

# SAI SILKS (KALAMANDIR) LIMITED

CIN: U52190TG2008PLC059968

Registered Office: # 6-3-790/8, Flat No.1, Bathina Apartments, Ameerpet, Hyderabad - 500016  
Telangana, India. 040-66566555. Email: secretarial@sskl.co.in



Date: 01.08.2025

To Corporate Relations Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001, India Scrip Code: <b>543989</b>	To Listing Manager, National Stock Exchange of India Limited Exchange Plaza, C-1 Block G Bandra Kurla Complex, Bandra (E) Mumbai – 400 051, India Symbol: <b>KALAMANDIR</b>
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Dear Sir / Madam

**Subject: Submission of notice of 17<sup>th</sup> Annual General Meeting (AGM) along with Annual report for the FY 2024-25 as required under Regulation 34 of SEBI (LODR) Regulations, 2015**

We wish to inform you that the 17<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on **Friday, August 29, 2025 at 11.00 A.M. (IST)** through video conferencing (VC) / Other Audio Visual Means (OAVM).

Pursuant to Regulation 34(1) of Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the Annual Report of the Company along with the Notice of 17<sup>th</sup> Annual General Meeting for the Financial Year 2024-25, which was sent to the shareholders of the company through electronic mode.

The aforesaid Annual Report along with notice of AGM is also uploaded on the website of the Company and the weblink is as follows:

<https://sskl.co.in/wp-content/uploads/2025/07/SSKLANNUALREPORT24-25.pdf>

This is for your information and records

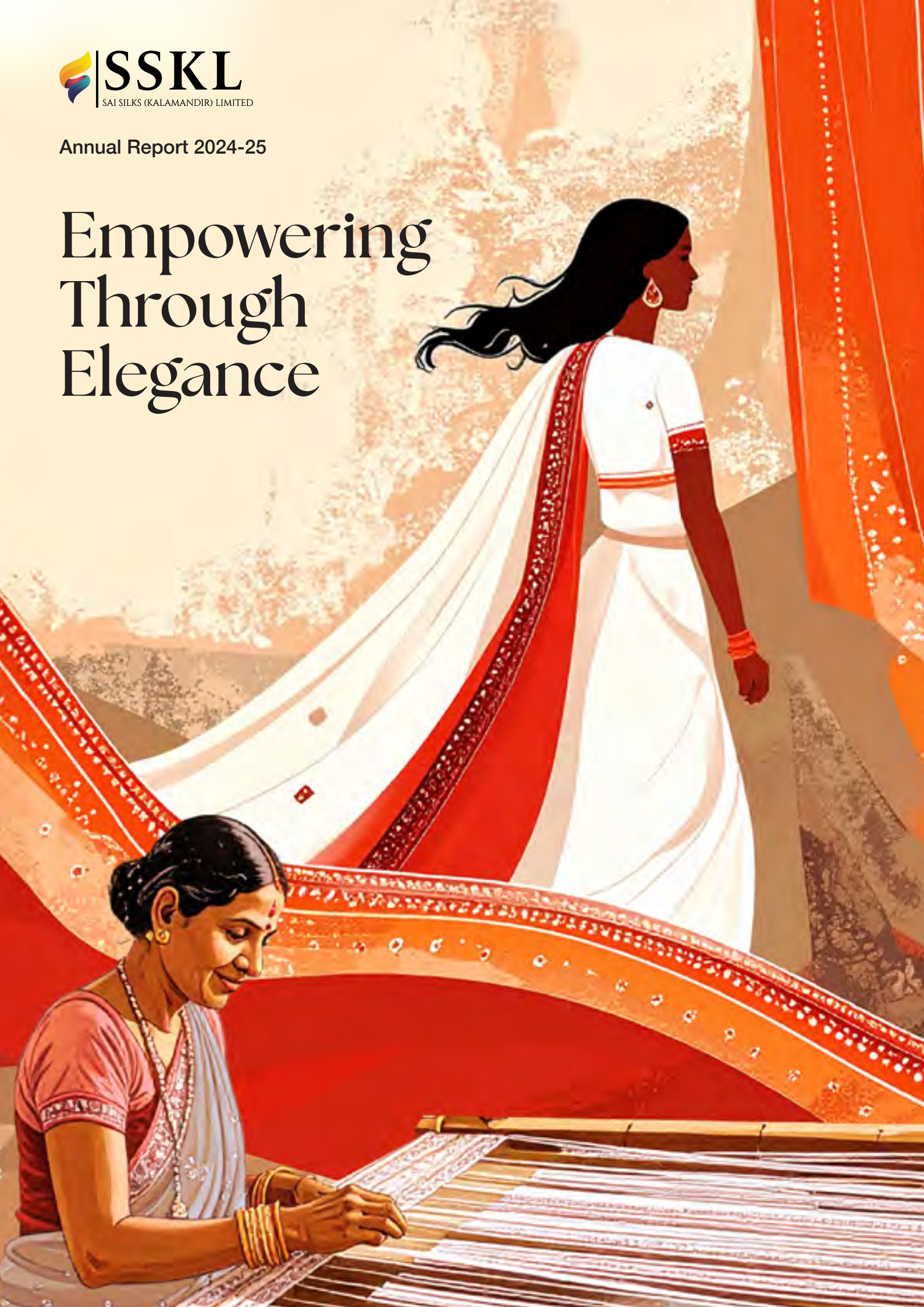
Yours sincerely,

**For Sai Silks (Kalamandir) Limited**

**M.K.Bhaskara Teja**  
**Company Secretary & Compliance Officer**  
**M.No A39542**



# Empowering Through Elegance





# Contents

## CORPORATE OVERVIEW

02	At a glance
06	Key business segments
12	Key milestones
	<b>Draped in heritage</b>
16	MD's message
18	Key performance indicators
20	Key facts about Saree
22	Cluster model driving expansion
24	Crafting memorable experiences
26	Digital supply chain precision
	<b>From loom to legacy</b>
30	Business model
32	Operating context
34	Stakeholder engagement
	<b>Timeless weaves, Modern tales</b>
38	Strategic priorities
40	People
42	Corporate social responsibility
	<b>Six yards, Infinite expressions</b>
46	Governance
48	Board of Directors
50	Awards

## REPORTS

52	Corporate Information
53	Notice
65	Directors' Report
86	Management Discussion and Analysis
96	Report on Corporate Governance
119	Business Responsibility & Sustainability Report

## 152 FINANCIAL STATEMENT

# Empowering through elegance

Empowering Through Elegance captures Sai Silks (Kalamandir) Limited's (SSKL) commitment to blending **heritage, craftsmanship, and contemporary sensibility**. From traditional handwoven sarees to modern ethnic wear, every creation is a celebration of **India's textile artistry**—designed to inspire confidence and empower self-expression.

This philosophy reflects how Sai Silks elevates cultural elegance into a transformative experience for every customer:



***Empowering women** by offering a wide range of choices across price points, regions, and styles.*



*Through Elegance—curating collections that combine **authenticity, sophistication, and timeless appeal**.*

This ethos guides the company's journey to make exquisite ethnic fashion accessible, relevant, and aspirational for diverse audiences.

## FY 2024-25 Key Highlights

INR <b>1,462</b> Crores	INR <b>212</b> Crores	INR <b>85</b> Crores
Revenue	EBITDA	Profit after tax





## AT A GLANCE

# Empowering ethnic elegance

At Sai Silks (Kalamandir) Limited (SSKL), we are proud to be one of the largest apparel retailers in South India, especially known for our sarees. We offer a diverse range of premium ethnic wear and value fashion—spanning ultra-premium and premium sarees, lehengas, men's and children's ethnic wear—catering to weddings, festivals, special occasions, parties, and everyday wear.

We operate through four distinct brand formats: Kalamandir, Kanchipuram Varamahalakshmi Silks, Mandir, and KLM Fashion Mall, with a strong presence across Telangana, Karnataka, Andhra Pradesh, and Tamil Nadu.

Our stores are strategically located in prime city areas, following a cluster-based model to effectively reach high-potential customer bases. Alongside our growing online presence, we have also developed a robust in-house ERP system to boost operational efficiency and drive our technology-led growth.



## Vision

To be the destination of choice for every family seeking affordable, high-quality ethnic wear, offering a wide range that celebrates tradition, craftsmanship, and contemporary elegance.

## Mission

Sai Silks Kalamandir aims to achieve this by

- Building a robust portfolio of strong brands.
- Developing an insight-led design and apparel team.
- Increasing customer loyalty base through quality, affordable products and unique shopping experience.
- Expanding the network of our retail outlets.

## Values

### Entrepreneurship with a purpose

Be unwilling to accept 'it cannot be done' as an answer. Take initiative to push limits. Use resources consciously, chase goals aggressively, be frugal, and pursue passion for business excellence.

### Innovation and execution

Constantly challenge conventions with fresh, youth-driven ideas and a forward-looking approach. Powered by technology, we deliver quality ethnic wear at affordable prices, enhance digital experiences, and embrace innovation to stay ahead.

### Customer-centricity

Recognise that our customers are the reason for our existence. Be obsessive about delighting customers and all stakeholders. Go to infinite lengths to deliver the best customer experience.

### Collaboration

Build a highly capable and committed team to grow businesses which deliver highest value by fostering a meaningful relationship with all stakeholders by practicing highest standards of business ethics, humility and governance

## Key facts

68

No. of stores

20

Cities presence

0.76 cr

No. of customers

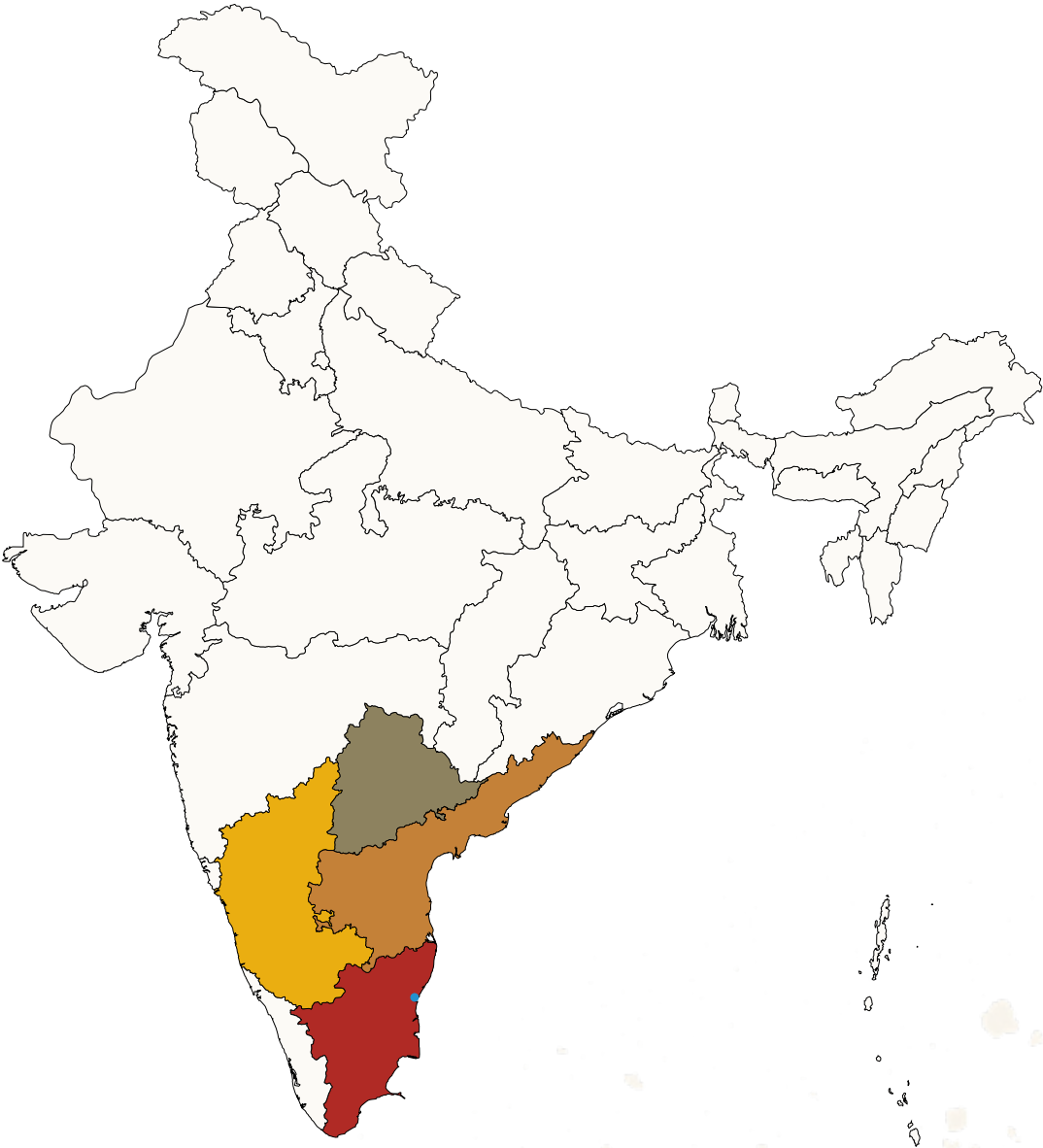
INR 21.50 Crores

Average revenue per store



AT A GLANCE

Presence



- ✦ **Andhra Pradesh**

  - ✦ Kakinada
  - ✦ Vijayawada
  - ✦ Visakhapatnam
  - ✦ Rajahmundry
  - ✦ Tadepalligudem
  - ✦ Nellore
  - ✦ Guntur
  - ✦ Bhimavaram
- ✦ **Telangana**

