of a compressor air distributor, has led to improved air management and considerable power savings.

❖ **Spinning Compact Inverter Installation**

Deployment of inverters on spinning compact systems has optimized motor efficiency and increased power savings.

❖ **Regular Energy Audits and Conservation Practices**

Continuous energy audits and proactive implementation of conservation measures ensure long-term sustainability and drive further energy optimization.

(ii) Steps taken by the company for utilizing alternate sources of energy;

❖ For alternate source of energy the Company having the 10.65 MW of Wind Mill and during the year the Company utilised 144.82 lakhs units of power generated through windmills.

❖ During the year the Company has utilised 27.84 Lakhs units of Solar Power for alternate source of Energy.

(iii) Capital investment on energy conservation equipment;

❖ Investment for reduction of consumption of energy are being made after careful evaluation of each proposal.

B) TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption;

The Company continuously monitors the technology evolving in energy conservation measures and adopts the one which suits the Company's requirements.



(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

With the measures adopted by the Company, there is substantial saving in energy consumption thereby reduction in cost of production.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Not applicable.

(iv) the expenditure incurred on Research and Development: Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings were Rs. Nil (Rs. Nil). Foreign exchange outgo was Rs.110.70 lakhs (Rs.44.32 lakhs)

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN AND MANAGING DIRECTOR
DIN 00002450



ANNEXURE IV

DISCLOSURE IN THE BOARD'S REPORT ON REMUNERATION OF DIRECTORS, ETC.,

Particulars of Remuneration of Directors and Employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- (i) The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial year 2024-25

Director's Name	Ratio
Sri S V Alagappan, Managing Director	28.32 :1
Smt A Lalitha, Joint Managing Director	26.22:1

- (ii) The Percentage increase/(decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any, in the Financial Year 2024-25 compared to 2023-24

Director's Name/CS/CFO	% increase in remuneration
Sri S V Alagappan, Managing Director	-
Smt A Lalitha, Joint Managing Director	-
Smt M Shyamala, Company Secretary	14.10%
Sri R Selvaraj, Chief Financial Officer	13.10%

In respect of other Directors, the Company is paying only sitting fees. Hence not considered for the above purposes.

- (iii) Percentage increase/(Decrease) in the median remuneration of employees in the Financial year 2024-25 : 4.76%
- (iv) Number of permanent employees on the rolls of the Company : 645
- (v) Average percentile increase already made in the salaries of Employees other than Managerial Personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase granted to employees other than managerial personnel is : 0.90%

The percentile increase/ (Decrease) to managerial personnel is : 3.33%

The Board of Directors of the Company affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.

- (vi) Particulars of Employees as per Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:



Particulars of Top Ten Employees in terms of remuneration drawn as required under Rule 5(2):

Name (Age in years)	Designation	Gross Remuneration paid (in Rs.Lakhs)	Qualification	Date of Commencement of employment (experience in years)	Previous Employment
Sri S V Alagappan (83)	Chairman and Managing Director	38.88	B. Com., B.L.,	10.7.1989 (41)	Shiva Texyarn Limited
Smt A Lalitha(55)	Joint Managing Director	36.00	B. Com	1.4.2010 (19)	Shiva Texyarn Limited
Sri M Shanmugam (75)	Chief Executive Officer	17.11	B.Com., FCA	1.4.2018 (7)	Shiva Distilleries Limited
Sri V A Om Prakash Babu (55)	General Manager	16.88	DTT	28.3.2019 (6)	Natural Tex Yarn Private Limited
Sri J Senthil Kumar (55)	General Manager Marketing	16.22	B.Sc., MBA	1.7.2019 (6)	Bannari Amman Spinning Mills Limited
Smt M Shyamala (43)	Company Secretary	13.89	M.Com., ACS	18.1.2010 (15)	Shiva Texyarn Limited
Sri R Selvaraj (43)	Chief Financial Officer	14.84	M.Com., ACA	18.5.2018 (7)	Indsil Energy and Electro chemicals Limited
Sri C Bose (62)	Senior Genset Engineer	9.66	DME	1.10.2017 (11)	GHCL
Sri J Sahayaraj (55)	Senior Electrical Engineer	8.76	DECE	1.5.2000 (25)	Madura Coats
Sri N Vijay Periyaswamy (45)	Manager - Marketing & Sales	8.24	MBA	5.9.2016 (9)	KPR Mills Limited

None of the employees, listed in the said Annexure is related excepting Sri SV Alagappan and Smt A Lalitha. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company except Smt A Lalitha. The appointment of all the above employees are permanent in nature except Managing Director and Joint Managing Director.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN AND MANAGING DIRECTOR
DIN 00002450



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on corporate governance envisages the attainment of high levels of transparency, accountability, fairness and equity in all facets of its operations, procedures, reporting system and in all the interactions with its stakeholders.

Shiva Mills Limited has adopted a Code of Conduct which lays down standards of values, ethics and business principles of management.

BOARD OF DIRECTORS

The Board comprises of 7 Directors viz., 2 Executive Directors including a Woman Director, 1 Non-Executive non-Independent Director and 4 Non-Executive Independent Directors. Total Number of Directors reduced to 7 due to demise of Sri S Marusamy on 14.10.2024

Sl.No	Name of the Director	Category of Directorship	Number of Directorship held in other Companies*	Number of Board Committee Membership held in other Companies**	
				Chairman	Member
1.	Sri S V Alagappan	Executive - Promoter	1	1	-
2.	Smt A Lalitha	Executive - Promoter	-	-	-
3.	Sri S K Sundararaman	Non-Executive Non-Independent - Promoter	5	3	2
4.	Sri S Palaniswami	Non-Executive - Independent	-	-	-
5.	Sri M Ganeshkumar	Non-Executive - Independent	-	-	-
6.	Sri C Sivasamy	Non-Executive - Independent	1	-	-
7.	Sri S Marusamy [@]	Non-Executive - Independent	-	-	-
8.	Sri K Manikandan ^{\$}	Non-Executive - Independent	-	-	-

Sri S V Alagappan and Smt A Lalitha are related as father and daughter.

* Excluding private companies which are not subsidiary of public companies.

** For the purpose of determination of limit, only Committees referred under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are considered.

^{\$} Appointed w.e.f. 28.6.2024

[@] Demised on 14.10.2024



The name of the listed entities where the person is a Director and the category of Directorships as per Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S.No	Name of the Directors	Name of the Listed Entities holding Directorships	Category of Directorships	No. of shares held
1.	Sri S V Alagappan	Shiva Texyarn Ltd	Chairman	-
		Shiva Mills Ltd	Chairman & Managing Director	21,780
2.	Smt A Lalitha	Shiva Mills Ltd	Joint Managing Director	2,13,680
3.	Sri S K Sundararaman	Shiva Texyarn Ltd	Managing Director	50,760
		Shiva Mills Ltd	Non-Independent Director	-
		Pricol Ltd	Independent Director	-
		Shanthi Gears Ltd	Independent Director	-
		Bannari Amman Spinning Mills Ltd	Independent Director	-
4.	Sri S Palaniswami	Shiva Mills Ltd	Independent Director	-
5.	Sri C Sivasamy	Shiva Mills Ltd	Independent Director	-
		Bannari Amman Spinning Mills Ltd	Independent Director	-
6.	Sri M Ganeshkumar	Shiva Mills Ltd	Independent Director	-
7.	Sri S Marusamy [@]	Shiva Texyarn Ltd	Independent Director	4,383
		Shiva Mills Ltd	Independent Director	4,005
8.	Sri K Manikandan ^{\$}	Shiva Mills Ltd	Independent Director	-

^{\$} Appointed w.e.f. 28.6.2024

[@] Demised on 14.10.2024

In the opinion of the Board the Non-Executive Independent Directors fulfill the conditions laid down for appointment/re-appointment as Independent Directors as specified in Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 25 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

A formal letter of appointment/re-appointment has been issued and a copy of the same is posted on the website of the Company viz., www.shivamills.com

BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the financial year, 5 Board Meetings were convened by giving advance notices to the Directors. The meetings were held on 24.5.2024, 28.6.2024, 9.8.2024, 11.11.2024 and 6.2.2025. The interval between the two Meetings were well within the maximum period prescribed under the Companies Act, 2013 and Regulation 17(2) of the SEBI (LODR) Regulations, 2015.

The Board is given all the material information which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.

Details of attendance of each Director at the Board Meetings and at the last Annual General Meeting (held on 21.8.2024) are furnished here below:

Name of the Director	Number of Board Meetings held during the year or after appointment as Director	Number of Board Meetings attended	Last AGM attended Yes/No
Sri S V Alagappan (DIN 00002450)	5	5	Yes
Smt A Lalitha (DIN 00003688)	5	3	Yes
Sri S K Sundararaman (DIN 00002691)	5	5	Yes
Sri S Palaniswami (DIN 00007901)	5	5	Yes
Sri C Sivasamy (DIN 00002921)	5	5	Yes
Sri M Ganeshkumar (DIN 10175966)	5	4	Yes
Sri S Marusamy (DIN 00610091) [@]	3	3	Yes
Sri K Manikandan (DIN 10674837) ^{\$}	4	4	Yes

^{\$} Appointed w.e.f. 28.6.2024

[@] Demised on 14.10.2024

FAMILIARISATION PROGRAMME

At the time of appointment of Directors, a formal letter of appointment is issued, which sets out roles, functions, duties and responsibilities expected from them. The Directors have also been explained the relevant regulations. The appointments are also provided with necessary information to understand the Company's operations, products and events relating to the Company. The details of familiarisation programmes imparted to independent directors is available on the weblink: <http://www.shivamills.com/shares/policies>



CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS

Board of Directors	Age	Date of appointment	Qualification	Skills
Sri S V Alagappan	83	24.11.2015	B.Com., B.L	He has more than 41 years of experience in Textile Industry. Sound knowledge on Company's business, policies, vision and mission, strengths, weakness, opportunities and threats of the Company's business operations.
Smt A Lalitha	55	31.8.2017	B.Com.,	She has nearly 20 years of experience in Business/ Industry. Optimum level of utilization of skills and expertise for business decisions.
Sri S K Sundararaman	52	24.11.2015	MBBS., MBA.,	He has more than 26 years of experience in Textile/Business Expertise/professional skills/ intellectual inputs in relation to Company's business & accounting and related financial management
Sri S Palaniswami	81	31.8.2017	B.E Electrical Engineering	He has more than 46 years of experience in the field of Vertical Transportation Elevators, Escalators and allied products. General administration
Sri M Ganeshkumar	60	26.6.2023	B.A, LLB	He has more than 32 years of experience specialising in civil and criminal laws as an Advocate.
Sri C Sivasamy	68	31.8.2017	Diploma in Mechanical Engineering	He has more than 45 years of experience in the field of Automobiles. General administration
Sri S Marusamy [@]	79	24.11.2015	-	He has more than 43 years of experience in agro processing and transport agency business. General administration
Sri K Manikandan ^{\$}	45	28.6.2024	Chartered Accountant	He has more than 16 years of experience as practicing professional, sound knowledge in Direct & Indirect taxation matters. Expertise in relation to Internal Audit / Concurrent Audit.

^{\$} Appointed w.e.f. 28.6.2024

[@] Demised on 14.10.2024



CODE OF CONDUCT

The Company has adopted the code of conduct for all Board Members and Senior Management as required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code is posted on the company's website at www.shivamills.com. All Board Members and Senior Management personnel have affirmed compliance with the code on an annual basis and a declaration to this effect signed by the Chairman is attached to this report.

AUDIT COMMITTEE

The Audit Committee consists of following Directors:

Sl.No	Name	Position	No of Meetings Attended
1.	Sri S Palaniswami	Chairman - Independent	5
2.	Sri S K Sundararaman	Member - Non-Executive Non-Independent	5
3.	Sri C Sivasamy	Member - Independent	5
4.	Sri M Ganeshkumar	Member - Independent	4

During the financial year, the Audit Committee met 5 times 24.5.2024, 28.6.2024, 9.8.2024, 11.11.2024 and 6.2.2025. The Audit Committee Chairman was present at the last AGM.