  - ✦ Hyderabad
  - ✦ Khammam
- ✦ **Karnataka**

  - ✦ Bengaluru
  - ✦ Tumakuru
- ✦ **Tamil Nadu**

  - ✦ Chennai
  - ✦ Kanchipuram
  - ✦ Coimbatore
  - ✦ Salem
  - ✦ Hosur
  - ✦ Trichy
  - ✦ Madurai
- ✦ **Puducherry**

Note: Map not to scale

7,16,088 sq.ft  
Combines Store Area

68  
Stores in India

20  
Cities

05  
States





## KEY BUSINESS SEGMENTS

# Celebrating ethnic fashion across every segment

SSKL offers a vibrant portfolio of brands spanning over 68 stores across South India. From Kalamandir and Mandir to Varamahalakshmi and KLM Fashion Mall, each brand blends tradition with modern retail bringing quality ethnic, traditional wear to every customer, from luxury seekers to value-conscious families.



Kalamandir, our flagship brand launched in September 2005, was created to bring organised saree and ethnic fashion retail to India's middle and upper-middle class. Around 20 years, it has become a trusted name across Telangana, Andhra Pradesh, and Karnataka—renowned for quality, value, and customer satisfaction.

Celebrated especially for bridal silk sarees, Kalamandir offers a wide range including Fancy, Embroidery, Banaras, Kanjeevarams, Uppadas, and other regional weaves, along with handlooms, dress materials, and readymades. Backed by skilled weavers, artisans, and designers, Kalamandir blends tradition with modern elegance to remain a preferred ethnic wear destination.



11

No. of stores  
(small, medium and large stores)

Andhra Pradesh,  
Telangana  
and Karnataka  
Geography served

EBO and  
online  
Distribution



## KEY BUSINESS SEGMENTS



Building on the success of Kalamandir, we launched our second flagship brand Mandir in February 2011 to cater to the growing demand for premium ethnic and party wear among urban consumers.

True to its name, Mandir is a temple of sarees, offering handcrafted pieces that embody elegance and exclusivity. Each saree is a labour of love, meticulously designed in-house and crafted by skilled weavers over 45 days to 6 months from sourcing to finish.

Mandir's collection includes designer sarees, festive and party wear, lehengas, casuals, and dress materials — all reflecting timeless style and premium craftsmanship. With four exclusive stores in Hyderabad, Mandir has quickly established itself as a destination for ethnic luxury, winning the loyalty of discerning customers.



4

No. of stores  
(small, medium and large stores)

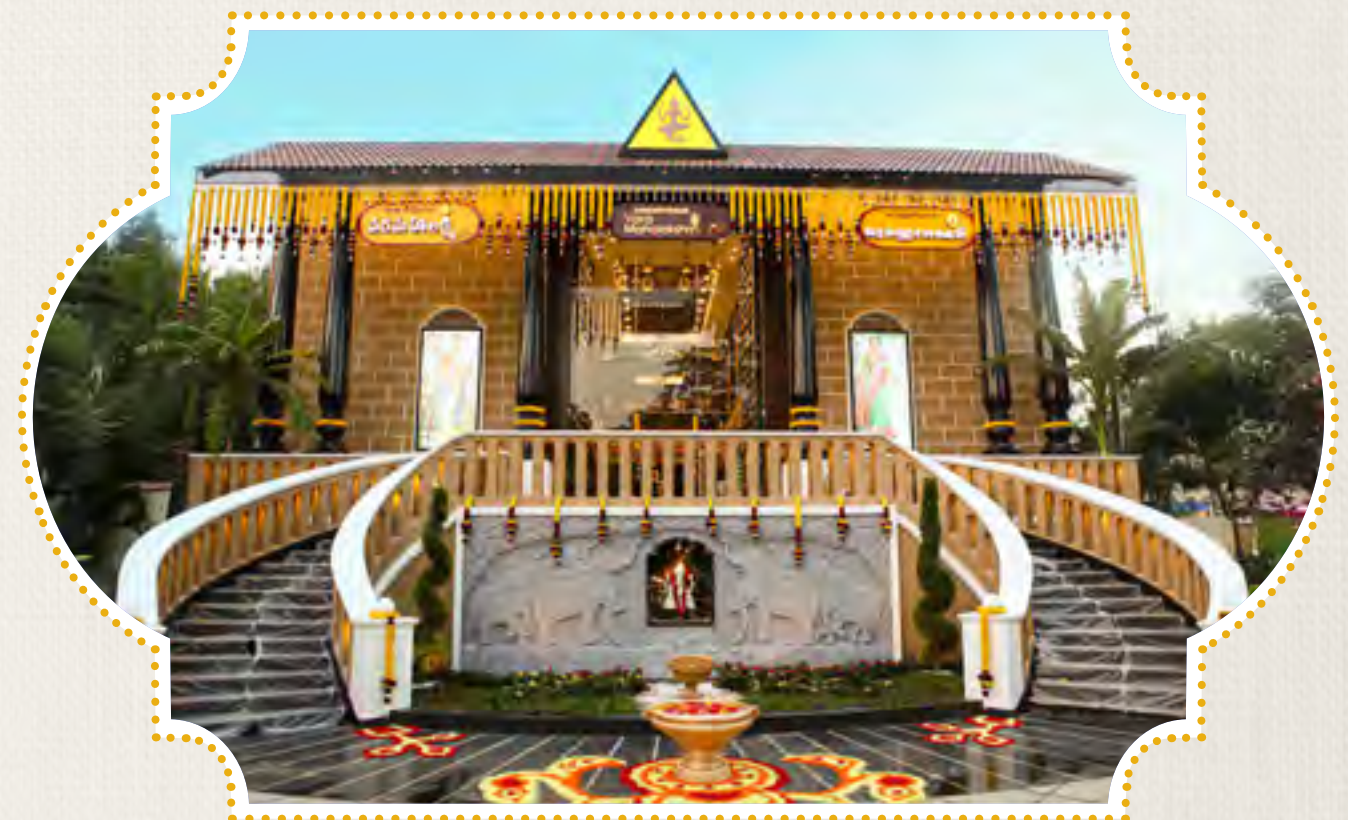
Telangana  
Geography served

EBO and  
online  
Distribution



Focused on reviving traditional saree retailing, Varamahalakshmi offers an immersive, culturally rich experience with temple-style architecture and serene interiors. We curate a wide range of sarees crafted by skilled artisans, ensuring exceptional craftsmanship at accessible prices.

Today, the brand spans 34 stores across five states, including Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Pondicherry. Our collection features Kancheepuram, Arani, Banaras, Dharmavaram, Uppada, and handloom sarees — blending regal tradition with refined elegance for bridal, festive, and everyday wear.



34

No. of stores  
(small, medium and large stores)

Andhra Pradesh,  
Telangana,  
Karnataka,  
Tamil Nadu and  
Puducherry  
Geography served

EBO and  
online  
Distribution



## KEY BUSINESS SEGMENTS



KLM Fashion Mall was launched on September 2017, with a mission to make fashion accessible and affordable for India's middle and lower-middle income groups. Designed as a budget-friendly, family-centric destination, KLM also appeals to style-conscious youth with its vibrant and trend-led offerings.

Inspired by global retail benchmarks, KLM brings a modern shopping experience under one roof offering men's, women's, and kids' wear across ethnic, Indo-western, casual, and party segments, all at pocket-friendly prices.

In just three years, KLM has expanded to 19 stores across three states, known for its inclusivity, affordability, and energy that keeps customers coming back.



19

No. of stores  
(large format stores)

Andhra Pradesh,  
Telangana  
and Karnataka  
Geography served

MBO and  
online  
Distribution





## KEY MILESTONES

# From humble beginnings to a celebrated saree retail powerhouse

Established in 2005 with a single store in Hyderabad, SSKL has grown into a leading saree and ethnic wear retailer. With the launch of premium brands like Mandir and Varamahalakshmi, steady expansion across South India, and recognition through multiple industry awards, the company has consistently scaled new heights. In 2023, we achieved a key milestone by getting listed on BSE and NSE, marking a new chapter in our growth story rooted in tradition and excellence.

2005

Started as a partnership firm under the name and style of **"Sai Silks"**

Launched the first retail outlet in **Ameerpet, Hyderabad**



2015

Awarded as **'Most Admired'** regional fashion retailer of the year

2008

**INR 100+ Crores** turnover achieved

2012

Awarded as **'Retailer of the Year'** in fashion & lifestyle (traditional wear) by the Asia Retail Congress

2016

Launched **25<sup>th</sup> store** 'Sai Silks' in **Visakhapatnam**

'Sai Silks' was awarded as a **Family Store by Times Retail Icons**

2011

Our premium brand **'Mandir'** was launched in Hyderabad

Our premium retail format store **'Varamahalakshmi'** was launched in Kanchipuram, Tamil Nadu

**INR 250+ Crores** turnover achieved

2013

Launched **15<sup>th</sup> store** 'Sai Silks' in **Hyderabad**

2014

Launched **20<sup>th</sup> store** 'Varamahalakshmi Silks' in **Bengaluru**

2017

First KLM fashion mall store was launched in **Ameerpet, Hyderabad**

Celebrity **Vijay Devarakonda** was on boarded as a brand ambassador

**INR 500+ Crores** turnover achieved

2018

Launched **35<sup>th</sup> store** 'Varamahalakshmi Silks' in **Vijayawada**

Launched **40<sup>th</sup> store** 'Mandir' in **Hyderabad**

2019

Launched **45<sup>th</sup> store** 'KLM fashion mall' in **Hyderabad**

**INR 100+ Crores** turnover achieved



2020

Started **online retail** with the launch of e-commerce websites

Awarded as **'Best Silk Showroom'** by Times Business Awards

2021

Awarded **'Make in India Emerging Leader'**

Awarded as **'Best Silk Showroom'** consecutively and **'Best Designer Saree Showroom'** by Times Business Awards

2022

Awarded as **'Most Admired'** Company of the Year by CMO Global

2023

Listed on **Bombay Stock Exchange (BSE)** and **National Stock Exchange Limited (NSE)** dated 27<sup>th</sup> September, 2023

Expansion in **Tamil Nadu**

2024

**Best Retailer of the Year** (Apparel & Lifestyle) by Retail Association of India

2025

Leading **Ethnic Fashion Retail Group** by The Times of India





# Draped in heritage

Every saree we create is more than an ensemble – it is a testament to centuries of craftsmanship and cultural richness. From intricate handlooms to opulent bridal silks, our collections reflect the diversity of India's weaving traditions and the enduring allure of heritage-inspired design.





## MD'S MESSAGE

# Building on our legacy, shaping the future



We believe that expanding into new geographies will have a long-term positive impact on our overall brand equity and customer base.

## DEAR SHAREHOLDERS,

It gives me great pleasure to share the progress we have made and the strong foundation we've built at Sai Silks (Kalamandir) Limited, as well as our vision for continued growth in the year 2024-25.

The past year has been one of transformation and resilience. While the first half was marked by depressed market conditions and muted consumer sentiment, we remained focused on our core strengths and responded with agility. Building on our foundation of trust, craftsmanship, and customer-centricity, we gained momentum in the latter half of the year. Our continued commitment to preserving India's rich textile heritage—while embracing contemporary design sensibilities—has strengthened our brand and deepened our connection with discerning customers across regions.