The terms of reference of the Audit Committee are as set out in Regulation 18 (3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter-alia includes the following:

- Review 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;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions; and
 - modified opinions in the draft audit report..



- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) 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 or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) 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;
- n) Discussion with Internal Auditors of any significant findings and follow up thereon;
- o) 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;
- p) 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;
- q) 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;
- r) To review the functioning of the Whistle Blower mechanism;
- s) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) To Review 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 existing as on the date of coming into force of this provision.
- v) The Audit Committee shall mandatorily review the following information:
 - 1) management discussion and analysis of financial condition and results of operations;



- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses; and
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 6) statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of 3 Directors, two of whom are independent:

Sl.No.	Name of the Director	Position	No. of meetings attended
1.	Sri S Palaniswami	Chairman	5
2.	Sri S K Sundararaman	Member	5
3.	Sri C Sivasamy	Member	5

The Nomination and Remuneration Committee Chairman was present at the last Annual General Meeting. The other members of the Committee were present at the meeting.

During the financial year, the Nomination and Remuneration Committee met 5 times 24.5.2024, 28.6.2024, 6.2.2025, 6.2.2025 and 31.3.2025.

The terms of reference specified by Board of Directors to the Nomination and Remuneration Committee are as under:

- (a) 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;
- (b) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (c) devising a policy on diversity of board of directors;
- (d) 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.
- (e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.



Remuneration Policy

The Nomination and Remuneration Committee has adopted a charter which, inter alia, deals with the manner of selection of Board of Directors/Key Managerial Personnel/Senior Managerial Personnel. The policy is accordingly derived from the said Charter. The policy on remuneration is available in the following weblink: www.shivamills.com

Evaluation Criteria

The Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and each Director including Independent Director. The evaluation of the performance of the Board and its committees are evaluated through a questionnaire circulated to all directors and based upon the response to the questionnaire, the directors do a self-evaluation of their performance. Accordingly, Board reviewed the performance of each of the directors and expressed their satisfaction.

The performance evaluation of the Chairman and the Managing Director was carried out separately by the Independent Directors. The Independent Directors expressed their satisfaction on the performance of the Chairman and the Managing Director and Joint Managing Director.

Remuneration to Managing Director and Joint Managing Director:

Name	Designation	Remuneration per annum (Rs. in lakhs)
Sri S V Alagappan	Managing Director	38.88
Smt A Lalitha	Joint Managing Director	36.00

Remuneration to Non-Executive / Independent Directors

All the non-executive Directors are paid with sitting fee of Rs. 20,000/- as recommended by Nomination and Remuneration Committee and approved at the Board Meeting for each Board Meeting, Audit Committee Meeting and Independent Directors meeting attended by them.

Criteria of making payment to Non-Executive Directors are available in the weblink :

<http://www.shivamills.com/shares/600/Policies>.

Meeting of Independent Directors

During the year under review the Independent Directors met on 6.2.2025 for the following purposes:

- ❖ Evaluation of performance of non- Independent Directors and the Board as a whole
- ❖ Evaluation of performance of the Chairman and Managing Director of the Company
- ❖ Evaluation of quality and flow of information to the Board

All the Independent Directors were present at the meeting. In the opinion of the Board, all the Independent Directors are fulfilling the conditions of the Regulations and are Independent of the Management.



CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The Company has not met any of the criteria prescribed under Section 135(1) of the Companies Act, 2013, during the immediately preceding Financial Year i.e., 2023-24 and hence the Company is not required to spend any amount on account of CSR for the Financial Year 2024-25. Corporate Social Responsibility Committee consisting of the following Directors with effect from 12.2.2018.

Sl.No.	Name of the Director	Position
1.	Sri S V Alagappan	Managing Director
2.	Smt A Lalitha	Joint Managing Director
3.	Sri S Palaniswami	Independent Director

SUBSIDIARIES

The Company has no material subsidiary within the meaning of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has adopted a Policy for determining material subsidiary and is available on the weblink: <https://www.shivamills.com/shares/policies>

RELATED PARTY TRANSACTIONS

The Company has adopted policy on dealing with Related parties. The same is disclosed in the website of the Company and is available in the weblink: <https://www.shivamills.com/shares/policies>

RISK MANAGEMENT COMMITTEE

Requirement of constitution of Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is not applicable to the Company.

Disclosures regarding commodity price risk and hedging activities pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted Policy on Foreign Exchange Risk Management on 28.5.2018.

Exposure to commodity risks faced by the Company throughout the year

Total exposure of the Company to commodities in INR: Nil

Exposure of the Company to various commodities: Nil



Commodity name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
-	-	-	-	-	-	-	-

PARTICULARS OF SENIOR MANAGEMENT

The Board of Directors, has identified the Senior Management Personnel (SMP) pursuant to the provisions of Regulation 16(1)(d) of the Listing Regulations. The details of SMP's as at 31st March, 2025 are as follows:

Sl.No.	Name of SMP	Designation	Changes, if any
1.	Sri M Shanmugam	Chief Executive Officer #	Yes
2.	Smt M Shyamala	Company Secretary	No
3.	Sri V A Om Prakash Babu	General Manager	No
4.	Sri J Senthil Kumar	GM - Marketing	No
5.	Sri R Selvaraj	Chief Financial Officer*	Yes
6.	Smt M Rajeshwari	Senior Manager Accounts [%]	Yes

Assumed office as Chief Executive Officer w.e.f. 1.6.2024 (non KMP)

* Promoted and appointed as Chief Financial Officer w.e.f. 1.6.2024 (KMP)

[%] Resigned on 31.3.2025

WHISTLE BLOWER MECHANISM

The Company has established a whistle blower policy/vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy. This mechanism provides adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The whistle blower policy is posted on the Company's website at the link <http://www.shivamills.com/shares/policies>



SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2025

Name of the Director	No. of shares held
Sri S K Sundararaman	Nil
Sri S Palaniswami	Nil
Sri M Ganeshkumar	Nil
Sri C Sivasamy	Nil
Sri S Marusamy [@]	4005
Sri K Manikandan ^{\$}	Nil

^{\$} Appointed w.e.f. 28.6.2024

[@] Demised on 14.10.2024

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was formed to specifically look into shareholders/investors complaints if any, on transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc., and also the action taken by the Company on those matters.

The Stakeholders Relationship Committee consists of:

Sl.No.	Name of the Director	Position
1.	Sri S K Sundararaman	Chairman
2.	Smt A Lalitha	Member
3.	Sri C Sivasamy	Member

Smt M Shyamala, Company Secretary is the Compliance Officer.

The Company has not received any complaints from the Investors for redressal during the year and there were no complaints pending at the beginning of the year.

CEO & CFO CERTIFICATION

The Managing Director and Chief Financial Officer have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Board took the same on record.

INSIDER TRADING

In compliance with SEBI Regulations in prohibition of insider trading the Company has framed a comprehensive Code of Conduct. The Code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the Company.



GENERAL BODY MEETINGS

Details of last three Annual General Meetings and Special Resolutions passed thereat are as follows:

AGM	Date & Time	Location	Special Resolutions Passed	Voting Pattern
7 th	25.8.2022 11.00 A.M	through Video Conference (VC) / Other Audio Visual Means (OAVM)	1. Re-appointment and payment of Remuneration to Sri S V Alagappan, Managing Director (DIN 00002450)	Total Votes polled : 65,19,537 Votes polled for: 64,97,757 Votes against : Nil Votes neutral : Nil
			2. Re-appointment and payment of Remuneration to Smt A Lalitha, Joint Managing Director (DIN 00003688)	Total Votes polled : 65,19,537 Votes polled for: 63,05,857 Votes against : Nil Votes neutral : Nil
			3. Re-appointment of Sri K N V Ramani, as an Independent Director (DIN 00007931)	Total Votes polled : 65,19,537 Votes polled for: 65,19,537 Votes against : Nil Votes neutral : Nil
			4. Re-appointment of Sri S Palaniswami, as an Independent Director (DIN 00007901)	Total Votes polled : 65,19,537 Votes polled for: 64,83,910 Votes against : 35,627 Votes neutral : Nil
			5. Re-appointment of Sri S Marusamy, as an Independent Director (DIN 00610091)	Total Votes polled : 65,19,537 Votes polled for: 65,19,537 Votes against : Nil Votes neutral : Nil
			6. Re-appointment of Sri C Sivasamy, as an Independent Director (DIN 00002921).	Total Votes polled : 65,19,537 Votes polled for: 65,19,537 Votes against : Nil Votes neutral : Nil
8 th	21.9.2023 11.30 A.M	through Video Conference (VC) / Other Audio Visual Means (OAVM)	1. Appointment of Sri M Ganeshkumar, as an Independent Director (DIN 10175966)	Total Votes polled : 65,17,419 Votes polled for: 65,17,419 Votes against : Nil Votes neutral : Nil
9 th	21.8.2024 12.00 Noon	through Video Conference (VC) / Other Audio Visual Means (OAVM)	1. Appointment of Sri K Manikandan, as an Independent Director (DIN 10674837)	Total Votes polled : 65,16,689 Votes polled for: 65,16,689 Votes against : Nil Votes neutral : Nil



Sri R Dhanasekaran, Practicing Company Secretary, Coimbatore was appointed as Scrutinizer to conduct the voting process.

There is no Special Resolution passed last year through postal ballot and no Special Resolution being proposed for the approval of shareholders through postal ballot in the forthcoming Annual General Meeting.

DISCLOSURES

- ❖ The Company has not entered into any transaction of a material nature with the related parties having potential conflict with the interest of the Company.
- ❖ There was no instance of non-compliance of any matter related to the capital markets.
- ❖ The Company has a Whistle Blower Policy in place and no personnel has been denied access to the Audit Committee.
- ❖ The Company has complied with all the mandatory requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of non-mandatory requirements the Company has complied the conditions except the appointment of separate persons to the post of Chairman and Managing Director/CEO and circulation of half Yearly financial results to each household of the shareholder.
- ❖ The Company has not raised funds through preferential allotment or qualified institutions placements, hence no reporting of utilisation of the same is made as specified under Regulation 32 (7A).
- ❖ There were no instances of Board for non-acceptance of any recommendation of any Committee of the Board which is mandatorily required during the Financial Year.
- ❖ The Company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice under clause (i) of clause 10 of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, certifying 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 SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed to this report as Annexure.
- ❖ The Company has not given loans and advances to firms/companies in which directors are interested.
- ❖ During the year the Company has not received any complaint under the provisions of Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013.

MEANS OF COMMUNICATION

The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in Business Standard (English) and Makkal Kural (Tamil) newspapers. The results and news items relating to the Company are displayed in company's website www.shivamills.com



SHAREHOLDERS' INFORMATION

Annual General Meeting

Day and Date	: Thursday 21 st August, 2025
Time	12.00 Noon
Venue	: Video Conferencing (VC)/other Audio-Visual Means ("OVAM")

Financial Year 2024-2025

Results Announced	: 22.5.2025
Dividend payment date	: Not Applicable
Announcement of quarterly Results	: i) During first/second week of August and November 2025, February and May 2026 or as stipulated by SEBI from time to time. ii) the financial results are displayed on the website of the Company www.shivamills.com

LISTING ON STOCK EXCHANGES

The Company's Equity Shares are listed on the following Stock Exchanges:

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	Stock Code: 540961	National Stock Exchange of India Limited "Exchange Plaza" Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai 400 051	Stock Code: SHIVAMILLS
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The Company has paid Annual Listing Fees for the year 2025-2026.

Outstanding GDRs/ADRs/Warrants or any convertible instruments

The Company has not issued GDRs/ADRs/Warrants or any convertible instruments

DEMATERIALISATION OF SHARES

The shares of the Company are in compulsory demat segment. The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Members have option to hold their shares in demat form (i.e electronic mode) either through the NSDL or CDSL. ISIN allotted to our Company is INE644Y01017. As on 31.3.2025, 97.12% of the shares of the Company have been dematerialised. The whole of the Promoters Shareholding have been dematerialised.

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited *

(Formerly Link Intime India Private Limited)

"Surya" 35, Mayflower Avenue

Behind Senthil Nagar

Sowripalayam Road, Coimbatore - 641028

Phone: (0422) 4958995, 2539835, 2539836

Fax: (0422) 2539837

E-mail: coimbatore@in.mpms.mufg.com

Website: <https://in.mpms.mufg.com>



* Name of Registrar and Share Transfer Agent has changed from M/s Link Intime India Private Limited' to 'MUFG Intime India Private Limited' with effect from 31.12.2024.

All documents and requests pertaining to shares, nomination forms and change of address may directly be sent to the above address.

SHARE TRANSFER SYSTEM

The Share Transfers in physical form were discontinued w.e.f. 1.4.2019 as per SEBI guidelines. Transmission/Transposition requests, if any, which are in physical form are registered and returned within 30 days from the date of receipt if they are in order. The same are approved by the Share Transfer Committee.

- **Updation of PAN, KYC and Nomination details:**

As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/CIR/2023/37 dt: 16.3.2023, it is mandatory for the shareholders holding securities in physical form shall furnish PAN, KYC and nomination details. Any payment including dividend shall only be made electronically w.e.f. 1.4.2024 upon updating the same. The relevant circular and necessary forms are available in the Company's website at <http://www.shivamills.com/shares/investors-kyc-formats/>.

- **Issue of securities in dematerialized form:**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dt: 25.1.2022 has mandated listed companies to issue securities only in dematerialized form while processing service requests viz., issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, sub-division/Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. According to the operational guidelines mentioned in the circular, security holders are requested to demat the physical shares in the timeline prescribed. The Company has opened a Suspense Escrow Demat Account with Stock Holding Corporation of India Limited in this regard.

DISTRIBUTION OF SHAREHOLDING AS ON 31.3.2025

CATEGORY	No. of Shares held	Percentage of Shareholding
Promoter's Holding	6475916	74.937
Banks/FIs/Mutual Funds	28166	0.326
Private Corporate Bodies	28560	0.331
Indian Public	2083521	24.110
NRI/OCBs	25645	0.296
Total	8641808	100.000

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

In terms of Regulation 34(3) read with Part F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into with Stock Exchanges, the Company has opened Demat



Suspense Account in the name of "Shiva Mills Limited -Unclaimed Shares Demat Suspense Account" and 1280 equity shares of 13 shareholders which are remains unclaimed and laying with erstwhile holding Company viz., Shiva Texyarn Limited during the course of Demerger, were transferred to Shiva Mills Limited on 25.8.2020.

An amount of Rs.636 is outstanding as on 31.3.2025 payable to 19 shareholders in respect of fractional shares sold in terms of Clause 9.3.3 of the Scheme of Arrangement (Demerger) dt. 23.8.2017 approved by the Hon'ble National Company Law Tribunal, Division Bench, Chennai.

The payments made to them are returned undelivered and the said amount is kept in a separate Bank Account viz., "SHIVA MILLS LIMITED - UNPAID FRACTIONAL SHARES AMOUNT ACCOUNT"

The above details are available on the website of the Company www.shivamills.com.

DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS

There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company as specified in Schedule III, Para A, Clause 5A of Listing Regulations.

PLANT LOCATIONS

Spinning Unit	
Velvarkottai village Dindigul District, Tamilnadu	
Windmill Units	
Irukkandurai Tirunelveli Tamilnadu Gathalrev, Dharapuram Tk, Tamilnadu	Dhanakarkulam, Tirunelveli, Tamilnadu Vadavalli, Suler Tk, Tamilnadu
Varapatti, Suler Tk, Tamilnadu	

ADDRESS FOR CORRESPONDENCE

All investor related queries and complaints may be sent to the following address:

The Company Secretary

Shiva Mills Limited, Regd. Office: 249-A, Bye - Pass Road Mettupalayam Road

Coimbatore-641 043, E-mail: shares@shivamills.com



CREDIT RATINGS

Credit ratings obtained by the Company and revisions thereto during the financial year 2024 -25 for credit facilities availed by the Company from Banks are as follows:

Rating Agency	Communication No	Nature of facility	Rating	Rating action
CARE Ratings Limited	CARE/CMBO/RL/2024-25/1194	Long-term Bank facilities	CARE BBB+; outlook: Negative (Triple B Plus; Outlook: Negative)	Reaffirmed
		Short Term Bank Facilities	CARE A2 (A Two)	Reaffirmed

AUDITORS FEES

The total fees for all services paid by the Company to the Statutory Auditors during the year 2024-25 is as follows:

Rs. in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payments to auditors comprises (net of GST/service tax input credit, where applicable):		
For Statutory audit fees	3.50	3.50
For Tax Audit	1.75	1.50
For Taxation matters	1.35	2.05
For Other Services		
• Limited Review Report	1.50	1.50
• Others	1.60	1.60
Total	9.70	10.15

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN AND MANAGING DIRECTOR
DIN 00002450

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members of
SHIVA MILLS LIMITED
CIN: L17111TZ2015PLC022007
Registered Office: 249-A, Bye-Pass Road, Mettupalayam Road,
Coimbatore - 641043.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SHIVA MILLS LIMITED having CIN: L17111TZ2015PLC022007 and having registered office at 249-A, Bye-Pass Road, Mettupalayam Road, Coimbatore North - 641043 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company 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.

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

Place: Coimbatore
Date : 22nd May, 2025

R Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No. 811/2020
ICSI UDIN: F007070G000373447



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Company's Business

The Company is primarily engaged in the manufacturing and marketing of cotton yarn. It operates a spinning unit located near Dindigul, Tamil Nadu, with an installed capacity of 39,072 spindles. Additionally, the Company owns 22 windmills with a total installed capacity of 10.65 MW.

Overview of the Industry

The Indian Textile Industry plays a crucial role in India's economic development, acting as a catalyst for exports, employment generation, women's empowerment, and the preservation of India's cultural heritage. As one of the oldest industries in the country, it has evolved into a self-reliant, vertically integrated sector, spanning from the production of raw materials to the delivery of finished garments and home textiles.

The textile industry is the second-largest employment-generating sector in India, after agriculture. It contributes nearly 2% to the country's GDP and 10% to industrial production.

OPPORTUNITIES

The Indian cotton yarn industry is poised for growth, with India maintaining a strong export position. Opportunities lie in expanding into traditional markets like the US, Europe, and Bangladesh, while also tapping into emerging economies with rising textile demand. Technological advancements in manufacturing and supply chains will improve efficiency and product quality. Additionally, growing global demand for sustainable textiles presents a chance for India to lead in organic cotton and eco-friendly practices.

SEGMENT-WISE OR PRODUCT - WISE PERFORMANCE

The Company operates under a single business segment, namely the Textile Business. The detailed performance of this segment has been provided under the section titled "Review of Operations" in the Directors' Report.

OUTLOOK

The future of the Indian textile industry looks promising, supported by strong domestic consumption, rising global demand, and continued policy support. With its labour-rich base, global market presence, and deep cultural roots, the Indian textile sector is poised to become a global powerhouse, provided it continues to focus on innovation, sustainability, and inclusive growth.

RISKS AND CONCERNS

The textile industry faces several risks, including the unpredictable availability and price volatility of cotton, which is influenced by weather conditions and global market dynamics. The demand for cotton yarn can also fluctuate, affecting supply chain stability and pricing. Other concerns include the shortage of skilled labour, competition from low-cost countries with trade advantages, and foreign exchange fluctuations, all of which can impact the Company's operational and financial performance.



INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control procedures and systems commensurate with its size and nature of its business for purchase of raw materials, plant and machinery, components and other items and sale of goods. The checks and controls are reviewed by the Audit Committee for improvement in each of these areas on a periodical basis. The internal control systems are improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company has been discussed in Directors' Report to the Members.

HUMAN RESOURCES

The workforce strength of the Company as on 31.3.2025 stood at 645 including administrative and management staff. The Company maintained harmonious industrial relations across its spinning and windmill unit during the Financial Year 2024-2025.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS FOR THE FINANCIAL YEAR 2024-25 AND 2023-24

Comparative key financial ratios are furnished below. The ratios for the financial year 2024-25 comparing with previous financial year 2023-24.

S.No	Type of Ratio	Parameter	2024-25	2023-24	% variance	Explanation, if any (where deviation is 25% or more)
1	Debtors Turnover Ratio	Times	7.20	9.20	(0.22)	-
2	Inventory Turnover ratio	Times	5.92	6.70	(0.12)	-
3	Interest Coverage Ratio	Times	(2.46)	(4.16)	(0.41)	Company earned the cash profit for the current year is lower than the previous year
4	Current Ratio	Times	2.32	2.31	0.50	-
5	Debt Equity Ratio	Times	0.11	0.11	-	-
6	Operating Profit Margin	%	(1.79)	(2.02)	11.38	-
7	Net Profit Margin	%	(2.26)	(2.06)	(9.34)	-



DETAILS OF ANY CHANGE IN RETURN ON NETWORTH AS COMPARED TO IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

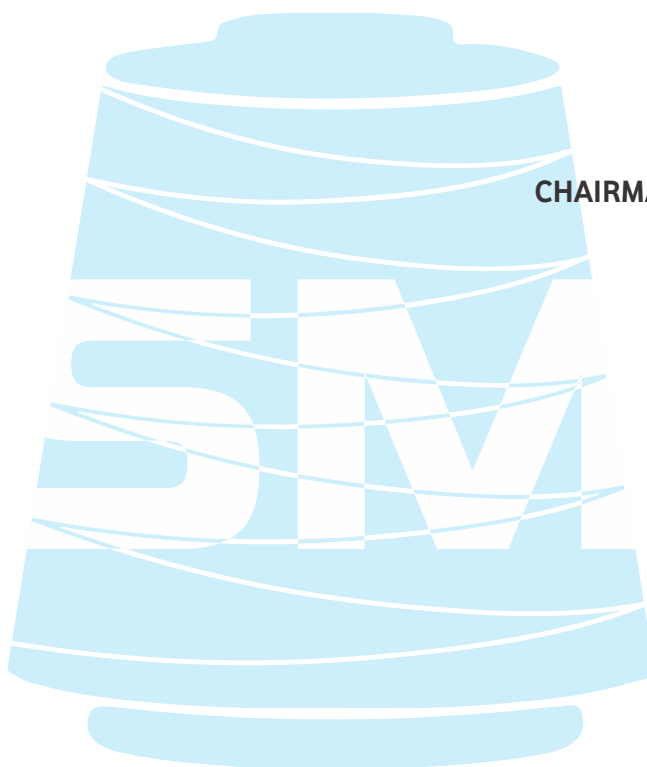
Return on net worth ratio for the FY 2024-25 at (-) 4.04 % & FY 2023-24 at (-) 3.31% due to loss as explained in the Directors' Report.

MEDIUM TERM AND LONG TERM STRATEGIES

Striving to improve quality continuously keeping in pace with technological developments. Giving priority to the requirement of customers, creating new business opportunities and to focus on value maximisation.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN & MANAGING DIRECTOR
DIN 00002450





CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Shiva Mills Limited
(CIN: L17111TZ2015PLC022007)

I have examined the compliance of conditions of Corporate Governance by Shiva Mills Limited ('the company'), for the year ended on 31st March, 2025 as referred in Regulation 15(2) of the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

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

Place : Coimbatore
Date : 22nd May, 2025

R. Dhanasekaran
Company Secretary in Practice
FCS 7070 / CP 7745
Peer Review No. 811/2020
ICSI UDIN: F007070G000373370

DECLARATION ON CODE OF CONDUCT

The Members of
Shiva Mills Limited

In compliance with the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2025.

Coimbatore
22nd May, 2025

By Order of the Board
S V ALAGAPPAN
CHAIRMAN & MANAGING DIRECTOR
DIN 00002450



INDEPENDENT AUDITOR'S REPORT

To the Members of Shiva Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Shiva Mills Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, 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 accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with 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 Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. We have determined that there are no key audit matters to communicate in our report.

Information Other than the financial statements and Auditor's Report Thereon

The Company's Management and the Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our auditor's report thereon.

The other information is expected to be made available to us after the date of Audit 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 Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, as stated above, which is expected to be received after the date of our Audit Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under applicable laws and regulations.