As of March 31, 2025, our store count stands at 68 company-owned, company-operated outlets.

For the full year, we added nearly 67,414 sq. ft. of retail space, taking our total retail footprint to 716,088 sq. ft., spread across 20 cities in 5 states.

## Retail network expansion strategy

We continue to strengthen our presence in Tamil Nadu, with Varamahalakshmi Silks playing a central role in our expansion roadmap. In the upcoming year, we plan to further extend this format into other high-potential regions outside Tamil Nadu as well. We believe that expanding into new geographies will have a long-term positive impact on our overall brand equity and customer base.

## Customer acquisition & loyalty

In FY 2024-25, we acquired 18.5 lakh unique customers, reflecting the effectiveness of our marketing initiatives, product assortment, and expanded retail footprint. Notably, 43% of these customers returned to make repeat purchases, underscoring the strength of our value proposition and the deep trust our brand has built over time. This high repeat engagement highlights our ability to not only attract new customers but also nurture long-term relationships, translating into sustained revenue streams and enhanced customer lifetime value. Our focus on personalised experiences, consistent product quality, and superior service continues to drive loyalty and reinforce our position as a preferred choice in the market.

## Financial performance

For the full year ended March 2025, net profit declined 15.35% to INR 85.39 Crores compared to INR 100.87 Crores in the previous year, primarily due to a one-time income tax provision of INR 21 Crores related to prior years. Sales, however, rose 6.44% to INR 1,462.01 Crores from INR 1,373.55 Crores a year earlier. Gross margin improved to 41.8%, up from 40.6%, reflecting a healthy 110 basis point expansion.

Profit Before Tax remained broadly stable year over year, with the decline in Profit After Tax attributable to the exceptional tax adjustment.

## Data-driven merchandising

We continue to enhance our merchandising strategy by studying store-level performance, analysing customer journeys, and adapting our product offerings based on location-specific preferences. Leveraging our ERP systems, we ensure that each store is curated with relevant assortments to maximise conversions and customer satisfaction.

While our business traditionally aligns with the wedding season calendar, we are actively diversifying our portfolio to reduce dependency on seasonality and drive more consistent growth throughout the year.

We also recognise the importance of responsible growth. Sustainability and inclusivity are integral to our vision. We continue to support the skilled artisans who bring our creations to life and are taking meaningful steps to reduce our environmental footprint across operations.

Looking ahead, we are confident that our strategic priorities—innovation, operational excellence, and customer delight will drive consistent value for all stakeholders. As we evolve, our core purpose remains unchanged: Empowering individuals to celebrate life's moments through the timeless elegance of Indian sarees and ethnic wear.

## Outlook

With a well-spread wedding calendar in FY 2025-26, we remain highly optimistic about our growth prospects. We are also preparing to expand into India's largest ethnic wear markets, moving beyond the five states we currently serve.

Our strategic focus, combined with technology-led decision-making, positions SSKL to unlock new opportunities and achieve greater milestones in the years ahead.

## Looking ahead

We remain deeply grateful to our shareholders for their trust and confidence in our capabilities. I extend my heartfelt appreciation to every stakeholder for your continued support and encouragement, which inspire us to reach new heights of success year after year. Guided by our strategic initiatives and our commitment to continuously explore innovative ways of delivering exceptional performance, we remain optimistic about a brighter future and even stronger prospects ahead.

Regards,

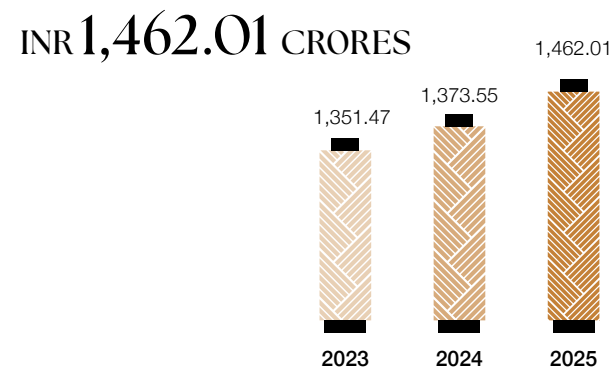
**Nagakanaka Durga Prasad Chalavadi**  
Managing Director



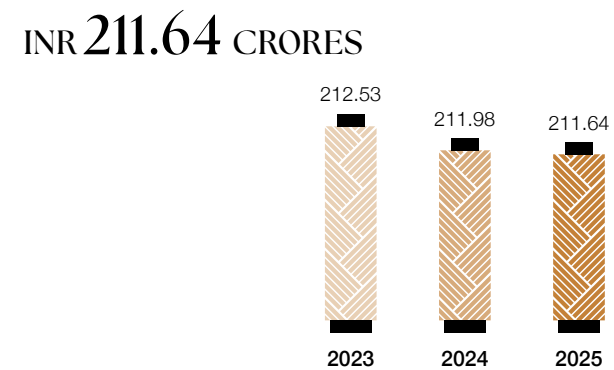
## KEY PERFORMANCE INDICATORS

## Measuring progress

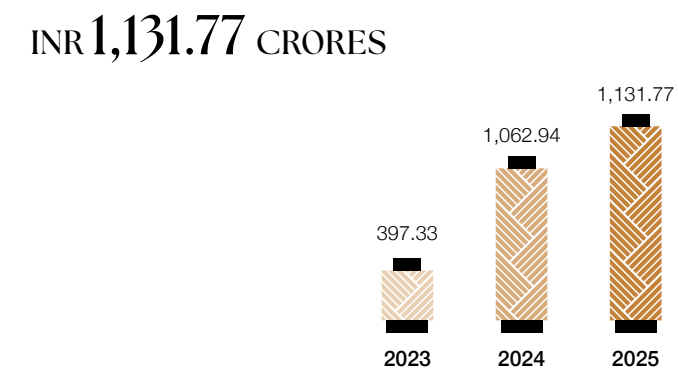
## Revenue from operations (INR in Crores)



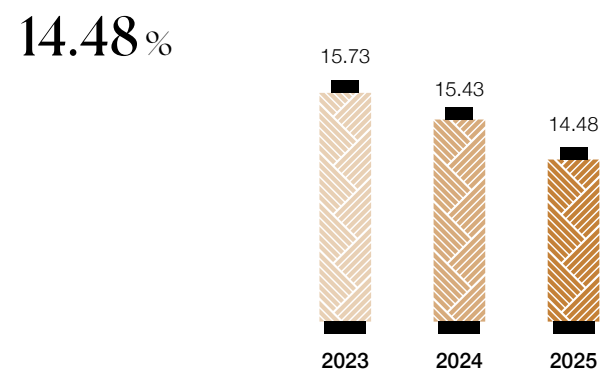
## EBITDA (INR in Crores)



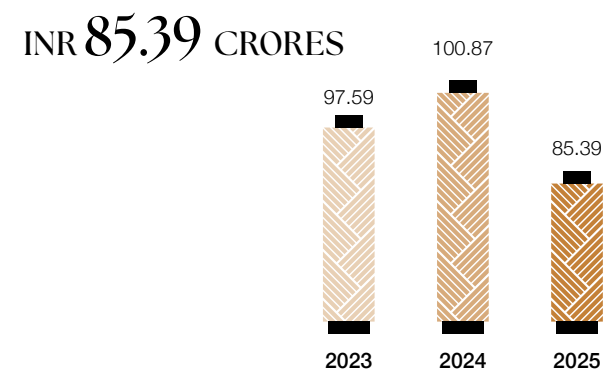
## Net worth (INR in Crores)



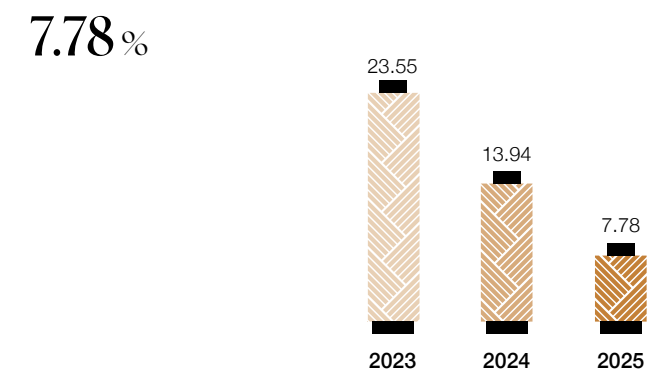
## EBITDA Margin (%)



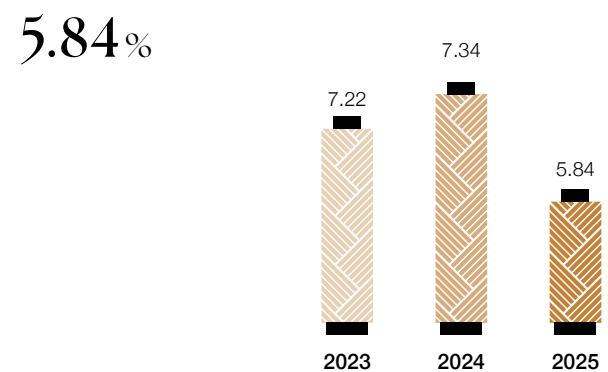
## PAT (INR in Crores)



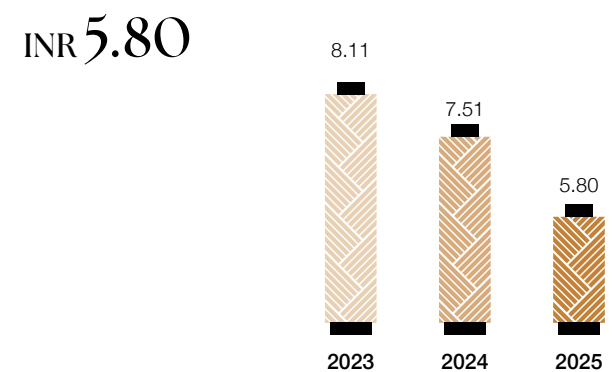
## Return on Equity (ROE) (%)



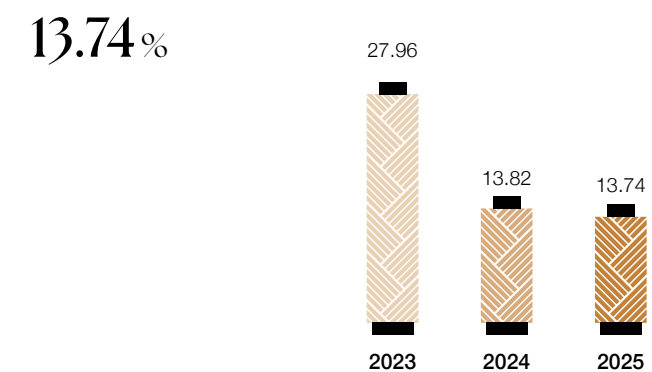
## PAT Margin (%)



## EPS (INR)



## Return on Capital Employed (ROCE) (%)







## KEY FACTS ABOUT SAREE

# Saree: A symbol of elegance and empowerment



## Timeless elegance

- ⌘ The saree has been worn for over 5,000 years, making it one of the world's oldest surviving garments still in use.
- ⌘ Its drape, fabric, and craftsmanship exude grace, sophistication, and feminine strength.



## Cultural identity & diversity

- ⌘ Worn across India, the saree reflects regional heritage through unique weaves, patterns, and techniques – from Kanjeevarams to Banarasis, Uppadas to Chanderis.
- ⌘ Each style tells a story of its region, often passed down through generations.



## Crafted by skilled women & communities

- ⌘ Woven by women-led cooperatives and artisan communities, preserving centuries-old techniques while supporting rural livelihoods.
- ⌘ Promoting sarees directly uplifts these communities, contributing to economic empowerment.



## Power dressing with purpose

- ⌘ Leadership roles from politics to corporate boardrooms choose sarees to express both authority and authenticity.
- ⌘ It stands as a proud statement of identity, tradition, and modern confidence.
- ⌘ Beyond the boardroom, it is also a timeless part of Indian celebrations—central to weddings, festivals, and cultural milestones making it one of the most significant and versatile garments in Indian life.



## Sustainable fashion choice

- ⌘ Handloom and natural fiber sarees promote slow fashion, supporting eco-friendly practices and reducing industrial waste.