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

The Company's Management and the 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 other comprehensive income, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Management and Board of Directors are 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is



sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors.
- Conclude on the appropriateness of the management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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



- (2) (A) As required by section 143(3) of the Act, we report that:
- 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;
 - 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;
 - The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
 - On the basis of the written representations received from the directors as on March 31, 2025, and 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;
 - With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations as on March 31, 2025 on its financial position in its Financial Statements – Refer Note 32 on Contingent Liabilities to the Financial Statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - a.) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 51(i) to the Financial Statements, no funds (which are material either individually or in the 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note No 51(ii) of Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause iv (a) and (b) contain any material misstatement.
- (v) Based on our examination which include test checks, the company has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirement for record retention.
- (C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act: The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Companies Act.

For VKS Aiyer & Co
Chartered Accountants
ICAI Firm Registration No.000066S

C S Sathyanarayanan
Partner
Membership No. 028328
UDIN: 25028328BMIZUR2927

Place : Coimbatore
Date : 22nd May, 2025



ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shiva Mills Limited on the financial statements for the year ended 31-03-2025]

In our opinion and to the best of knowledge and belief, the books of accounts and records examined by us and according to the information and explanations given to us, we report that

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) Property, Plant and Equipment have been physically verified by the Management at reasonable intervals. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of all the immovable properties, recorded as property, plant and equipment and investment property (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company except for the following:

Description of Property	Gross Carrying Value As at 31.03.2025	Held in the Name of	Whether promoter, director or their relative or employee	Period held (Indicate Range wherever appropriate)	Reason for not being held in name of Company (including Dispute)
Land at Velvarkottai & Varapatti, Vadavalli & Dhanakkarkulam (Occupied by Spinning Division and windmill)	₹ 167.98 lakhs	Shiva Texyarn Limited	No	From 01-04-2015	The title deeds are in the name of Shiva Texyarn limited from which the business undertaking was demerged under Section 230 to 232 of the Companies Act, 2013 vide NCLT order dt. 23.08.2017.
Undivided share of land and Building at Coimbatore and Land at Varapatti Classified under Investment Property	Gross Block : ₹ 118.70 lakhs Net Block : ₹ 97.91 lakhs	Shiva Texyarn Limited	No	From 01-04-2015	The title deeds are in the name of Shiva Texyarn limited from which the business undertaking was demerged under Section 230 to 232 of the Companies Act, 2013 vide order dt. 23.08.2017.



- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - (e) There were no proceedings initiated or pending against the Company for holding any benami property under Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The inventories were physically verified during the year by the Management at reasonable intervals. The coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No Discrepancies were noticed on physical verification between the physical stock and the book records that were 10% or more in the aggregate for each class of inventory.
 - (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. There are no material deviations between quarterly stock returns submitted to the bank and the unaudited books of accounts of the company for the respective quarters. Reconciliations have been provided wherever discrepancies were identified.
- iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- iv. The company has complied with the provision of section 185 and 186 of the Companies Act, 2013 to the extent applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
 - a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on accounts of disputes are given below:

Name of Statute	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Employees' Provident Funds & Miscellaneous Provisions Act, 1952 (EPF & MP Act)	Provident Fund	6.36*	February 2018 to September 2019	PF Commissioner II, Madurai.	*Net off amount paid- Rs.4.24 Lakhs

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) & (f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (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 (x)(b) of the Order is not applicable to the Company.

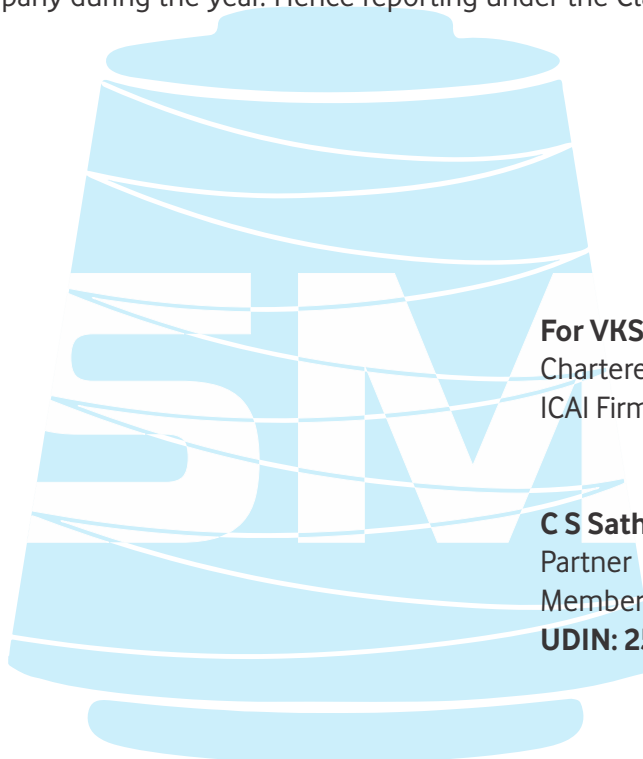


- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. The Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) The Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2025.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, reporting under clause (xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a)&(b) of the order are not applicable.
- (b) During the year the Company has not conducted any Non-Banking Financial activities or Housing financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India(RBI) as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulation made by RBI and hence reporting under clause (xvi)(c) of the Order is not applicable.
- (d) The group does not have CIC as part of the group and accordingly reporting under clause (xvi)(d) of the order is not applicable.
- xvii. The Company has not incurred any cash losses in 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 realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The provisions of Section 135 of the Act, in relation to reporting on Corporate Social Responsibility, are not applicable to the Company during the year. Hence reporting under the Clause 3(xx)(a) & 3 (xx)(b) of the Order is not applicable.



For VKS Aiyer & Co
Chartered Accountants
ICAI Firm Registration No.000066S

C S Sathyanarayanan
Partner
Membership No. 028328
UDIN: 25028328BMIZUR2927

Place : Coimbatore
Date : 22nd May, 2025



ANNEXURE 2 TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shiva Mills Limited on the financial statements for the year ended March 31, 2025]

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

We have audited the internal financial controls over financial reporting of **Shiva Mills Limited** ("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.

Opinion

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For VKS Aiyer & Co

Chartered Accountants

ICAI Firm Registration No.000066S

C S Sathyanarayanan

Partner

Membership No. 028328

UDIN: 25028328BMIZUR2927

Place : Coimbatore

Date : 22nd May, 2025



SHIVA MILLS LIMITED

Balance Sheet as at March 31, 2025

₹ in Lakhs

PARTICULARS	Note No.	As at 31.03.2025	As at 31.03.2024
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	5,917.53	6,298.20
(b) Capital work-in-progress	3	13.70	6.46
(c) Investment property	4	97.91	99.52
(d) Financial Assets			
(i) Investments	5	60.02	60.02
(ii) Other financials Assets	6	156.24	215.45
(e) Other non-current assets	7	50.04	30.96
Total Non - Current Assets		6,295.44	6,710.61
2 Current assets			
(a) Inventories	8	2,547.56	3,144.68
(b) Financial Assets			
(i) Trade receivables	9	2,691.86	1,992.09
(ii) Cash and cash equivalents	10	29.35	49.94
(iii) Bank Balance other than above	11	9.84	13.07
(iv) Other Financial Assets	12	1.17	38.75
(c) Other Current assets	13	262.81	321.90
Total Current Assets		5,542.59	5,560.43
Total Assets (1+2)		11,838.03	12,271.04
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	14	864.18	864.18
(b) Other Equity	15	8,376.59	8,754.18
Total equity		9,240.77	9,618.36
Liabilities			
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Other Financial Liability	16	45.50	38.82
(b) Deferred tax liabilities (net)	17	159.31	201.73
(c) Other Non-Current liabilities	18	0.78	0.79
Total Non - Current Liabilities		205.59	241.34
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	988.58	1,029.54
(ii) Trade payables			
(a) Trade outstanding due of Micro and Small Enterprises	20	179.20	96.49
(b) Trade outstanding due of creditors other than of Micro and Small Enterprises		434.37	457.27
(iii) Other Financial Liabilities	21	307.92	274.76
(b) Provisions	22	37.23	41.68
(c) Other current liabilities	23	444.37	511.60
Total Current Liabilities		2,391.67	2,411.34
Total Equity and Liabilities (1+2+3)		11,838.03	12,271.04

Material accounting policies and the accompanying notes are an integral part of the financial statements

1 - 52

For and on behalf of the Board of Directors

In terms of our report attached

For VKS AIYER & Co

Chartered Accountants

Firm Registration No.000066S

CS SATHYANARAYANAN

Partner

Membership No. 028328

Place: Coimbatore

Date : 22nd May, 2025

S V ALAGAPPAN
Chairman & Managing Director
DIN: 00002450

A LALITHA
Joint Managing Director
DIN: 00003688

R SELVARAJ
Chief Financial Officer

M SHYAMALA
Company Secretary
ACS No. 24464



Statement of Profit and Loss for the Year ended March 31, 2025

₹ in Lakhs

PARTICULARS	Note No.	Year ended 31.03.2025	Year ended 31.03.2024
I Revenue from operations	24	16,930.54	15,791.91
II Other Income	25	161.08	89.63
III Total Income (I + II)		17,091.62	15,881.54
IV EXPENSES			
(a) Cost of materials consumed	26	13,124.62	12,991.01
(b) Changes in Inventories of finished goods, work-in-progress and stock in trade	27	(46.82)	(700.34)
(c) Employee benefits expense	28	1,662.58	1,544.77
(d) Finance costs	29	122.77	76.10
(e) Depreciation and amortisation expense	30	675.82	671.70
(f) Other expenses	31	1,977.38	1,691.32
Total Expenses		17,516.35	16,274.56
V Profit/(Loss) before tax (III - IV)		(424.73)	(393.02)
VI Tax Expense			
(1) Current tax		-	-
(2) Deferred tax		(43.61)	(71.37)
(3) Prior year tax		-	3.26
Total tax expense		(43.61)	(68.11)
VII Profit/(Loss) for the year (V - VI)		(381.12)	(324.91)
Other comprehensive income/(loss)			
A (i) Items that will not be recycled to profit or loss			
(a) Remeasurements of post employment benefit obligation/asset		4.72	(42.71)
(b) Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			-
B Items that may be reclassified to profit or loss		(1.19)	-
VIII Other comprehensive income/(Loss) for the year after tax		3.53	(42.71)
IX Total comprehensive income/(Loss) for the year (VII + VIII)		(377.59)	(367.62)
X Earnings per equity share (Face value of Rs.10 Per share):			
Basic & Diluted (in ₹)	37	(4.41)	(3.76)

Material accounting policies and the accompanying notes are an integral part of the financial statements

1 - 52

In terms of our report attached

For and on behalf of the Board of Directors

For VKS AIYER & Co

Chartered Accountants

Firm Registration No.000066S

CS SATHYANARAYANAN

Partner

Membership No. 028328

Place: Coimbatore

Date : 22nd May, 2025

S V ALAGAPPAN

Chairman & Managing Director

DIN: 00002450

A LALITHA

Joint Managing Director

DIN: 00003688

R SELVARAJ

Chief Financial Officer

M SHYAMALA

Company Secretary

ACS No. 24464



Statement of Cash Flow for the year ended March 31, 2025

₹ in Lakhs

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(Loss) for the period before tax	(424.73)		(393.02)	
Adjustments for:				
Depreciation and amortisation expenses	675.82		671.70	
Finance costs	122.77		76.10	
Interest income	(12.51)		(9.83)	
Rental income	(3.82)		(3.61)	
Profit on sale of Assets	(19.26)		(3.28)	
Other Adjustments	-		3.63	
		763.00		734.71
Operating profit / (loss) before working capital changes		338.27		341.69
Changes in working capital:				
Financial Assets				
Trade receivables	(699.77)		(574.12)	
Other financial assets	37.57		23.83	
Non-financial assets				
Inventories	597.12		(1,598.69)	
Other assets	104.29		(74.77)	
Adjustments for increase / (decrease) in operating liabilities:				
Financial liabilities				
Trade payables	59.81		32.99	
Other financial liabilities	39.84		38.88	
Non-financial liabilities				
Provisions	(4.45)		4.21	
Other liabilities	(67.24)		30.08	
		67.17		(2,117.59)
Cash generated from operations		405.44		(1,775.90)
Net income tax (paid) / refunded		(0.35)		45.14
Net cash flow from / (used in) Operating Activities (A)		405.09		(1,730.76)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on property plant and equipment, including capital advances	(317.59)		(284.52)	
Proceeds from Sale of Property, Plant & Equipment	36.08		5.01	
Interest received	12.51		9.83	
Rent received	3.82		3.61	
Net cash flow from / (used in) Investing Activities (B)		(265.18)		(266.07)

Statement of Cash Flow (Contd...)

₹ in Lakhs

PARTICULARS	Year ended March 31, 2025		Year ended March 31, 2024	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase / (decrease) in working capital borrowings	(40.96)		1,029.54	
Finance costs paid	(122.77)		(76.10)	
Net cash flow from / (used in) Financing Activities (C)		(163.73)		953.44
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(23.82)		(1,043.40)
Add: Cash and bank balance at the beginning of the year		63.01		1,106.41
Add / (Less): Effect of exchange differences on restatement of foreign currency cash and cash equivalents		-		-
Cash and bank balance at the end of the year		39.19		63.01
Items not considered as Cash and Cash Equivalents		(9.84)		(13.07)
Cash and Cash Equivalents at the end of the year (Ref. Note No 10)		29.35		49.94

Changes in Liability arising from financing activities, disclosing changes arising from Cash and Non Cash Flow:

As on 31-03-2025

Particulars	Non Current Borrowings (including current maturities)	Current Borrowings	Lease Liability
Opening Balance as at April 1, 2024	-	1,029.54	-
Cash Flows (Net) - Proceeds / (Repayment)	-	(40.96)	-
Closing Balance as at March 31, 2025	-	988.58	-
Opening Balance as at April 1, 2023	-	-	-
Cash Flows (Net) - Proceeds / (Repayment)	-	1,029.54	-
Closing Balance as at March 31, 2024	-	1,029.54	-

Material accounting policies and the accompanying notes are an integral part of the financial statements

1 - 52

In terms of our report attached

For VKS AIYER & Co
Chartered Accountants
Firm Registration No.000066S

CS SATHYANARAYANAN
Partner
Membership No. 028328

Place: Coimbatore
Date : 22nd May, 2025

For and on behalf of the Board of Directors

S V ALAGAPPAN
Chairman & Managing Director
DIN: 00002450

R SELVARAJ
Chief Financial Officer

A LALITHA
Joint Managing Director
DIN: 00003688

M SHYAMALA
Company Secretary
ACS No. 24464



Statement of changes in equity for the year ended March 31, 2025

(a) Equity share capital

Particulars	₹ in Lakhs
Balance at the April 1, 2024	864.18
Changes during the year	-
Balance as at March 31, 2025	864.18

(b) Other Equity

₹ in Lakhs

Particulars	General Reserve	Retained earnings (defecit)	Remeasurement of the defined benefit liabilities/(asset) net of tax	Total other equity
Balance at the April 1, 2023	5,346.54	3,693.57	81.69	9,121.80
Add : Profit/(Loss) for the year	-	(324.91)	-	(324.91)
Less : Dividend on equity shares	-	-	-	-
Add/Less: Remeasurement of the net defined benefit liabilities/assets, net of taxes	-	-	(42.71)	(42.71)
Balance at the March 31, 2024	5,346.54	3,368.66	38.98	8,754.18
Balance at the April 01, 2024	5,346.54	3,368.66	38.98	8,754.18
Add : Profit /(loss) for the year	-	(381.12)	-	(381.12)
Less : Dividend on equity shares-	-	-	-	-
Add/Less: Remeasurement of the net defined benefit liabilities/assets, net of taxes	-	-	3.53	3.53
Balance as at March 31, 2025	5,346.54	2,987.54	42.51	8,376.59

Material accounting policies and the accompanying notes are an integral part of the financial statements.

1 -52

In terms of our report attached

For VKS AIYER & Co

Chartered Accountants
Firm Registration No.000066S

For and on behalf of the Board of Directors

CS SATHYANARAYANAN

Partner
Membership No. 028328

Place: Coimbatore
Date : 22nd May, 2025

S V ALAGAPPAN
Chairman & Managing Director
DIN: 00002450

A LALITHA
Joint Managing Director
DIN: 00003688

R SELVARAJ
Chief Financial Officer

M SHYAMALA
Company Secretary
ACS No. 24464



Notes to the financial statements for the year ended March 31, 2025

Particulars

1 General Corporate Information

Shiva Mills Limited ("the Company") is a public limited Company with its registered office at 249 A Bye-Pass Road, Mettupalayam Road, Coimbatore and factory at Dindigul, Tamil Nadu, India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in the manufacturer of cotton yarn.

The Company's financial statements were authorised for issue in accordance with the resolution of the Board of Directors on 22nd May, 2025.

A Basis of accounting and preparation of financial statements

(i) State of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statement have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(ii) Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities that are measured at fair value and
- (b) defined benefit plans – plan assets measured at fair value
- (c) Right of use assets which are recognized at the present value of lease payments that are outstanding and adjusted for initial cost incurred.

B Use of estimates

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

b) Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

C Material Accounting Policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. These policies have been consistently applied to all the years presented, unless otherwise stated.



Notes to the financial statements for the year ended March 31, 2025

Sl.No.	Class of Assets	Useful Lives
1	Inventories	Note no.8
2	Property, plant and equipment	Note no.2
3	Revenue recognition	Note no.24
4	Other income	Note no.25
5	Provisions and contingencies	Note no.22 & Note 32
6	Financial Instruments	Note no. 39 to Note no. 41

1.1 Inventories

Inventories are valued at lower of cost and net realisable value. Cost of raw materials, Packing materials, Stores and Spares and consumables are valued at Cost on weighted average cost basis. Value of finished goods are valued at cost or Net Realisable Value (NRV) whichever is lower and work-in-progress are determined on weighted average cost basis and include appropriate share of overheads.

1.2 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss. Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The Company has used the following useful lives to provide depreciation on its Property, Plant and Equipment.

Class of Assets	Useful Lives
Factory Buildings	30 Years
Non-Factory Buildings,	60 Years
Plant and Machinery & Equipment's (Continuous process plant)	25 Years
Plant and machinery	15 Years
Furniture and Fittings	10 years
Lab Equipments	10 years
Motor Vehicles	8 Years
Motor Vehicles (Second Hand)	4 Years
Electrical Installations	10 Years
Office Equipments	5 Years
Computer	3 Years
Fences, wells, tube wells	3 Years

Notes to the financial statements for the year ended March 31, 2025

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Investment Property

Investment property is a property, held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business. Investment properties (if any), are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss. All other repair and maintenance costs are recognised in Statement of profit and loss as incurred. The Company has used the following useful lives to provide depreciation on its Investment Property:

Class of Assets	Useful Lives
Non Factory Buildings	60 years

1.3 Revenue Recognition

a) Sale of goods

Revenue from customers is recognised when the Company satisfies performance obligation when control of goods is transferred to the customer which is usually on despatch or delivery. Revenue is measured based on transaction price adjusted for volume based price discount, price concessions and net off returns.

b) Sale of services

The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been rendered and the collectability is reasonably assured.

c) Other operating revenue

Other operating revenue comprising of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established.

1.4 Other income

Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

1.5 Provisions and contingencies

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the Notes.

1.6 Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109, 'Financial Instruments', are measured at fair value either through Statement of Profit and Loss or other comprehensive income. The Company makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in the OCI. Any gains or losses on de-recognition is recognised in the OCI and are not recycled to the Statement of Profit or Loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and Loss.



Notes to the financial statements for the year ended March 31, 2025

2. Property, Plant and equipment

₹ in Lakhs

Description of Assets	Freehold Land	Building	Plant and Machinery	Office Equipment	Furniture & Fittings	Vehicles	Computers	Lab Equipments	Electrical Installations	Total
I. Gross Carrying Value										
Balance as at April 1, 2023	167.98	1,735.47	7,925.58	40.19	27.63	94.33	20.02	12.42	89.17	10,112.79
Additions			545.68			1.70	0.44			547.82
Reclassification to Investment Property										
Disposals/Discarded						(34.66)	-			(34.66)
Balance as at March 31, 2024	167.98	1,735.47	8,471.26	40.19	27.63	61.37	20.46	12.42	89.17	10,625.95
Additions			309.29	0.43			0.63			310.35
Reclassification to Investment Property										
Disposals/Discarded			(225.36)							(225.36)
Balance as at March 31, 2025	167.98	1,735.47	8,555.19	40.62	27.63	61.37	21.09	12.42	89.17	10,710.94
II. Accumulated depreciation and impairment										
Balance as at April 1, 2023	-	431.32	3,077.49	29.94	13.18	75.60	15.12	6.91	41.00	3,690.56
Depreciation / amortisation expense for the year	-	76.06	569.47	5.49	2.07	5.27	2.46	0.86	8.43	670.11
Reclassification to Investment Property						(32.92)				(32.92)
Balance as at March 31, 2024	-	507.38	3,646.96	35.43	15.25	47.95	17.58	7.77	49.43	4,327.75
Depreciation / amortisation expense for the year	-	65.11	590.95	0.80	1.90	4.71	1.46	0.86	8.41	674.20
Reclassification to Investment Property/Withdrawn			(208.54)							(208.54)
Balance as at March 31, 2025	-	572.49	4,029.37	36.23	17.15	52.66	19.04	8.63	57.84	4,793.41
Net block (I-II)										
Net Carrying Value as at March 31, 2024	167.98	1,228.09	4,824.30	4.76	12.38	13.42	2.88	4.65	39.74	6,298.20
Net Carrying Value as at March 31, 2025	167.98	1,162.98	4,525.82	4.39	10.48	8.71	2.05	3.79	31.33	5,917.53

(i) Certain property, plant and equipments have been given as security against borrowings availed by the company (refer Note No.19)

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

(ii) Details of immovable properties not held in the name of Company.

Description of Property	Total Number of Cases	Leasehold / Freehold	Gross Block & Net block as on March 31, 2025	Reason for not being held in the of Company
Land at Velvarkottai, Varapatti, Vadavalli and Dhanakkarkulam (Occupied by Spinning Division and Windmill)	46 Documents	Freehold	Rs.167.98 Lakhs	The title deeds are in the name of Shiva Texyarn limited from which the business undertaking was demerged under Section 230 to 232 of the Companies Act, 2013 vide NCLT order dt. 23.08.2017.

3. Capital work-in-progress as on March 31, 2025

Particulars	For the year ended March,31,2025	For the year ended March,31,2024
Balance at the beginning	6.46	269.74
Additions	317.59	282.39
Capitalised during the year	310.35	545.67
Balance at the end	13.70	6.46

Ageing of Capital work-in-progress is as below

Particulars	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	13.70	-	-	-	13.70
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31,2025	13.70	-	-	-	13.70
Projects in progress	6.46	-	-	-	6.46
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31,2024	6.46	-	-	-	6.46



Non-current assets

4. Investment Property

Particulars	Land	Building	Total
Gross Carrying Value			
As at 1st April, 2023	16.62	102.08	118.70
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2024	16.62	102.08	118.70
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2025	16.62	102.08	118.70
Accumulated Depreciation			
As at 1st April, 2023	-	17.59	17.59
Additions	-	1.59	1.59
Disposals	-	-	-
As at 31st March, 2024	-	19.18	19.18
Additions	-	1.61	1.61
Disposals	-	-	-
As at 31st March, 2025	-	20.79	20.79
Net Carrying Value			
As at 31st March, 2024	16.62	82.90	99.52
As at 31st March, 2025	16.62	81.29	97.91

The Company has identified land & building to be in the nature of investment property as they are being held to earn rentals.