## Intergenerational legacy

- ⌘ Sarees are often treasured as heirlooms, marking important milestones like weddings, festivals, and ceremonies.
- ⌘ They symbolise continuity, resilience, and emotional bonds across generations.



## Reinvention & Relevance

- ⌘ Designers and influencers are redefining the saree with modern styling, making it appealing to younger, global audiences.
- ⌘ Versatile for both formal and casual wear, the saree bridges the traditional and the contemporary with effortless grace.



## CLUSTER MODEL DRIVING EXPANSION

# Scaling new heights with cluster precision



SSKL has built a robust retail footprint by leveraging a cluster-based expansion model, strategically opening stores in prime locations across South India to tap into strong regional demand.

## Store network by brand



### Kalamandir stores

Strong presence across Telangana, Andhra Pradesh & Karnataka



### Varamahalakshmi stores

Deeply rooted in Tamil Nadu & Karnataka with continued growth in Telangana and Andhra Pradesh



### KLM Fashion Mall

Widespread across Telangana, Andhra Pradesh, and Karnataka



### Mandir stores

Focused presence in Telangana

## Operational snapshot

(As of March 31, 2025)

State	No. of Stores	Aggregate Area (sq. ft.)	FY25 Revenue (INR Crores)	% of Total Revenue
Telangana	26	2,80,571	490.54	33.55%
Andhra Pradesh	17	1,97,745	412.86	28.24%
Karnataka	10	1,16,209	224.89	15.38%
Tamil Nadu	14	1,10,871	325.70	22.28%
Puducherry	1	10,692	8.02	0.55%
<b>Total</b>	<b>68</b>	<b>7,16,088</b>	<b>1,462.01</b>	<b>100.00%</b>

## Benefits of cluster-based expansion



Targeted customer segmentation & demographic focus



Efficient store management



Streamlined inventory rotation



Increased cross-sell opportunities



## CRAFTING MEMORABLE EXPERIENCES

# More than products— a full retail journey



At SSKL, we believe shopping is more than a transaction it's an experience. Our approach blends thoughtful design, skilled service, and an inviting atmosphere to delight every customer who walks through our doors:



## Skilled store associates

Our team members are trained not only in product knowledge but also in understanding customer insights and feedback, ensuring each shopper feels heard, valued, and well-guided.



## Elegantly designed stores

Every store features vibrant entrances and eye-catching window displays that create a warm, welcoming first impression.

Thoughtfully curated, these spaces are experience-driven, inviting customers to explore, engage, and connect with the brand on a deeper level.



## Immersive visuals

We enhance the ambiance with appealing posters and themed wall and ceiling decorations, making the space lively and engaging.



## Smart layouts

Our store layouts are carefully planned to optimise traffic flow, helping customers navigate effortlessly while enjoying a seamless shopping experience.

This commitment to creating an exceptional retail environment sets SSKL apart as a destination where families don't just shop—they connect with the brand and each other.

Well-designed store with  
perfect ambience



Sales associates  
providing right assistance  
to enhance shopping  
journey



Unique shopping  
experience



Word-of-mouth  
reference



Increase in average  
business per customer



## DIGITAL SUPPLY CHAIN PRECISION

# Design-driven planning, Enabled by technology



At SSKL, our inventory planning is proactive and data-driven, aligned with sales forecasts, seasonal demand, and customer preferences.

Our end-to-end supply chain is designed to optimise efficiency, quality, and responsiveness across every stage from design to retail.



## Design & planning

Designs are curated based on prevailing fashion trends and insights gathered through data analytics, customer preferences, market analysis, and feedback from artisans and vendors.

A wide variety of innovative, high-quality designs are developed throughout the year to meet evolving consumer needs.



## Vendor management & procurement

Direct sourcing from third-party manufacturers and expert artisans through long-standing partnerships.

Maintains high-quality standards via a non-exclusive vendor model and an 80-member procurement team for continuous vendor evaluation.

Regular factory visits ensure timely delivery and quality control.

A strong network of 4,000+ master weavers and vendors support sourcing excellence.



## Warehousing & storage

Robust warehousing infrastructure with 173,000 sq. ft. capacity across Karnataka, Andhra Pradesh, Telangana, and Tamil Nadu.

All products are barcoded for real-time inventory tracking and systematic movement across formats and channels.



## Retail coverage & fulfilment planning

Stores are strategically located to serve key markets using a cluster-based approach.

An integrated in-house ERP system powers both front-end and back-end operations.

Real-time granular-level tracking enables better decisions on high-turnover and slow-moving inventory.

AI/ML tools provide store-level insights for agile retail planning and fulfillment.

## Key enablers across the supply chain



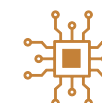
Data analytics to identify fast-moving trends



In-house design innovation with a focus on quality



Systematic inventory control via barcoding



ERP solutions for seamless operations



AI-driven insights for improved retail performance





# From loom to legacy

Our sarees begin their journey in the skilled hands of artisans who bring life to every thread. Carefully sourced materials, time-honoured techniques, and meticulous attention to detail transform each piece into an heirloom, cherished across generations for its artistry and meaning.







## BUSINESS MODEL

# Leveraging core strengths to build lasting value

## Our inputs



### Financial

Investments in stores, technology, and supply chain strengthen our reach and customer experience.



### Know how and Intellectual Capital

Our expertise in consumer trends, product design, and merchandising drives differentiation.



### Relationships

Strong partnerships with suppliers and meaningful customer connections fuel growth.



### Natural Resources

We responsibly source materials and manage resources sustainably.



### Capabilities

Robust omnichannel operations and logistics ensure efficient delivery.



### People

A skilled, customer-focused team drives our success and future growth.

## Our process



### Product design team



### Vendors



### Weaver community



### Branding and distribution



### Retail Network (Offline stores, E-commerce website)

## Value we create



### Customer Benefits

- Curated selections tailored to diverse needs
- Engaging, seamless shopping experiences



### Sustainable Financial Growth

Consistent, profitable growth that delivers long-term value for our investors



### Social and Economic Opportunity

Creating jobs, supporting suppliers, and enabling partners to grow alongside us



### Environment and Communities

Reducing our environmental impact, supporting local communities, and promoting responsible retail practices

## Outcomes

**6.40%**

Sales growth

**5.84% growth**

Operating profit margin

**13.74%**

ROCE

**20,417**

Sales per sq. ft.

**0.76 cr**

Customers

**746 people**

Lives impacted through CSR activities



## OPERATING CONTEXT

# Capitalising on growth opportunities



According to IMARC Group, the India saree market reached USD 5.76 billion in 2024 and is projected to grow to USD 10.33 billion by 2033, reflecting a CAGR of 6.70% during 2025–33. It remains a vibrant sector, bridging tradition with modern retail dynamics across hundreds of regional varieties and price segments.

## Key growth drivers



Rising consumer preference for sustainable, handloom sarees, backed by government initiatives such as Geographical Indication (GI) tags and the Handloom Mark, which bolster authenticity and support weaver livelihoods.



Rapid e-commerce adoption, driven by AI-powered customisation, virtual try-ons, and social commerce, making saree shopping more accessible and engaging.



Celebrity endorsements and eco-conscious branding are resonating with younger consumers, further expanding market share.

## Key trends impacting the industry

### Premiumisation and bridal surge

- ☞ Consumers are increasingly willing to invest in high-quality, designer sarees especially for weddings, festivals, and special occasions.
- ☞ Bridal sarees, particularly Kanjeevaram, Banarasi, and Paithani, remain cornerstone categories, driving significant value growth.

### Revival of handlooms and regional weaves

- ☞ There is a strong movement toward reviving traditional crafts, with younger consumers showing appreciation for handwoven and artisanal sarees.
- ☞ Weaves like Chanderi, Uppada, Kota, Dharmavaram, and Jamdani are gaining renewed attention, often marketed through heritage storytelling.

### Rise of organised and omnichannel retail

- ☞ The saree market is gradually shifting from unorganised local stores to organised retail formats offering trust, quality assurance, and wide selection.
- ☞ Leading retailers are adopting omnichannel models, blending offline stores with e-commerce, virtual try-ons, and doorstep delivery.

### Seasonality linked to weddings and festivals

- ☞ Sales continue to be heavily influenced by the wedding calendar and major Indian festivals (Diwali, Pongal, Durga Puja, etc.).
- ☞ Retailers are diversifying collections and launching non-seasonal product lines to ensure year-round traction.

### Youthful reinvention and celebrity influence

- ☞ Fashion-conscious youth are embracing sarees with a modern twist preferring lighter fabrics, fusion drapes, or pre-stitched versions.
- ☞ Bollywood celebrities, influencers, and designers are reshaping saree styling, driving trend adoption on social media.

### Value fashion and affordable ethnic wear

- ☞ There's a strong demand for affordable, everyday sarees catering to middle and lower-middle income groups, especially in Tier 2 and Tier 3 cities.
- ☞ This segment is driving volume growth, supported by value-focused retail formats.

### Digital discovery and personalisation

- ☞ Platforms like Instagram, Pinterest, and YouTube are influencing saree choices, particularly through styling videos and user-generated content.
- ☞ AI-driven product recommendations and hyperlocal assortment curation are shaping retail strategies.

### Focus on sustainability

- ☞ Eco-conscious buyers are increasingly choosing organic cottons, natural dyes, and sustainable handloom options.
- ☞ Many brands are promoting sarees as slow fashion, positioning them as timeless, long-lasting wardrobe pieces.

## Outlook

The Indian saree market in 2025 is strong, resilient, and evolving spanning from heritage-rich handlooms to cutting-edge online retail. With steady double-digit growth in premium segments and a solid shift toward sustainable, fashionable sarees, the industry is poised to nearly double in value by 2033. While challenges remain—price, supply chain, and authenticity, innovation and digitalization reinforce a promising future.



## STAKEHOLDER ENGAGEMENT

# Relationships that help us grow



## Employees

Essential in driving innovation and productivity, which will enhance our growth and success

### EXPECTATIONS

Growth opportunities  
Open and engaging workplace  
Training and development programmes  
Non-discrimination and equal employment opportunities  
Work-life balance  
Diversity and Inclusion

### MODE OF ENGAGEMENT

Encourage open communication  
Conduct regular safety training  
Training, webinars and workshops  
Feedback sessions  
Employee surveys  
Recognition programmes

### VALUE CREATED

Skill development and enhancement in line with changing market demands.  
Ensuring competitive remuneration and equal employment opportunities



## Customers

Important for ensuring business continuity as customer satisfaction and loyalty improves revenue generation capabilities and enhances brand reputation

### EXPECTATIONS

Unique and Innovative Product Design  
Superior customer experience  
Affordable prices  
Convenience

### MODE OF ENGAGEMENT

Online and offline stores

### VALUE CREATED

Providing unique and innovative product design  
Competitive pricing  
Superior customer experience



## Investors and shareholders

Provide necessary capital for business expansion, innovation and operation

### EXPECTATIONS

Continued operational growth and financial sustainability  
Transparent and ethical code of conduct  
Return on investments  
Deepening existing presence  
Returns to shareholders

### MODE OF ENGAGEMENT

Investor presentations and quarterly earnings calls  
Corporate website  
Investor meets  
Management conference calls  
Media, Press release and Stock Exchange intimations  
Annual General Meeting and Annual Report  
Shareholder grievance redressal mechanism

### VALUE CREATED

Optimum utilisation of funds for growth and expansion  
Maintaining profitability  
Cost management & efficiency



## Suppliers and business partners

Integral to the value chain, enabling us to deliver high-quality products while ensuring efficiency and sustainability

### EXPECTATIONS

Responsible procurement practices  
Supporting and promoting long-term relationship  
Timely payment of dues  
Fair revenue distribution

### MODE OF ENGAGEMENT

Feedbacks via call  
Constant guidance on designing and innovation

### VALUE CREATED

Build and maintain mutually beneficial relationships



## Community

Vital for maintaining social license to operate, fostering goodwill, promoting corporate social responsibility, and contributing to economic development

### EXPECTATIONS

Social and economic development  
Promotion of sustainable livelihood opportunities  
Driving various initiatives related to healthcare and quality education  
Job creation and income generation

### MODE OF ENGAGEMENT

Scholarships for students  
Donations for healthcare  
Supporting child welfare and disabled people

### VALUE CREATED

Creating positive impact on society  
Employment generation  
Building lasting relationships with local stakeholders



## Government agencies, regulatory bodies and local authorities

The government agencies and regulatory bodies provide requisite registrations essential to conduct the businesses smoothly

### EXPECTATIONS

Compliance with rules and regulations  
Timely reporting through various compliance-based forms

### MODE OF ENGAGEMENT

Reports  
Results  
Forms and formats  
Audits conducted periodically/monthly/quarterly/annually and on need basis

### VALUE CREATED

Timely tax payment  
High compliances with regulations  
Support government initiatives

We take an inclusive, collaborative, and responsive approach to building strong stakeholder relationships, empowering our businesses to engage locally with transparency and integrity.

Our ability to create and protect value depends on the strength of these relationships, the impact of our activities, and the contributions we make to those around us. By understanding stakeholder needs, meeting expectations, and managing relevant risks, we create and sustain value both for them and for SSKL.



# Timeless weaves, Modern tales

While rooted in tradition, our sarees are crafted to resonate with the contemporary woman. Vibrant colors, innovative motifs, and versatile drapes blend classic sensibility with modern appeal, ensuring that heritage is never out of style.





## STRATEGIC PRIORITIES

# Growing with purpose and innovation



At SSKL, our growth journey is guided by a clear set of strategic priorities designed to strengthen our market leadership and deliver lasting value to our customers. We are committed to expanding our reach, embracing innovation, and consistently elevating the customer experience. By focusing on operational excellence, technological advancement, and brand building, we aim to position ourselves as a trusted and aspirational Pan-India brand that meets the evolving fashion needs of every family.



## Expanding into new geographies to fuel growth

We are actively exploring new regional and national markets to increase our footprint and tap into emerging demand centers. This expansion strategy includes establishing flagship stores, entering tier 2 and tier 3 cities, and strengthening our distribution network to make our collections accessible to a wider customer base.



## Adopting emerging technologies to strengthen backend operations

We are committed to embracing cutting-edge digital solutions and automation tools that enhance operational efficiency. This includes implementing advanced inventory management systems, AI-driven demand forecasting, and seamless integration across procurement, warehousing, and logistics to support scale and agility.



## Delivering value for money (PQRS) across our product range

Our PQRS approach—Price, Quality, Relevance, and Style ensures every product offers exceptional value. By carefully balancing affordability and quality, we deliver collections that align with diverse customer preferences while maintaining strong margins and market competitiveness.



## Investing in best-in-class CRM systems to enhance customer experiences

We are strengthening customer relationships by deploying state-of-the-art CRM platforms that enable 360-degree customer insights, personalised engagement, and targeted loyalty programs. These systems help us build deeper connections and improve customer retention across all channels.



## Reinforcing our presence as a pan-India brand

Through a combination of innovative marketing campaigns, regional language outreach, and strategic partnerships, we aim to solidify our identity as a trusted Pan-India brand. Our goal is to resonate with customers across cultures and geographies, reinforcing our relevance in India's vibrant retail landscape.



## PEOPLE

# Building a culture of growth and belonging



At SSKL, creating an empowering and inclusive culture for our employees is at the heart of everything we do. Our core values centres on building future-ready workforce through continuous learning and development and skill enhancement. We are committed to fostering a safe, inclusive, and engaging workplace where every employee feels valued, respected, and empowered. From rigorous safety practices and open communication to diversity-focused policies, fair compensation, and continuous learning, we ensure our teams thrive personally and professionally.



## Diversity and inclusion

We champion equal opportunity and foster an inclusive culture. Our gender-neutral policies, facilities for specially-abled employees, and financial support for senior workers reflect our commitment to a diverse workforce. Women are encouraged to take on leadership and managerial roles, strengthening gender balance across the organisation.



## Employee engagement

We drive engagement through a holistic approach—supporting financial well-being, promoting work-life balance, and recognising excellence. Sales staff are rewarded based on performance, while artisans receive commissions for their contributions. Regular surveys and feedback sessions help us address evolving needs, while training and knowledge-sharing initiatives fuel personal and professional growth.

## Human rights

We uphold the rights of handloom workers by ensuring fair compensation and timely resolution of grievances. Competency-based hiring practices match talent to roles effectively, and our commitment to equal opportunity guarantees fair pay and recognition based on contribution and capability.

## Employee well-being and safety

We place the highest importance on our employees' safety and well-being. Regular safety training, strict compliance with regulations, and open channels for communication ensure risks are proactively managed. Management actively listens to employee feedback and takes swift action to resolve concerns. Continuous audits and improvements help sustain a safe and supportive work environment for everyone.



## CORPORATE SOCIAL RESPONSIBILITY

# Empowering communities



Driven by our Company's core purpose, we create meaningful opportunities in key areas of education, employment and livelihood, healthcare, rural development and community welfare, environment, helping us together pave the way for a brighter tomorrow.



## Educational Support

SSKL proudly supported meritorious and economically backward students across Andhra Pradesh, Telangana, Tamil Nadu, and Karnataka, empowering 381 students to achieve their educational goals in FY 2024-25.



## Healthcare Initiatives

Provided nutrition support kits to 120 HIV-affected children across Telangana, contributing to their health and well-being through the K.C. Pullaiah Foundation.



## Palliative Care

Supported Sparsh Hospice, Khajaguda, Hyderabad, managed by the Rotary Club of Banjara Hills Charitable Trust, to extend free palliative care and hospice services to terminally ill patients, ensuring comfort, care, and dignity.



## Educational Empowerment

Partnered with the Universal Human Welfare Association to establish and operate tuition centers for underprivileged children from slum and economically backward backgrounds across Telangana, bridging the educational gap with quality learning opportunities.



## Promotion of Traditional Arts

Promoted traditional arts and handicrafts by conducting workshops connecting scientists, weavers, farmers, spinners, dyers, printers, and livelihood experts. Organized training programs through The Handloom Futures Trust on theme-based topics to protect intangible national heritage, foster vocational skills, and enhance livelihoods.



## Handloom Training

A research fellow from Handloom Futures trained Thangallapalli weavers in natural dye preparation and dyeing of single-count desi cotton yarn, in collaboration with tie-and-dye Ikkat expert Mr. Narsimha Rao from Koyyalagudem.





# Six yards, Infinite expressions

A saree is more than fabric—it is a canvas of self-expression. Whether adorning a bride on her special day or accompanying a professional at work, our sarees empower women to celebrate their unique stories with elegance, confidence, and pride.





## GOVERNANCE

# Integrity underpins our strategy



Corporate governance has always been the cornerstone of SSKL's management philosophy. Guided by decentralisation, empowerment, and meritocracy, our decision-making processes are designed to fulfil our fundamental objective of maximising shareholder value. Upholding the highest standards of ethics, integrity, and sustainability goes beyond mere compliance with laws and regulations—it reflects our commitment to making a positive impact on society in every aspect of our business.

## Governance Framework

Our approach to corporate governance and the role it plays goes well beyond meeting our compliance obligations. We believe that our governance framework fosters our high performing and respectful culture while underpinning our values of integrity, patient focus, collaboration, innovation and superior performance.

## Role of Board of Directors

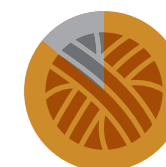
Our Board of Directors provides oversight with respect to our strategic direction, overall performance, and key corporate policies. It approves major initiatives, advises on key financial and business objectives, and monitors progress with respect to these matters. Our Board is a diverse, highly engaged group of individuals that provides strong, effective oversight of the company. Both individually and collectively, our directors have the qualifications, skills, and experience needed to inform and oversee the company's long-term priorities.

### Board experience (%)



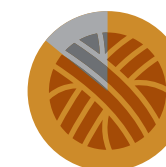
- 11-20 years 57%
- 20-30 years 29%
- > 30 years 14%

### Board age profile (%)



- 30-60 years 86%
- 61-90 years 14%

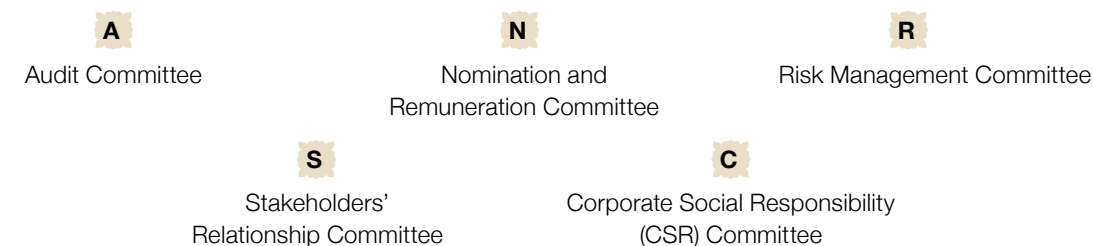
### Board diversity (%)



- Male 86%
- Female 14%

## Board Committees

The Committees constituted by the Board play an important role in the governance, focus on specific areas, and make informed decisions within the delegated authority.





## BOARD OF DIRECTORS

# Visionaries driving the future



**Mr. Nagakanaka Durga Prasad Chalavadi**

*Managing Director*

**E R S C**

#### Experience

Over 16 years in the retail industry

#### Role

Responsible for the overall management of Sai Silks (Kalamandir) Limited (SSKL), including finance, internal controls, and security systems

#### Education

- ✂ MBA from Institute of Management Education, Pune
- ✂ Post Graduate Diploma in Computer Applications from Institute of Computer Software Sciences
- ✂ Bachelor's degree in Commerce from Nagarjuna University



**Mr. Ravindra Vikram Mamidipudi**

*Chairman & Independent Director*

**A C N R**

#### Experience

Nearly 44 years in the finance sector

#### Role

Partner at M. Andaman & Co., Chartered Accountants

#### Education

Fellow Member of the Institute of Chartered Accountants of India (ICAI)



**Mr. Kalyan Srinivas Annam**

*Whole Time Director*

**S C E R**

#### Experience

Around 15 years in the retail industry

#### Role

Responsible for projects, strategic planning, brand building, and business development

#### Education

- ✂ Post Graduate Diploma in Business Management from the Institute of Marketing & Management
- ✂ Bachelor's degree in Law from Nagarjuna University



**Mr. Doodeswara Kanaka Durgarao Chalavadi**

*Whole Time Director*

**E R**

#### Experience

Approximately 12 years in the retail industry

#### Role

Responsible for procurement and marketing activities

#### Education

- ✂ Master's degree in Computing from Griffith University
- ✂ Bachelor's degree in Commerce from Nagarjuna University



**Mr. Venkata Ramakrishna Kunisetty**

*Independent Director*

**N A**

#### Experience

Over 25 years in private equity and venture fund management

#### Past Organisations

Kotak Investment Advisors Ltd., ICICI Venture Funds Management Company Ltd., Carlyle India Advisors Pvt. Ltd.

#### Education

- ✂ Post Graduate Diploma in Management from IIM Bangalore
- ✂ Bachelor's degree in Computer Science and Engineering from NIT Warangal



**Mr. Pramod Kasat**

*Independent Director*

**A N**

#### Experience

More than 32 years of experience in corporate leadership, investment banking, and capital market solutions

#### Past Organisations

Held senior roles at Credit Suisse, IndusInd Bank, and Citi Bank

#### Education

- ✂ Master's degree in Management Studies from the University of Bombay
- ✂ Bachelor's degree in Engineering from BITS, Pilani



**Ms. Sirisha Chintapalli**

*Independent Director*

**S A N**

#### Experience

Extensive experience in finance and secretarial functions

#### Past Organisations

CCL Products (India) Ltd., International Seaport Dredging Ltd., L&T Shipbuilding Ltd.