(i) Amount recognised in the Statement of Profit and Loss for Investment Properties:

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Rental Income	3.81	3.60
Direct operating expenses arising from investment property that generated rental income during the year		
Less: Depreciation Expense	1.62	1.59
Less: Property Tax Paid	0.15	0.14
Less: Repairs & Maintenance- Building	-	0.25
Profit / (Loss) from Investment Property	2.04	1.62

(ii) The fair value of the Investment property is based on the guideline value of the property based on Tamilnadu Registry. The Management believes that the fair value of the investment property as at the balance sheet would not be significantly different from guideline value.

Fair value of investment property

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Land	113.32	97.95
Building	85.27	85.27

(iii) Contractual obligations to construct investment property or for Repairs & Maintenance or enhancement - Rs. Nil (Previous year - Rs.Nil)

Notes to the financial statements for the year ended March 31, 2025

Financial Assets

₹ in Lakhs

Details of immovable properties not held in the name of Company:

Particulars	Gross Block & Net block as on March 31, 2024	Held in the Name of	Whether promotor, director or their relative or employee	Period Held (Indicate range wherever appropriate)	Reason for not being held in name of Company
Undivided share of land and building at Coimbatore and Land at Varapatti Classified under Investment in Property	Gross Block : Rs.118.70 Lakhs Net Block : Rs.97.91 Lakhs	Shiva Texyarn Ltd	No	From 01.04.2015	The title deeds are in the name of Shiva Texyarn limited from which the business undertaking was demerged under Section 230 to 232 of the Companies Act, 2013 vide NCLT order dt. 23.08.2017.

5. Investments

Particulars	As at 31.03.2025	As at 31.03.2024
I. Quoted Investments (fully paid)	-	-
II. Unquoted Investments (fully paid)		
Investments in Equity Instruments - Others		
a. 6,00,000 Equity shares of Nellai Renewables Private Limited of Rs.10 Each (Holding 0.68% of total shares)	60.00	60.00
b. Government Securities	0.02	0.02
Total Unquoted Investments	60.02	60.02
Total Investments (I+II)	60.02	60.02
Aggregate amount of unquoted investments	60.02	60.02

The Investments in level 3 hierarchy has been valued at cost approach to arrive at the fair values as there is a wide range of possible fair value measurements and the cost represents the estimate of fair value within that range considering the purpose and restriction on the transferability of the instruments.

6. Other financials Assets

Particulars	As at 31.03.2025	As at 31.03.2024
Security Deposits	153.00	212.21
Other Rental advances	3.24	3.24
Total	156.24	215.45

7. Other non-current assets

Particulars	As at 31.03.2025	As at 31.03.2024
Capital Advances	38.54	19.81
Other Advances	0.41	0.41
Deposits	4.33	4.33
Advance Tax and TDS	6.76	6.41
Total	50.04	30.96



8. Inventories

Particulars	As at 31.03.2025	As at 31.03.2024
Raw Materials	1004.01	1,934.41
Work-in-progress	191.73	257.17
Finished Goods	920.89	767.26
Waste Cotton	80.93	122.30
Goods in Transit -Cotton	295.96	-
Stores and Spares	76.74	78.04
	2,570.26	3,159.18
less: Provision for Spares	22.70	14.50
Total	2,547.56	3,144.68

- (i) For method of valuation of inventories, refer material Accounting Policy No 1.1
(ii) Inventories with the above mentioned carrying amount have been pledged as security against certain bank borrowings of the Company (Refer note 19)
(iii) Cost of inventory recognised as an expense :

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Cost of materials consumed	13,124.62	12,991.01
Consumption of Stores & Spare parts	124.97	115.45

Financial Assets

9. Trade receivables

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Considered good - Unsecured	2,694.91	2,004.54
(b) Credit impaired	-	-
	2,694.91	2,004.54
Less : Provision for Doubtful Debts - ECL		
Less: Allowance for Expected credit loss (Refer Note below)	3.05	12.45
	3.05	12.45
Total	2,691.86	1,992.09

Note: Movement in allowances for credit losses of receivable is as below

Particulars	As at 31.03.2025	As at 31.03.2024
Opening balance	12.45	8.82
Add: Provision made during the year	-	3.63
Less : Reversed during the year	9.40	-
Closing balance	3.05	12.45

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

9 (i) Ageing schedule of trade receivables is as below

As at March 31, 2025

Particulars	Not due	Outstanding for following period from the date of invoice				Total
		Less than 6 months	6 month -1 years	1-2 years	Above 3 years	
(i) Undisputed Trade Receivables - considered good	1,200.29	1,482.16	12.46	-	-	2,694.91
(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						
Sub Total	1,200.29	1,482.16	12.46	-	-	2,694.91
Less : Allowance for Expected Credit Loss						3.05
Total	1,200.29	1,482.16	12.46	-	-	2,691.86

As at March 31, 2024

Particulars	Not due	Outstanding for following period from the date of invoice				Total
		Less than 6 months	6 month -1 years	1-2 years	Above 3 years	
(i) Undisputed Trade Receivables - considered good	1,754.01	247.27	3.26	-	-	2,004.54
(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						
Sub Total	1,754.01	247.27	3.26	-	-	2,004.54
Less : Allowance for Expected Credit Loss						12.45
Total	1,754.01	247.27	3.26	-	-	1,992.09

9.(ii) The Company uses a simplified approach using provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

9.(iii) Trade receivables have been given as collateral securities towards borrowings (Refer note.19)

10 Cash and Cash Equivalents

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Cash on hand	0.75	0.75
(b) Balances with banks :		
(i) Current accounts	28.60	49.19
Total	29.35	49.94



11. Bank Balance other than above

Particulars	As at 31.03.2025	As at 31.03.2024
Earmarked balances		
In Unclaimed dividend accounts	9.84	13.07
Total	9.84	13.07

12. Other financial assets

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured, considered good		
Employee Advance	1.17	0.37
Accrued Banked Units	-	38.38
Total	1.17	38.75

13. Other Current Assets

Particulars	As at 31.03.2025	As at 31.03.2024
GST - Input tax credit receivable	144.75	197.32
Prepayment Expenses	48.66	53.05
Gratuity	0.17	3.93
Advance to Suppliers	58.98	67.60
Accrued Income	10.25	-
Total	262.81	321.90

14. Equity Share Capital

Particulars	As at 31.03.2025		As at 31.03.2024	
	Numbers of Shares	₹ in Lakhs	Numbers of Shares	₹ in Lakhs
(a) Authorised:				
(i) Equity Share Capital				
Equity Shares of Rs.10/- each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Total	1,50,00,000	1,500.00	1,50,00,000	1,500.00
(b) Issued, Subscribed and Fully paid-up:				
Equity shares of Rs. 10/- each	86,41,808	864.18	86,41,808	864.18
Total	86,41,808	864.18	86,41,808	864.18

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2025		As at 31.03.2024	
	Numbers of Shares	₹ in Lakhs	Numbers of Shares	₹ in Lakhs
Equity shares of ₹ 10/- each				
At the beginning of the year	86,41,808	864.18	86,41,808	864.18
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	86,41,808	864.18	86,41,808	864.18

(ii) Terms / rights attached to the Equity Shares:

The Company has issued only one class of equity share having a face value of Rs. 10/- per share. The holder of each equity share 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 to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. Board of Directors have not recommended dividend for the year.

(iii) Details of shareholders holding more than 5% of the share capital:**Equity Shares**

Particulars	As at 31.03.2025		As at 31.03.2024	
	Numbers of Shares held	% of holding	Numbers of Shares held	% of holding
Annamallai Retreading Company Private Limited	62,36,976	72.17%	62,36,976	72.17%

(iv) 86,41,808 shares were allotted consequent to a scheme of demerger approved by NCLT vide order dated 23.08.2017**(v) Shares held by promoters**

Promoter name	Numbers of Shares as at 31.03.2025	% of total shares	Numbers of Shares as at 31.03.2024	% of total shares	% change during the year
1. S V Alagappan	21,780	0.25%	21,780	0.25%	-
2. A Shenbagam	3,480	0.04%	3,480	0.04%	-
3. A Lalitha	2,13,680	2.47%	2,13,680	2.47%	-
4. Annamallai Retreading Company Private Limited	62,36,976	72.17%	62,36,976	72.17%	-
Total	64,75,916	74.94%	64,75,916	74.94%	-



(vi) Shares held by holding Company:

Name of the shareholder	As at 31.03.2025		As at 31.03.2024	
	% of Shares	No. of Shares	% of Shares	No. of Shares
Annamallai Retreading Company (P) Ltd	72.17%	62,36,976	72.17%	62,36,976

15. Other Equity

Particulars	As at 31.03.2025	As at 31.03.2024
(a) General Reserve	5,346.54	5,346.54
(b) Retained Earnings		
Opening Balance	3,368.66	3,693.57
Add : Profit/(Loss) for the year	(381.12)	(324.91)
Less : Dividend Paid on Equity Shares	-	-
Closing balance	2,987.54	3,368.66
(c) Other comprehensive income		
Opening	38.98	81.69
Addition/(Deletion) during the year	3.53	(42.71)
Closing Balance	42.51	38.98
Total other equity	8,376.59	8,754.18

Non-current Liabilities

16. Financial Liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
Other Financial Liability		
Rent Deposit	3.00	3.00
Security Deposits Received	42.50	35.82
Total	45.50	38.82

17. Deferred tax liabilities (Net)

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Deferred tax liabilities		
Opening balance	215.35	275.07
Add: Additions during the year	1.19	-
Less: Reversed during the year	47.09	59.72
Closing balance	169.45	215.35
(b) Deferred tax assets:		
Opening balance	13.62	1.97
Add: Additions during the year	(3.48)	11.65
Less: Reversed during the year	-	-
Closing balance	10.14	13.62
Deferred tax liabilities (Net) (a)-(b)	159.31	201.73

18. Other Non- Current liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
Income received in advance	0.78	0.79
Total	0.78	0.79

Current Liabilities**Financial Liabilities****19. Borrowings**

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Working capital loan from banks (Secured) (Refer Note 1 below)	988.58	1,029.54
Total	988.58	1,029.54

Note 1

Particulars	As at 31.03.2025	As at 31.03.2024
A) Cash Credit		
(i) ICICI Bank Ltd	519.42	564.41
(ii) Indian Overseas Bank	469.16	465.13
Total	988.58	1,029.54

Name of the Bankers	Security
(i) ICICI Bank Ltd	1. First pari-pasu charge on the current assets of the spinning Unit of the Company. 2. Second Charge pari pasu charge on the Fixed assets of the spinning unit of the Company
(ii) Indian Overseas Bank	

- (a) Working Capital loan carry interest ranging from 9.35% to 9.50%
- (b) In respect of borrowings made during the year, the charge on the assets given as security to the lenders have been created on time in compliance of the regulatory requirements
- (c) There are no material deviations between quarterly stock returns submitted to the bank and the unaudited books of accounts for the respective quarters. Reconciliations have been provided wherever discrepancies were identified.