#### Education

- ✂ Associate Member of the Institute of Cost Accountants of India
- ✂ Associate Member of the Institute of Company Secretaries of India
- ✂ Bachelor's degree in Commerce from Nagarjuna University

■ Chairperson ■ Member

**A** Audit Committee

**C** Corporate Social Responsibility (CSR) Committee

**N** Nomination & Remuneration Committee

**R** Risk Management Committee

**S** Stakeholders' Relationship Committee

**E** Executive Management & IPO Committee



## AWARDS

# Where excellence meets recognition



Received Pioneer In Ethnic  
Retail Fashion award at Outlook  
Business Entity Awards



Best Ethnic Fashion Retail Group  
Retail Icon Awards  
Times of India



VML-Retail Icon Award  
(Best Silk Store)  
Times of India



Best Retailer of the Year (Apparel  
& Lifestyle) award in India's Retail  
Champions Awards, awarded by  
Retail Association of India







# Corporate Information

CIN: L52190TG2008PLC059968

## Board of Directors

**Mr. Ravindra Vikram Mamidipudi**  
Chairman & Independent Director

**Mr. Nagakanaka Durga Prasad Chalavadi**  
Managing Director

**Mr. Pramod Kasat**  
Independent Director

**Mr. Venkata Ramakrishna Kunisetty**  
Independent Director

**Ms. Sirisha Chintapalli**  
Independent Director

**Mr. Kalyan Srinivas Annam**  
Whole Time Director

**Mr. Doodeswara Kanaka Durgarao Chalavadi**  
Whole Time Director

**Mr. K.V.L.N. Sarma**  
Chief Financial officer

**Mr. M.K. Bhaskara Teja**  
Company Secretary & Compliance officer

## Registered office:

6-3-790/8, Flat No-1,  
Bathina Apartments, Ameerpet,  
Hyderabad, Telangana 500016  
Ph: 040 666566555,  
E-Mail: info@sskl.co.in  
Website: www.sskl.co.in

## Statutory Auditors

**M/s Sagar & Associates**  
Chartered Accountants  
6-3-244/5, Sarada Devi Street, Prem Nagar,  
Hyderabad, Telangana 500004

## Internal Auditors

**M/s. SARC Associates**  
49-28-13, Madhura Nagar  
Visakhapatnam, Andhra Pradesh 530016.

## Secretarial Auditors

**M/s. P S Rao & Associates**  
6-3-347-22/2, Flat-10, 4<sup>th</sup> Floor, Iswarya Nilayam,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad, Telangana 500082

## Bankers

Canara Bank  
ICICI Bank Ltd  
Yes Bank Ltd

## Listed on BSE and NSE Limited

# Notice

NOTICE is hereby given that the 17<sup>th</sup> Annual General Meeting of the members of Sai Silks (Kalamandir) Limited will be held on Friday, August 29, 2025 at 11.00 A.M (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

## ORDINARY BUSINESS:

- To receive, consider, and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2025 along with the Notes thereon and the Reports of the Board of Directors and the Auditors thereon.
- To declare final dividend @ ₹1.00/- per Equity Share of ₹2/- each for the Financial Year ended March 31, 2025.
- To appoint a director in place of Mr. Kalyan Srinivas Annam (DIN: 02428313) who retires by rotation and being eligible offers himself for reappointment.

## SPECIAL BUSINESS:

### 4. Appointment of Secretarial Auditors of the Company.

To consider and if, thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereto), and Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") including circulars issued thereunder, M/s. P.S. Rao & Associates, Company Secretaries, Hyderabad be and is hereby appointed as Secretarial Auditors of the Company for a period of 5 (Five) consecutive financial years i.e., from the FY 2025-26 to FY 2029-30 to undertake Secretarial Audit for each of the said years at such remuneration as may be decided by the Board of Directors from time to time and on such terms and conditions as detailed in the Explanatory Statement hereto and to issue i) Secretarial Audit Report and ii) Secretarial Compliance Report for the corresponding periods.

**"RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorized to decide and finalize the terms and conditions of appointment, including remuneration, and to do all other acts, matters, deeds and things as may be deemed necessary or

expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

By Order of the Board  
**For Sai Silks (Kalamandir) Limited**

Sd/-  
**M.K. Bhaskara Teja**  
Company Secretary & Compliance Officer

Place: Hyderabad  
Date: July 25, 2025

- Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") the Company is convening the 17<sup>th</sup> AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In compliance with the provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the 17<sup>th</sup> AGM of the Company is being held through VC/OAVM on Friday, August 29, 2025 at 11.00 A.M IST. The deemed venue for the AGM will be the Registered Office of the Company.
- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being proposed to be held pursuant to the said 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 AGM and hence the Proxy Form and the Attendance Slip are not attached to this Notice.





## Notice

3. As per the provisions of clause 3.A. II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the Special Business as appearing at Item No. 4 of the accompanying Notice is considered to be unavoidable by the Board and hence forms part of this Notice.
4. The statement pursuant to section 102 of the Act setting out material facts concerning the business at item no.4 forms part of the notice. Additional information pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('Secretarial Standard') is annexed herewith.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form.
8. In case of voting by joint holders, voting by such joint holder who is higher in the order of the names as per the Register of Members of the Company, as

of the cut-off date, will be reckoned for the purpose of this Meeting.

9. Members may note that the Board, at its meeting held on 16<sup>th</sup> May, 2025, has recommended a final dividend of ₹ 1.00/- per share. The record date for the purpose of final dividend is fixed as August 22, 2025. The final dividend, once declared by the members in the ensuing AGM, will be paid subject to Tax Deduction at Source (TDS) on or before September 27, 2025, as under:
  - a. To all the Beneficial Owners as the end of the day on Friday, August 22, 2025 as per the list of beneficial owners to be furnished by the Depositories in respect of the shares held in electronic form; and
  - b. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition request lodged with the Company as of the close of business hours on Friday, August 22, 2025.

With effect from April 1, 2024, Dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made upon Folio being KYC compliant i.e. the PAN, choice of nomination, contact details including mobile no., bank account details and specimen signature are registered with the RTA/Company. [SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated May 7, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/81 dated June 10, 2024]

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/sep-2024/1727418250017.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf)

Communication in this regard shall be sent to all physical holders whose folios are not KYC compliant at the latest available address/email-id, as and when need arises. Members are once again requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, viz. ISR-1, ISR-2, ISR-3/SH-13, as applicable, duly complete and signed by the registered holder(s) to the Company's RTA, on or before Wednesday, August 20, 2025 so that the KYC details can be updated in the folios before the cut-off date of Friday, August 22, 2025. ISR Forms can be accessed from our RTA website at [www.bigshareonline.com](http://www.bigshareonline.com).

Note: To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/

CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC and Nomination.

### 10. TDS Related Information

Members may note that as per the Income Tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at the rates prescribed in the Income Tax Act, 1961. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 and Rules thereunder.

#### i. For Resident Members:

Tax at source shall be deducted under Section 194 of the Income Tax Act, 1961 at 10% on the amount of dividend declared and paid by the Company during financial year 2025-26, subject to PAN details registered/ updated by the Member. If PAN is not registered/ updated in the demat account/ folio as on the cut-off date, TDS would be deducted @20% as per Section 206AA of the Income Tax Act, 1961.

No tax at source is required to be deducted, if aggregate dividend paid or likely to be paid during the financial year to individual member does not exceed ₹ 10,000 (Rupees Ten Thousand only).

In case of individual shareholders, who are mandatorily required to have their PAN Aadhaar linked and have not done so, their PAN would be considered as inoperative. Such inoperative PANs would be considered as invalid and a higher TDS rate as per Section 206AA of the Income Tax Act, 1961 would be applied. The Company will rely on the reports downloaded from the reporting portal of the income tax department for checking the validity of PANs / inoperative PANs under Section 206AA of the Income Tax Act, 1961. Further, in cases where the Member provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted, subject to the PAN of the Member not having an 'In operative' status as per provisions of Section 139AA of the Income Tax Act, 1961.

Further, in case PAN of any Member falls under the category of 'In-operative', the Company shall deduct TDS @ 20% as per Section 139AA

read with Section 206AA of the Income Tax Act 1961.

Further, in case of resident member having Order under Section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order; provided the Member submits copy of the Order obtained from the income-tax authorities.

#### ii. For Non-resident Members

Tax at source shall be deducted under Section 195 of the Income Tax Act, 1961 at the applicable rates. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to Non-resident Members.

Further, in case of Foreign Institutional Investors and Foreign Portfolio Investors, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) under Section 196D of the Income Tax Act, 1961.

In case of Non-resident Member having Order under Section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order; provided the member submits copy of the order obtained from the income tax authorities.

As per Section 90 of the Income Tax Act, 1961, Non-resident Members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement (DTAA or Tax Treaty). To avail the Tax Treaty benefits, the Non-resident Member will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax of the country of which the Non-resident Member is a resident.
- Electronically generated Form 10-F.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian income-tax authorities, if any.
- Self-declaration certifying the following points:
  - a. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2025-26;
  - b. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;





## Notice

- c. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- d. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
- e. Member does not have a taxable presence or a permanent establishment in India during financial year 2025-26.

### iii. For all Members:

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also provide the Company with all information / documents and co-operation in any proceedings.

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts.

In case of any discrepancy in documents submitted by the Member, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.

In case of joint Members, the member named first in the Register of Member is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

- iv. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-resident Member.
- v. In order to enable the Company to determine the appropriate TDS/ withholding tax rate applicable, Members are requested to provide the aforesaid details and documents on or before Wednesday, August 20, 2025 at [info@bigshareonline.com](mailto:info@bigshareonline.com). No communication on the tax determination/ deduction shall be entertained post Wednesday, August 20, 2025. Members may note that in case the tax on said dividend is deducted at a higher rate due to non-receipt of the aforementioned details/ documents, there would still be an

option available to the Member to file the return of income and claim an appropriate refund, if eligible.

- vi. In accordance with the provisions of the Income Tax Act 1961, TDS certificates can be made available to the Members at their registered email ID after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.
  - vii. The Company will send a separate email communication informing the Members regarding the relevant procedure to be adopted by the Members to avail the applicable tax rate as per the Income Tax Act, 1961.
11. As on March 31, 2025 all the shares of the company are in dematerialized form, please contact your depository participant and kindly give suitable instructions to update your bank details in your demat account and to notify any changes with respect to your addresses, email id, ECS mandate etc.
  12. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Bigshare Services Private Limited, 306, Right Wing, 3<sup>rd</sup> Floor, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Rd, Somajiguda, Hyderabad, Telangana 500082, and update your bank account details by enclosing a photocopy of blank cancelled cheque of your bank account.
  13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only 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. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's RTA's at [www.bigshareonline.com](http://www.bigshareonline.com). It may be noted that any service request can be processed only after the folio is KYC Compliant.
  14. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**

15. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. Even the transmission or transposition of securities held in physical if any or dematerialised form shall be effected only in dematerialised form with effect from January, 24, 2022.
16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
17. Institutional Members/Corporate Members (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail to [vikasacs1999@gmail.com](mailto:vikasacs1999@gmail.com) with a copy marked to [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in). Institutional Members/ Corporate Members can also upload their Board Resolution/Power of Attorney/ Authority Letter, by clicking on "Upload Board Resolution/Authority letter", etc., displayed under 'e-Voting' tab in their Login.
18. Only registered Members of the Company may attend and vote at the AGM through VC/OAVM facility.
19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on Friday, August 22, 2025 (cut-off date) will be entitled to vote during the AGM.
20. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
21. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Registrar and Transfer Agent ('RTA') at [www.bigshareonline.com](http://www.bigshareonline.com). Members are requested to submit the said

details to their DPs in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.

22. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/ HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/ HO/ OIAE/ OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

### 23. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. In view of this, Members are requested to claim their dividend from the Company, within the stipulated timeline.

24. Members seeking any information or clarification on the financial statement are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. The same will be replied by the Company suitably.
25. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN





## Notice

Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/DOP/CIR-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circular, all share transfer requests are therefore to be accompanied with PAN details.

26. Members may also note that the Notice of the 17<sup>th</sup> Annual General Meeting is available on the Company's website: [www.sskl.co.in](http://www.sskl.co.in). All documents referred to in the accompanying Notice shall be open for inspection by the Members by writing an e-mail to the Company at [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in).
27. In compliance with the aforesaid MCA Circulars and SEBI Circular dated October 7, 2023, Notice of the AGM along with Annual Report 2024-25 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2024-25 will also be available on the Company's website at [www.sskl.co.in](http://www.sskl.co.in), on the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
28. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.
29. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2024-25 they may send a request from the registered e-mail address to the Company's e-mail address at [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in) mentioning their Folio no./ DP ID and Client ID.
30. Additionally, in accordance with Regulation 36(1) (b) of the Listing Regulations, the Company is also sending a letter to members whose e-mail address is not registered with Company/ Depository Participant providing the exact web-link of Company's website from where the Annual Report for financial year 2024-25 can be accessed.
31. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant

for long. Periodic statement of holdings should be obtained from the concerned DP and holding should be verified from time to time.

### 32. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:

- a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
33. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
  34. Retirement of Director by rotation: Mr. Kalyan Srinivas Annam, Whole Time Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment. The Board of directors recommends his reappointment.
  35. The Company has appointed Mr. Vikas Sirohiya, Practicing Company Secretary (M. No. 15116 and C.P No. 5246) to act as the Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The cut-off date for e-voting has been fixed as Friday, August 22, 2025.

### CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
2. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sskl.co.in](http://www.sskl.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
  - (i) The voting period (remote voting) begins on Tuesday, August 26, 2025 at 09:00 A.M. and

ends on Thursday, August 28, 2025 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, August 22, 2025 may cast their vote electronically. The Remote e-voting module shall be disabled by CDSL for voting thereafter. However, the e-voting module shall be enabled for voting by the members during the AGM which shall continue till 15 minutes upon conclusion of the Meeting.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated **09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.





Notice

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<div>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</div> <div>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></div> <div>3)Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</div> <div>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on <b>company name or e-Voting service provider name</b> and you will be re-directed to <b>e-Voting service provider website</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</div>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

2) Click on “Shareholders” module.

- 3) Now enter your User ID
- a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	<div>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</div> <div>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.</div>
Dividend Bank Details OR Date of Birth (DOB)	<div>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</div> <div>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</div>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Sai Silks (Kalamandir) Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.





## Notice

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in). These queries will be replied to by the company suitably by email.
  8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
  9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
  10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in).
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

### General Instructions

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on Friday, August 22, 2025, the Cut-off date.

- ii. The Scrutinizer, after scrutinising the votes cast during the meeting and through remote e-voting will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company, [www.sskl.co.in](http://www.sskl.co.in) and on the website of CDSL, [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to BSE and NSE Limited. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e., Friday, August 29, 2025.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO.4

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company and other specified class of companies, are required to attach with its Board's report made in terms of section 134(3) of the Companies Act, 2013, a report on Secretarial Audit given by Company Secretary in practice.

Further, Regulation 24A of SEBI Listing Regulations requires listed Companies and material unlisted subsidiaries incorporated in India to undertake secretarial audit by a secretarial auditor who is required to be peer reviewed company secretary and annex the secretarial audit report in such form as specified, with its annual report. Further, Regulation 24A (2) requires every listed entity to submit a secretarial compliance report, to the stock exchanges, within sixty days from end of each financial year.

The aforementioned regulation apart from listing down the eligibility criteria for appointment of secretarial auditor, further stipulates that the appointment/reappointment of an individual as a secretarial auditor cannot be more than

one term of 5(Five) consecutive years and in case the secretarial auditor is secretarial audit firm, it cannot be for more than two terms of 5 (Five) consecutive years and such an appointment/reappointment is required to be approved by the members of the Company at its annual general meeting, basis recommendation of the board of directors.

In view of the aforesaid, basis recommendation of the Audit committee, the Board at its meeting held on July 25, 2025 recommended the appointment of M/s. P.S. Rao & Associates, Company Secretaries as Secretarial auditors, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., for a period of 5 (Five) years i.e., from the FY 2025-26 to FY 2029-30, to undertake secretarial audit at a remuneration of ₹ 4 lacs (plus applicable taxes) for the FY 2025-26 and at such remuneration as may be decided by the board of Directors of the Company in mutual consent with the Secretarial Auditors, for subsequent years. The proposed fee is based on Knowledge, expertise, Industry experience, time and efforts required to be put in by the secretarial auditors for the said audit.

M/s. P.S. Rao & Associates, is a more than 2 decades old Hyderabad based firm of Company Secretaries, with specialization across secretarial audits, corporate laws, securities laws including corporate governance, capital markets etc.

M/s. P.S. Rao & Associates, is a peer reviewed firm (PR No.6678/2025) in terms of SEBI Listing Regulations and guidelines issued by the Institute of Company Secretaries of India (ICSI) and also meets the eligibility criteria as enumerated under Regulation 24A (1A) of the Listing Regulations.

The firm has given its consent to act as the Secretarial Auditor of the Company and has confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under the Act, SEBI Listing Regulations and guidelines issued by the Institute of Company Secretaries of India.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024, and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In view of the aforesaid, the Board recommends the ordinary resolution set forth at Item No. 4 for approval of the Members.

None of the Directors, Key Managerial Personnel, or their respective relatives is, in any way, concerned or interested, whether financially or otherwise, in the said resolution.



Notice

**Details of Director seeking reappointment in the Annual General meeting**  
(In pursuance of Secretarial Standards on General Meetings [SS-2] and Regulation 36 of the Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015)

Name of the Director	Mr. Kalyan Srinivas Annam
Director Identification Number (DIN)	02428313
Category	Whole Time Director
Date of Birth	16 <sup>th</sup> July, 1974
Age	51 years
Date of first appointment in the Board	01 <sup>st</sup> April, 2009
Educational Qualifications	He holds a Bachelor's Degree in Law from Nagarjuna University and a Post Graduate Diploma in Business Management from Institute of Marketing and Management, New Delhi.
Terms and conditions of appointment	Reappointed to the office of Whole Time Director for a period of 3 years w.e.f April 01, 2024 at a remuneration of ₹1.99 Crores per annum. Proposed for reappointment upon retirement by rotation in the ensuing AGM.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Brother of Mr. Venkata Rajesh Annam.
Brief Resume of the Director	He holds a bachelors degree in law from Nagarjuna University and a post graduate diploma in business management from Institute of Marketing and Management, New Delhi. He has approximately 18 years of experience in the retail business. He has received certificate of appreciation for his outstanding contribution in fastest growing unique ethnic wear group and for being part of ET change makers on July 20, 2022. He is responsible for projects, strategic planning, brand building and business development of our Company and leads all related media and advertising activities for the Company. He is also responsible for the legal administration activities of our Company.
Expertise in specific functional area	He has approximately 18 years of experience in the field of retail business
Board membership of other listed companies as on 31 <sup>st</sup> March, 2025	Nil
List of Directorships held in other companies	1. Sai Retail India Limited 2. Varamahalakshmi Holdings Private Limited
List of Membership / Chairmanship of committees across other public companies	Nil
Membership of Committees of Sai Silks (Kalamandir) Limited	Stakeholder Relationship Committee - Member Executive Management & IPO Committee-Member Risk Management Committee – Member Corporate Social Responsibility Committee - Member
Remuneration Last drawn / Proposed remuneration	Remuneration last drawn - ₹ 16.58 lacs per month Proposed remuneration – No change from last approved limit
Number of shares held in the Company as at 31 <sup>st</sup> March, 2025	87,50,000 Equity shares
Details of the Board meetings attended by the Director during the year	4/4
Listed entities from which the appointee director has resigned in the past three years	Nil

# Directors' Report

Dear Shareholders,

Your Board of Directors feel delighted to present the 17<sup>th</sup> Annual Report of your Company together with the Audited Accounts for the FY ended March 31, 2025.

## 1. FINANCIAL HIGHLIGHTS:

PARTICULARS	(₹ In Crores except EPS)	
	FY 2024-25	FY 2023-24
Revenue from Operations	1462.01	1373.55
EBIDTA	211.64	211.65
Finance Cost	40.28	52.87
Depreciation and Amortization expense	52.70	47.91
Profit before Taxation (PBT)	142.72	134.68
Tax Expenses	57.33	33.81
Deferred Tax	1.42	1.29
<b>Profit after Taxation (PAT)</b>	<b>85.39</b>	<b>100.87</b>
Earnings Per Equity Share (in ₹)	5.80	7.51
Paid up Equity Capital	30.67	30.67

## 2. REVIEW OF PERFORMANCE & COMPANY'S STATE OF AFFAIRS:

We have experienced that the IPO conducted by the Company during the FY 2023-24 was a defining event in its corporate history. While the IPO enhanced the visibility of the Company in the capital markets and investors fraternity, it also enhanced the confidence of bankers, customers, vendors and other stakeholders in its credibility and long-term sustainability. It also helped your Company relax its debt pressure in terms of interests cost and repayment of loans. During the year under review, the funds received by way of Issue proceeds continued to be deployed into the business operations of the Company in line with the schedules drawn for the funds utilisation. In terms of business performance, i.e., whether operational revenue or profitability, your Company reported marginal growth for the FY 2024-25 when compared to that of FY 2023-24. The operational revenue stood at ₹ 1462.01 Crores and the Profit before Taxation (PBT) at ₹142.72 Crores. Thus, registering a growth of approximately 6% on both the parameters. However, on account of higher tax expenses, as explained elsewhere in this Report, the PAT registered a decline for the FY under review when compared to that of previous FY 2023-24. It stood at ₹ 85.39 Crores for the FY 2024-25 when compared to ₹ 100.87 Crores for the FY 2023-24.

Laced with an industry experience of almost 2 decades, your management is confident of addressing the temporary disturbances and achieving the business targets laid out in terms

of the prospectus issued by it in connection with the IPO.

During the FY 2024-25, your Company has opened the following new stores:

Sl. No.	Format	Date of Opening	Store Location
1.	Kanchipuram Varamahalakshmi Silks	June 14, 2024	Salem, Swarnapuri, Tamil Nadu
2.	Kanchipuram Varamahalakshmi Silks	August 22, 2024	Purasaiwakkam, Tamil Nadu
3.	Kanchipuram Varamahalakshmi Silks	September 5, 2024	Madurai, Tamil Nadu
4.	Kanchipuram Varamahalakshmi Silks	December 14, 2024	Tadepalligudem, Andhra Pradesh
5.	Kanchipuram Varamahalakshmi Silks	December 20, 2024	Pondicherry
6.	Kanchipuram Varamahalakshmi Silks	December 30, 2024	Adyar, Tamil Nadu
7.	Kanchipuram Varamahalakshmi Silks	January 10, 2025	Trichy, Tamil Nadu
8.	Kanchipuram Varamahalakshmi Silks	March 19, 2025	Tumakuru, Karnataka





## Directors' Report

Thus, as on March 31, 2025, the total stores tally stands (under various formats) as hereunder:

Kanchipuram Varamahalakshmi Silks	KLM Fashion Mall	Kalamandir	Mandir	Total
34	19	11	4	68

Further, subsequent to the close of Financial Year, your Company has added another store, (i.e., at Davanagere, Karnataka) under the Kanchipuram Varamahalakshmi Silks format, thus raising its tally to a total of 69 stores as on date of this Report.

All the new stores have recorded excellent performance, in terms of customers' response, sales turnover and profitability.

### 3. INITIAL PUBLIC OFFER (IPO) OF EQUITY SHARES

As a matter of information and as stated elsewhere in this report, during the FY 2023-24, your company successfully completed the Initial Public offering (IPO) of its equity shares aggregating 5,40,99,027 Equity shares of ₹2/- each. This comprised of a Fresh issue of 2,70,27,027 Equity shares of ₹2/-

Out of the issue proceeds of ₹ 566.23 Crores (net of offer related expenses), the Company has utilized the funds as per the below mentioned table:

Amount in Cr

Sl. No	Particulars	Amount to be utilized (as per prospectus)	Amount utilized as on March 31, 2024	Aggregate amount utilized as on March 31, 2025	Un utilized Amount as on March 31, 2025
1	Capital expenditure towards setting-up of 30 new stores	125.08	27.56	63.96	61.12
2	Capital expenditure towards setting-up of two warehouses	25.40	0.94	1.63	23.77
3	Working capital requirements	280.07	115.98	186.20	93.87
4	Repayment or pre-payment, in full or part, of certain borrowings availed by our Company	50.00	47.12	50.00	0
5	General Corporate Purposes	85.68	70.55	82.90	2.79
	<b>Total</b>	<b>566.23</b>	<b>262.15</b>	<b>384.69</b>	<b>181.54</b>

As informed earlier, your Company has appointed CARE Ratings Limited as the Monitoring Agency in accordance with Regulation 41 of SEBI (ICDR) Regulations, 2018 in order to monitor the utilization of IPO proceeds. Your Company has obtained quarterly monitoring reports from the Monitoring agency and has filed the same with both the Stock exchanges where the equity shares of the Company are listed. The monitoring agency reports are available at the Company's website <https://sskl.co.in/investor-relations/ipo> updates

There has been no deviation in the utilization of the IPO proceeds of the Company.

each aggregating ₹ 600 Crores and an Offer for sale of 2,70,72,000 Equity shares of ₹2/- each by the Promoters and Promoters Group members aggregating ₹ 601 Crores. The Equity shares of the Company remains listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

Objects of the Offer/ allocation of net proceeds of the fresh issue in IPO (as per Prospectus):

Sl. No	Particulars	Amount in Cr
1	Capital expenditure towards setting-up of 30 new stores	125.08
2	Capital expenditure towards setting-up of two warehouses	25.40
3	Working capital requirements	280.07
4	Repayment or pre-payment, in full or part, of certain borrowings availed by our Company	50.00
5	General Corporate Purposes	85.68
	<b>Total</b>	<b>566.23</b>
6	Offer related expenses in relation to Fresh Issue	33.77
	<b>TOTAL</b>	<b>600.00</b>

### MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

As depicted in the table above, your Company, as on 31<sup>st</sup> March, 2025, has spent an aggregate amount of ₹384.69 crores out of the Issue proceeds of ₹566.23 crores (net of offer related expenses). Further, out of the unutilized amount of ₹ 181.54 crores (as on 31<sup>st</sup> March, 2025) an amount of ₹ 7.45 crores has been utilized till June 30, 2025

Further, subsequent to the close of Financial Year under review, an amount of ₹ 20.91 Crores was paid out of the total demand of ₹ 27.07 Crores towards the liability determined by the Income Tax Department pursuant to and consequent upon the Search and seizure of operations conducted in the month of May 2023.