20. Trade payables

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Trade outstanding due of Micro and Small Enterprises	179.20	96.49
(b) Trade outstanding due of creditors other than of Micro and Small Enterprises	434.37	457.27
Total	613.57	553.76



Ageing schedule of trade payable is as below

As at 31.03.2025

Particulars	Outstanding for following period from the due date of payment				
	Not due	Less than 1 year	1-2 years	Above 2 years	Total
(i) Micro and Small Enterprises	179.20	-	-	-	179.20
(ii) Others	434.37	-	-	-	434.37
(iii) Disputed dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total Trade Payables	613.57	-	-	-	613.57

As at 31.03.2024

Particulars	Outstanding for following period from the due date of payment				
	Not due	Less than 1 year	1-2 years	Above 2 years	Total
(i) Micro and Small Enterprises	96.49	-	-	-	96.49
(ii) Others	457.27	-	-	-	457.27
(iii) Disputed dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total Trade Payables	553.76	-	-	-	553.76

21. Other financial liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
Employee Benefit Expense Payable	99.02	113.91
Unpaid / Unclaimed Dividend	9.84	13.07
Expenses Payable	199.06	147.78
Total	307.92	274.76

22. Provisions

Particulars	As at 31.03.2025	As at 31.03.2024
Provisions for Bonus	37.23	41.68
Total	37.23	41.68

23. Other Current Liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
Statutory remittances	19.40	24.05
Expenses Payable	413.85	464.25
Advance from Customers	5.19	19.09
Interest accrued on short term borrowings	5.93	4.21
	444.37	511.60

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

24. Revenue from operations

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a) Sale of Manufactured goods		
(i) Yarn	15,377.50	14,238.72
(ii) Waste Cotton	1,476.41	1,471.76
	16,853.91	15,710.48
(b) Other operating revenues		
(i) Freight and Forwarding Charges Collection	70.17	74.55
(i) Fabric Sales	6.46	6.88
	76.63	81.43
Total (a+b)	16,930.54	15,791.91

25. Other income

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
(a) Interest income	12.51	9.83
(b) Other non-operating income		
(i) Sale of Electricity	-	38.38
(ii) Rental Income	3.81	3.60
(iii) Other Miscellaneous Income	24.50	34.54
(iv) Profit on Sale of Asset	19.26	3.28
(v) Tuff Interest Subsidy	15.86	-
(vi) Insurance claim	6.60	-
(vii) Provision no longer required	78.54	-
Total	161.08	89.63

26. Cost of materials consumed

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Opening stock		
Raw Materials	1,934.41	1,022.80
Add: Purchases	12,194.22	13,902.62
	14,128.63	14,925.42
Less: Closing stock		
Raw Materials	1,004.01	1,934.41
Cost of material consumed	13,124.62	12,991.01
Material consumed comprises:		
Cotton	13,124.62	12,991.01
Total	13,124.62	12,991.01



27. Changes in inventories of finished goods, work-in-progress and stock in trade

	For the year ended March 31 2025	For the year ended March 31 2024
Inventories at the end of the year:		
Finished goods	920.89	767.26
Work-in-progress-Yarn	191.73	257.17
Waste cotton	80.93	122.30
	1,193.55	1,146.73
Inventories at the beginning of the year:		
Finished goods	767.26	198.71
Work-in-progress-Yarn	257.17	205.57
Waste-cotton	122.30	42.11
	1,146.73	446.39
Net (increase) / decrease	(46.82)	(700.34)

28. Employee benefits expense

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Salaries, wages and bonus	1,414.55	1,328.96
Contributions to provident and other funds	133.58	115.82
Staff welfare expenses	114.45	99.99
Total	1,662.58	1,544.77

29. Finance costs

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Interest expense on financial liabilities at amortised cost:		
Borrowings	113.51	48.19
Other borrowing costs	9.26	27.91
Total	122.77	76.10

30. Depreciation & Amortisation

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Depreciation on Property Plant & Equipment - Refer note no: 2	674.20	670.11
Depreciation on Investment in Property -Refer note no. 4	1.62	1.59
Total	675.82	671.70

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

31. Other expenses

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Consumption of stores and spare parts	124.97	115.45
Power, fuel and water charges	831.02	672.47
Rent including lease rentals	5.53	5.59
Repairs and Maintenance - Building	30.08	25.25
Repairs and Maintenance - Machinery	574.65	463.34
Repairs and Maintenance - Others	28.29	23.65
Insurance	59.80	65.85
Rates and Taxes	34.28	35.57
Communication expenses	6.77	6.21
Travelling and Conveyance	16.74	14.75
Printing & Stationery	6.48	4.38
Freight and Forwarding Charges	69.63	73.27
Selling Expenses	112.42	105.04
Director's sitting fee	9.80	9.20
Business Promotion Expenses	2.70	1.71
Corporate Social Responsibility(CSR) (refer note no. 42)	-	1.36
Legal and Professional charges	23.36	30.60
Payments to Auditors (refer note 1 below)	9.70	10.15
Expected Credit Loss (refer note no.9)	-	3.63
Miscellaneous Expenses	22.95	23.85
Non-Moving Stock Provision Expense	8.21	-
Total	1,977.38	1,691.32

Note 1 - Payments to auditors:

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Payments to auditors comprises :		
For Statutory audit fees	3.50	3.50
For Tax Audit	1.75	1.50
For Taxation matters	1.35	2.05
For other services		
Limited Review	1.50	1.50
Others	1.60	1.60
Total	9.70	10.15



Additional information to the financial statements

32. Contingent liabilities and commitments (to the extent not provided for)

Note No.	Particulars	As at 31.03.2025	As at 31.03.2024
(i)	Contingent liabilities:		
	a) Disputed claims of TANGEDCO as part of energy supply	52.18	52.18
	b) Disputed Claims of Service Tax	-	1.19
(ii)	Capital Commitments	561.84	662.24
(iii)	Bank Guarantee	18.74	18.74

33. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31.03.2025	As at 31.03.2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	179.20	96.49
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Management.

The Company has disclosed the suppliers who have registered themselves under "Micro, Small and Medium Enterprises Development Act, 2006" to the extent they have confirmed.

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

34. Employee benefit plans**34 (a) Defined contribution plans - provident fund and employee state insurance**

The Company makes Provident Fund and Employee State Insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss.

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Provident fund	83.20	78.13
Employee state insurance	23.07	21.46

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
PF and Gratuity contribution towards Key Managerial	9.19	8.95

34. b. Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds' in Note 28 Employee benefit expense. Under this plan, the settlement obligation remains with the Company.

Description of Risk Exposures Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- i. **Interest Rate Risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- ii. **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- iii. **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- iv. **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- v. **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cashequivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2025 by actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



The following table sets out the funded status of the gratuity scheme:

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
<u>Components of employer expense</u>		
Current service cost	22.19	20.51
Past service cost	-	-
Interest cost	14.71	12.14
Admin Expenses/Taxes Paid from plan assets	-	-
Expected return on plan assets	(15.43)	(16.45)
Recognised in statement of profit and loss	21.48	16.20
Re-measurement - actuarial (gain)/loss recognised in OCI	(4.71)	42.71
Total expense recognised in the Statement of total comprehensive income	16.77	58.91
<u>Other Comprehensive Income (OCI)</u>		
Actuarial (gain)/loss due to DBO experience	(12.52)	33.72
Actuarial (gain)/loss due to Demographic assumptions changes in DBO	-	-
Actuarial (gain)/loss due to DBO assumption changes	6.96	6.39
Actuarial (gain)/loss arising during period	(5.56)	40.11
Actual return on plan assets (greater)/less interest on plan assets	0.85	2.60
Actuarial (gains)/ losses recognized in OCI	(4.71)	42.71
<u>Defined Benefit Cost</u>		
Service cost	22.19	20.51
Admin Expenses/Taxes Paid from plan assets	-	-
Net interest on net defined benefit liability / (asset)	(0.71)	(4.31)
Actuarial (gains)/ losses recognized in OCI	(4.71)	42.71
Defined Benefit Cost	16.77	58.91
Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	228.98	163.78
Current service cost	22.19	20.51
Past service cost	-	-
Interest cost	14.71	12.14
Actuarial (gains) / losses	(5.56)	40.11
Acquisitions/Divestitures/Transfer	-	-
Benefits paid	(27.76)	(7.56)
Present value of DBO at the end of the year	232.57	228.98
<u>Actual contribution and benefit payments for year</u>		
Actual benefit payments	(27.76)	(7.56)
Actual contributions	13.01	12.09
<u>Change in fair value of assets during the year</u>		
Plan assets at beginning of the year	232.91	214.52

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Expected return on plan assets	15.43	16.45
Actual company contributions	13.01	12.09
Transfer Out/Divestures		
Admin Expenses/Taxes Paid from plan assets		
Actuarial gain / (loss)	(0.85)	(2.60)
Benefits paid	(27.76)	(7.56)
Plan assets at the end of the year	232.74	232.91
Actual return on plan assets	14.58	13.85
Current and Non Current Liability portion		
Current and Non Current Liability portion		
Current Asset/ (Liability)	0.17	3.93
Non Current Asset/ (Liability)	-	-
Net Asset/(Liability)	0.17	3.93
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	232.57	228.98
Fair value of plan assets	232.74	232.91
Funded status [Surplus / (Deficit)]	0.17	3.93
Net asset / (liability) recognised in the Balance Sheet	0.17	3.93
<u>Composition of the plan assets is as follows:</u>		
Insurer managed funds	100%	100%
Total		
*Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.		
Actuarial assumptions		
Discount rate	6.84%	7.23%
Expected return on plan assets	7.23%	7.59%
Salary escalation	7.00%	7.00%
Attrition rate	5.00%	5.00%

Disclosures under Accounting Standards (contd...)

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:



Gratuity Plan	March 31, 2025	March 31, 2024
Estimate value of obligation if discount rate is taken 1% higher	217.14	213.61
Estimated value of obligation if discount rate is taken 1% lower	250.43	246.76
Estimate value of obligation if salary growth rate is taken 1% higher	249.41	245.69
Estimate value of obligation if salary growth rate is taken 1% lower	217.80	214.32
Estimate value of obligation if attrition rate is taken 1% higher	231.39	228.34
Estimate value of obligation if attrition rate is taken 1% lower	233.88	229.69
Estimate value of obligation if mortality rate is taken 10% upper	232.53	228.95
Effect of No ceiling	299.80	293.48

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

Maturity profile, if it ensues	As at 31.03.2025
Year 1	14.87
Year 2	11.43
Year 3	23.10
Year 4	32.61
Year 5	14.89
Year 6-10 Years	40.15
Above 10 Years	95.52

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

35. Segment Reporting**(a) Primary Business Segment Information**

The company's business relates to single segment only i.e., Textiles. Accordingly, this is the only reportable business segment.

(b) Secondary Geographic Segment Information

The information relating to geographical revenue and non-current asset has been disclosed below :

i) Revenue from Operations - based on location of the customer

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Within India	16,930.54	15,791.91
Outside India	-	-
Total	16,930.54	15,791.91

ii) Non current assets

Non-current assets other than financial instruments, deferred tax asset, post-employment benefit asset and rights arising under insurance contracts based on location of the assets.

Particulars	As at 31.03.2025	As at 31.03.2024
Within India	6,079.18	6,435.14
Outside India	-	-
Total	6,079.18	6,435.14

36. Related Party Disclosures :**(i) List of related parties with whom transactions have taken place during the year 2024-25 and relationship:**

(a) Holding Company :	Annamallai Retreading Company Private Limited
(b) Subsidiary Company :	Nil
(c) Key Management Personnel	Sri S V Alagappan, Managing Director Sri M Shanmugam, Chief Financial Officer (till 31.05.2024) Sri R Selvaraj, Chief Financial Officer (With Effect from 01.06.2024) Smt M Shyamala, Company Secretary
(d) Other related parties - Directors	Smt A Lalitha, Joint Managing Director Sri S K Sundararaman, Non Independent Director Sri S Palaniswami, Independent Director Sri C Sivasamy, Independent Director Sri S Marusamy, Independent Director (Demised on 14.10.2024) Sri M Ganeshkumar, Independent Director Sri K Manikandan, Independent Director
(e) Others: (Enterprises in which the key management personnel or relatives have significant influence)	Anamallais Motors Private Limited Shiva Automobiles Private Limited Coimbatore Anamallais Agencies Private Limited Sakthi Murugan Transports Private Limited Bannari Amman Automobiles Private Limited Shiva Texyarn Limited Bannari Amman Spinning Mills Limited



(ii) Related Party Transactions:

Name of Transactions	FY 2024 -25		FY 2023-24	
	KMP	Others	KMP	Others
Purchase of goods and services		-		-
Anamallais Motors Private Limited		0.10		0.83
Shiva Automobiles Private Limited		3.22		4.31
Bannari Amman Automobiles Private Limited		0.61		0.28
Coimbatore Anamallais Agencies Private Limited		2.63		0.91
Sakthi Murugan Transports Private Limited		2.64		2.66
Anamallais Automobiles Private Limited		0.27		0.24
Bannari Amman Spinning Mills Limited		158.57		
Sitting fees to Independent Directors		9.80		9.20
Remuneration				
Sri S V Alagappan, Managing Director	38.88		38.88	
Smt A Lalitha, Joint Managing Director		36.00		36.00
Salary				
Sri M Shanmugam, Chief Financial Officer	2.60		15.33	
Sri R Selvaraj, Chief Financial Officer	12.59		-	
Smt M Shyamala, Company Secretary	13.89		12.22	
Amount Outstanding as at year end				
(i) Payables - Managerial Remuneration	-		-	
(ii) Receivables		61.36		
(ii) Write off / Write back	-		-	

37. Earnings per equity share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit attributable to equity shareholders (₹)	(381.12)	(324.91)
Weighted average number of equity shares (Nos.)	86,41,808	86,41,808
Par value per equity share (₹)	10.00	10.00
Earning per share - Basic & Diluted (₹)	(4.41)	(3.76)

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

38 A. Income Tax recognised:

Particulars	For the year ended 31 March, 2025		For the year ended 31 March, 2024	
	Statement of profit and loss	Other comprehensive income	Statement of profit and loss	Other comprehensive income
Current Tax:				
In respect of current year	-	-	-	-
In respect of prior years	-		3.26	
Deferred Tax:				
In respect of current year	(43.61)	1.19	(71.37)	-
Income tax expense	(43.61)	1.19	(68.11)	-

38 B. Movement in deferred tax balances

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in Other comprehensive income	Closing Balance
Year ended 31.03.2025				
Tax effect of items constituting deferred tax asset				
Provision for Expected credit loss		0.77	-	0.77
On disallowance under the Income Tax Act	105.53	9.37	1.19	113.72
Tax effect of items constituting deferred tax asset	105.53	10.14	1.19	114.48
Tax effect of items constituting deferred tax (liabilities)				
On difference between book balance and tax balance of fixed assets	(307.26)	33.47	-	(273.79)
Tax effect of items constituting deferred tax (liabilities)	(307.26)	33.47	-	(273.79)
Net Deferred tax assets/(liabilities)	(201.73)	43.61	1.19	(159.31)
Year ended 31.03.2024				
Tax effect of items constituting deferred tax assets				
Provision for Expected credit loss	-	3.13	-	3.13
On disallowance under the Income Tax Act	91.91	10.49	-	102.40
Tax effect of items constituting deferred tax assets	91.91	13.62	-	105.53
Tax effect of items constituting deferred tax (liabilities)				
On difference between book balance and tax balance of fixed assets	(365.01)	57.75	-	(307.26)
Tax effect of items constituting deferred tax (liabilities)	(365.01)	57.75	-	(307.26)
Net Deferred tax assets/(liabilities)	(273.10)	71.37	-	(201.73)



Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

38 C. Tax expense

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
A. Current Tax		
In respect of current year	-	-
In respect of prior years	-	3.26
Total (A)	-	3.26
B. Deferred Tax		
Origination and reversal of temporary differences	(43.61)	(71.37)
Charge in respect of deferred tax for earlier years	-	-
Total (B)	(43.61)	(71.37)
C. Tax expense recognized in Statement of Profit and Loss - (A)+(B)	(43.61)	(68.11)
D. Tax expense recognized in Other Comprehensive Income	1.19	-
Total Tax Expenses /(benefits) : (C-D)	(42.42)	(68.11)

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Profit/(loss) before tax	(424.73)	(393.02)
Enacted tax rate	25.17%	25.17%
Expected income tax expense/(benefit) at statutory tax rate	(106.90)	(98.92)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Expenses not deductible in determining taxable profits	-	1.40
Others	50.50	16.98
Deferred Tax not recognised on unused tax losses	12.80	6.60
Tax expense recognized in Other Comprehensive Income	1.19	-
Tax expense for the year	(42.42)	(73.94)
Effective income tax rate	0.00%	0.00%

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

39. Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2025, March 31, 2024 is as follows:

Particulars	Note Numbers	Carrying Value		Fair Value	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Amortised cost					
Trade receivable	9	2,691.86	1,992.09	2,691.86	1,992.09
Cash and cash equivalents	10	29.35	49.94	29.35	49.94
Bank Balance other than above	11	9.84	13.07	9.84	13.07
Advance	12	1.17	0.37	1.17	0.37
Other Receivables	12	-	38.38	-	38.38
Other Financial Asset	6	156.24	215.45	156.24	215.45
FVTOCI					
Investment in equity instruments (unquoted)	5	60.02	60.02	60.02	60.02
Total assets		2,948.48	2,369.32	2,948.48	2,369.32

Financial liabilities

Particulars	Note Numbers	Carrying Value		Fair Value	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Amortised cost					
Borrowings	19	988.58	1,029.54	988.58	1,029.54
Trade payables	20	613.57	553.76	613.57	553.76
Other financial liabilities	21	307.92	274.76	307.92	274.76
Deposits Received	16	45.50	38.82	45.50	38.82
Total liabilities		1,955.57	1,896.88	1,955.57	1,896.88

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

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables
- Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2025 was assessed to be insignificant.

40. Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025, March 31, 2024



Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2025

Particulars	Carrying value as on 31st March 2025	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Asset					
Advance	1.17	-	-	-	1.17
Trade receivable	2,691.86	-	-	-	2,691.86
Cash and cash equivalents	29.35	-	-	-	29.35
Bank Balance other than above	9.84	-	-	-	9.84
Other Financial Asset	156.24	-	-	-	156.24
FVTOCI					
Investments - Non - current - Unquoted	60.02	-	-	60.02	60.02
Financial liabilities not measured at fair value*					
Amortised cost					
Borrowings	988.58	-	-	988.58	
Trade payables	613.57	-	-	-	613.57
Other financial liabilities	307.92	-	-	-	307.92
Deposits Received	45.50	-	-	-	45.50

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2024

Particulars	Carrying value as on 31st March 2024	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Asset					
Amortised cost					
Advance	0.37	-	-	-	0.37
Other Receivables	38.38	-	-	-	38.38
Trade receivable	1,992.09	-	-	-	1,992.09
Cash and cash equivalents	49.94	-	-	-	49.94
Bank Balance other than above	13.07	-	-	-	13.07
Other Financial Asset	215.45	-	-	-	215.45
FVTOCI					
Investments - Non - current - Unquoted	60.02	-	-	60.02	60.02
Financial liabilities not measured at fair value*					
Amortised cost					
Borrowings	1,029.54	-	-	-	1,029.54
Trade payables	553.76	-	-	-	553.76
Other financial liabilities	274.76	-	-	-	274.76
Deposits Received	38.82	-	-	-	38.82

*The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings and other current financial liabilities are a reasonable approximation of their fair values.

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

Valuation technique used to determine fair value

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings and other current financial liabilities are a reasonable approximation of their fair values. The estimated fair value amounts as at March 31, 2025 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end. The investments in Level-3 hierarchy has been valued at cost approach to arrive at the fair value as there is wide range of possible fair value measurement and the cost represents the estimate of fair value within that range considering the purpose and restriction on the transferability of the instruments. There were no transfers between Level 1, Level 2 and Level 3 during the year.

41 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 10 customers:

Particulars	Year ended March 31 2025	Year ended March 31 2024
Revenue from top customer	1,462.47	1,767.78
Revenue from top 10 customers	7,071.58	7,411.84

One customer accounted for more than 9% of the revenue for the year ended March 31, 2025, One customer accounted for more than 10% of the receivables for the year ended March 31, 2025. One customer accounted for more than 10% of the revenue for the year ended March 31, 2024

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The working capital position of the Company is given below:

Particulars	Note Number	As at 31.03.2025	As at 31.03.2024
Cash and cash equivalents	10	29.35	49.94
Total		29.35	49.94

Maturity Profile

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2025, March 31, 2024

Particulars	As at	On demand	Less than 1 year	Between 1-5 years	More than 5 years
Borrowings					
(i) Short term Borrowings					
	March 31, 2025	988.58		-	-
	March 31, 2024	1,029.54		-	-
Trade payables	March 31, 2025		613.57	-	-
	March 31, 2024		553.76	-	-
Other financial liabilities	March 31, 2024		307.92		
	March 31, 2023		274.76		

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner:

Particulars	For the year ended March 31 2025	For the year ended March 31 2024
Increase / (decrease) in the Profit for the year	12.58	(7.65)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

Capital management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.

The Company determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans. The same is funded through a combination of capital sources be it either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.



Notes to the financial statements for the year ended March 31, 2025

₹ in Lakhs

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

The following table summarizes the capital of the Company:

Particulars	As at 31.03.2025	As at 31.03.2024
Cash and cash equivalents	29.35	49.94
Total cash (a)	29.35	49.94
Non-current borrowings	-	-
Current borrowings	988.58	1,029.54
Current maturities of non-current borrowings	-	-
Total borrowings (b)	988.58	1,029.54
Net debt c=(b-a)	959.23	979.60
Share capital	864.18	864.18
Other Equity	8,376.59	8,754.18
Total equity (d)	9,240.77	9,618.36
Net Gearing ratio (c/d)	0.10	0.10

42. CSR Expenditure:

The Company has incurred loss for immediately preceding financial year and hence no mandatory obligation to spend on CSR during the financial year 2024-25

43. Power and Fuel is net of Wind Power of Rs.1165.09 Lakhs (Previous year 1108.46 Lakhs) representing units supplied to grid against which equivalent captively consumed



Notes to the financial statements for the year ended March 31, 2025

44. Ratios

Sl. No.	Type of Ratio	Parameter	Numerator	Denominator	2024-25	2023-24	% Variance	Remark (if change more than 20%)
1	Current Ratio	Times	Current Assets	Current Liability	2.32	2.31	0.50%	-
2	Debt to Equity ratio	Times	Long and short term Borrowings + Lease Liability	Share Holders Equity	0.11	0.11	(0.00)	-
3	Debt service coverage ratio	Times	Earning Available for Debt Service	Interest + installment	3.40	5.56	(0.39)	Company earned cash profit for the current year is lower than the previous year
4	Return on Equity ratio	%	Net profit (loss) after tax	Average Shareholder's Equity	(4.04)	(3.31)	(21.94)	Company earned cash profit for the current year is lower than the previous year
5	Inventory turnover ratio	Times	Cost of Goods Sold	Average Inventory	5.92	6.70	(0.12)	-
6	Trade receivables turnover ratio	Times	Revenue from operation	Average Receivables	7.20	9.20	(0.22)	Extended credit period due to prevailing market conditions.
7	Trade Payables r ratio	Times	Purchases	Avg Trade Payable	20.89	25.88	(0.19)	-
8	Working Capital turnover ratio	Times	Revenue from operation	Working Capital	5.35	4.99	0.07	-
9	Net Profit / (loss) margin	%	Net profit after tax	Revenue from operation	(2.26%)	(2.07%)	(-) 9.34%	-
10	Return on capital employed	%	EBIT	Average Capital employed	(3.27%)	(3.29%)	0.83%	-
11	Return on Investments		No return on Investment is received					

**45 Disclosure under Ind AS 116 - Leases**

Amount recognised in the Statement of Profit and Loss

Particulars	2024-25	2023-24
Depreciation of Right of Use Assets	-	-
Interest Expense on Lease Liabilities	-	-
Expense relating to Short Term Lease Liabilities/ Leases of Low value assets	5.53	5.59
Total	5.53	5.59

- 46 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the 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 in which the said code becomes effective and the rules framed thereunder are published
- 47 There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- 48 There are no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and the rules made there under.
- 49 Company has not entered into any transactions with companies struck off under Companies Act, 2013
- 50 The Company has not been declared as a wilful defaulter by any bank or financial institution.
- 51 (i) The company has not advanced or loaned or invested any fund, which are material either individually or in aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The company has not received any fund, which are material either individually or in aggregate, from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 52 All the figures are in lakhs unless otherwise stated. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

Material accounting policies and the accompanying notes are an integral part of the financial statements
In terms of our report attached

1 - 52

For VKS AIYER & Co
Chartered Accountants
Firm Registration No.000066S

For and on behalf of the Board of Directors

CS SATHYANARAYANAN
Partner
Membership No. 028328

S V ALAGAPPAN
Chairman & Managing Director
DIN: 00002450

A LALITHA
Joint Managing Director
DIN: 00003688

Place: Coimbatore
Date : 22nd May, 2025

R SELVARAJ
Chief Financial Officer

M SHYAMALA
Company Secretary
ACS No. 24464



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SHIVA MILLS LIMITED

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