Save and except as discussed in this report, there have been no material changes affecting the financial position of the Company between the end of the financial year and date of this report.

### 4. DIVIDEND:

Your company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution framework to the stakeholders of the company. The Policy sets out various financial, internal and external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the company i.e., <https://sskl.co.in/wp-content/uploads/2022/07/Dividend-Distribution-Policy-SSKL.pdf>

Your Board of Directors, after considering the factors such as profitability for the year under review and return on capital, has recommended a final dividend of ₹1/- (i.e., 50% on the face value) per equity share of ₹2/-. This dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting and if declared, this will result in a cash Outflow of ₹15,33,66,112/-

### 5. TRANSFER TO RESERVES:

We do not propose any amount to be transferred to the Reserves for the current Financial Year.

### 6. NATURE OF BUSINESS

Primarily, there has been no change in the nature of business of your Company during the under review and the company continues to carry on its existing business operations.

### 7. SHARE CAPITAL:

The Share Capital of the Company as on March 31, 2025, and also as on date of this Report, stands as follows:

Sl. No.	Particulars	(Amt. in ₹)
1.	Authorised Capital: 21,00,00,000 Equity Shares of ₹2/- each	42,00,00,000
2.	Issued, Subscribed & Paid-up capital: 15,33,66,112 Equity Shares of ₹2/- each	30,67,32,224
	<b>Total Equity Capital (including 60,16,145 equity shares held by SSKL Employees Trust)</b>	<b>30,67,32,224</b>

### 8. CREDIT RATING

The details of Credit rating, for the FY 2024-25 obtained from India Ratings is as follows:

Sl. No.	Facilities	Amount in Cr	Rating	Rating Action
1.	Fund Based working capital facilities	₹ 180 Cr	IND A/ Positive/ IND A1	Upgraded from IND A-/Stable/ IND A2+
2.	Term Loan	₹ 25.23 Cr	IND A/ Positive	Upgraded from IND A-/Stable

### 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The appointment and remuneration of Directors are governed by the policy devised by the Nomination and Remuneration Committee of the Company. The remuneration policy is available at company website <https://sskl.co.in/wp-content/uploads/2022/07/Remuneration-Policy.pdf>

The following are the Directors / Key Managerial Personnel (KMP) of the Company:

Sl. No	Name	Designation
1	Mr. Ravindra Vikram Mamidipudi	Chairman & Independent Director
2	Mr. Nagakanaka Durga Prasad Chalavadi	Managing Director
3	Mr. Kalyan Srinivas Annam	Whole Time Director
4	Mr. Doodeswara kanaka Durga Rao Chalavadi	Whole Time Director
5	Mr. Pramod Kasat	Independent Director
6	Mr. Venkata Ramakrishna Kunisetty	Independent Director
7	Ms. Sirisha Chintapalli	Independent Director
8	Mr. K.V.L.N. Sarma	Chief Financial Officer
9	Mr. M.K. Bhaskara Teja	Company Secretary & Compliance officer





Directors' Report

Apart from the Key Managerial Personnel mentioned above, the following employees form part of the Senior management of our Company:

Sl. No	Name	Designation
1	Mr. Mohana Durgarao Chalavadi	Senior Vice President
2	Mr. Venkata Rajesh Annam	Senior Vice President
3	Mr. Bharadwaj Balaji Rachamadugu	Senior Vice President
4	Mr. Chakradhar Boorlagadda	Head of Sourcing & Strategy

The Constitution of the Board of the Company is in accordance with section 149(6) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing obligation and Disclosure Requirements) (LODR) Regulations 2015.

RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Doodeswara Kanaka Durga Rao Chalavadi, (DIN 02689280), Whole Time Director of the Company, retired by rotation in the previous AGM held on 27<sup>th</sup> September, 2024 and was reappointed thereat.

There was no other appointment / reappointment in the office of Director / KMPs of the Company during the FY 2024-25 and till the date of this Report.

Further, Mr. Kalyan Srinivas Annam (DIN 02428313), Whole Time Director, is liable to retire by rotation and being eligible for reappointment at the ensuing Annual General Meeting (AGM) of the Company, has offered himself for reappointment. His details as required under Secretarial Standards and SEBI (LODR) Regulations, 2015 are provided in the accompanying notice convening the ensuing AGM of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

Your Company has received respective declarations from all its Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their existing status as independent directors of your Company.

In compliance with Schedule IV to the Companies Act, 2013 the Independent Directors held their meeting on March 26, 2025 without the presence

of non-independent directors and members of the management, inter alia, to discuss the following:

- Noting the report of performance evaluation of the Board from the Chairman of the Board;
- Review of the performance of non-independent directors and the Board;
- Review of the performance of the Chairman of the Company;
- Assessment of the quality, quantity and timeliness of flow of information to the Board;

All the Independent Directors were present at the aforesaid meeting.

BOARD AND COMMITTEE MEETINGS

The Board of Directors met Four (4) Times during the financial year 2024-25. The details of the Board and Committee meetings and the attendance of the Directors are mentioned in the Corporate Governance report at **Annexure-VII**.

The Board of Directors of the Company have formed various committees, as per the provisions of the Companies Act and SEBI (LODR) Regulations. The terms of reference and the constitution of these committees are in compliance with the applicable laws. In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following committees:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee
- f. Executive Management & IPO Committee
- g. Internal Compliance committee / POSH Committee

The details with respect to the composition, terms of reference, number of meetings held by the aforesaid committees are given in the “Corporate Governance report” of the Company which is presented in a separate section and forms part of the Annual report of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act 2013 and SEBI (LODR) Regulations 2015 the board has carried out the evaluation of its own performance and that of its committees and the

individual directors. The performance evaluation of Non independent Directors, the Board as a whole and chairperson is carried out by the Independent Directors in their separate meeting.

The evaluation process consisted of structured questionnaires covering various aspects of the functioning of the Board and its committees, such as composition, experiences competencies, performance of specific duties, obligations and governance issues etc. The board also carried out the evaluation of the performance of the individual directors based on criteria such as contribution of the directors at the meetings, strategic perspective or inputs regarding the growth and performance of the Company etc.

Further, performance evaluation criteria for the independent directors is disclosed in the corporate governance report forming part of the Annual Report.

FAMILIARISATION PROGRAMME

In terms of SEBI Regulations, the Company has designed a Familiarisation Programme for the Independent Directors, with a view to familiarise them with their role, rights and responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company etc. Through the Familiarisation Programme, the Company apprises the independent directors of the developments, if any, in the business model, corporate strategy, business plans, finance, human resources, technology, quality, facilities, risk management strategy, governance policies and operations of the Company.

10.HUMAN RESOURCES

We believe that our employees are our key strength, and their development and wellbeing is crucial to sustain organization success. We take up several initiatives to develop employees holistically to ensure that the Company has competent employees in all the functions of business. We are implementing robust HR practices and processes to enhance employee experience to delivery exemplary results. Some of these initiatives include Learning management process, Leadership development, competency development, rewards and recognition etc.

11.ESOP

As you are aware, your Company, during the FY 2022-23 had instituted an ESOP Scheme for the enduring benefits of its employees, under the name and style “Sai Silks (Kalamandir) Limited

Share based Employee Benefit Scheme 2022”. A Trust under the name and style “SSKL Employees Trust” has also been formed in this regard. The Company, under the said Scheme is authorised to grant an aggregate number of upto 6,016,145 employee stock options, in one or more tranches. The purpose of the ESOP Scheme is, among other things, to: (a) motivate the employees to contribute to the growth and profitability of our Company; (b) achieve sustainable growth and to create value to the Shareholders by aligning the interests of the employees with the long-term interests of our Company; and (c) incentivize the senior and critical talents in line with corporate growth and creation of Shareholders’ value. Pursuant to the said Scheme, your Company, during the FY 2022-23 had issued and allotted 60,16,145 equity shares of face value ₹20 /- each at a price of ₹22 /- (including a premium of ₹2 /-) to SSKL Employees Trust. No options have been granted pursuant to the ESOP Scheme till date.

It is confirmed that the Scheme is in compliance with the SEBI (Share Base Employee Benefits and Sweat Equity) Regulations, 2021 and during the year under review no material changes were made to the Scheme.

Certificate has been obtained from M/s. P.S. Rao & Associates, Company Secretaries, confirming that the scheme has been implemented in accordance with the SEBI Regulations and it will be placed at the forthcoming Annual General Meeting of your Company for inspection by the members. Hence, the Disclosure under Regulation 34(3) read with Schedule V of the Listing Regulations is not applicable.

12.SUBSIDIARY COMPANIES, ASSOCIATE & JOINT VENTURES

Your Company does not have any Subsidiary or Joint venture or Associate Company as on the closure of the financial year and even as on the date of this report. Further no Company has become or ceased to be the Subsidiary or Joint venture or Associate of your Company during the financial year.

13.RELATED PARTY TRANSACTIONS

The contracts /arrangements/ transactions entered into by the Company during the FY 2024-25 were in the ordinary course of business and at arms lengths basis and were in compliance with the provisions of the Companies Act and SEBI Listing Regulations.



## Directors' Report

The details of such related party transactions are provided at Note No.45 which form part of the notes to financial statements.

As per clause (h) of Section 134 (3) of the Companies Act, 2013, the particulars of related party transactions are disclosed in Form No. AOC – 2 which is appended as **Annexure - I** to this Report.

Further your company has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions and has been approved by its Board. It can be accessed at <https://sskl.co.in/wp-content/uploads/2025/01/Policy-on-Related-Party-Transactions.pdf>.

### 14. PUBLIC DEPOSITS

Your Company has neither accepted nor repaid any deposits during the financial year ended on March 31, 2025. Further, there were no outstanding deposits as at the beginning of the FY or at any time during the financial year 2024-25. Hence, no details are required to be provided pursuant to Rule 8 (5) (v) & (vi) of the Companies (Accounts) Rules, 2014.

Further, your Company has not borrowed any amounts from its Directors during the FY ended March 31, 2025 and there were no amounts outstanding as on March 31, 2025.

### 15. LOANS, GUARANTEES AND INVESTMENTS:

During the year under review, your Company has not made any loans, investment or given any guarantee or provided any security as contemplated under Section 186 of the Companies Act, 2013.

### 16. ACCOUNTING TREATMENT

The Accounting Treatment is in line with the applicable Indian Accounting standards (IND-AS) recommended by the Institute of Chartered Accountants of India (ICAI) and prescribed by the Central Government.

As regards the Search and seizure of operations in the premises conducted in the month of May 2023 by the Income Tax department under section 132 of Income Tax Act, 1961, we would like to inform that the liability on the company upon the said search proceedings have been concluded upon payment of final tranche of demand liability in the month of April, 2025. More details in this regard are provided at Note No 37 under the head Notes to Financial Information forming part of Financial Statements.

### 17. AUDITORS:

#### a) STATUTORY AUDITORS

In accordance with the provisions of section 139 of the Companies Act 2013 and the rules made thereunder, M/s. Sagar & Associates (Regd No. FRN 003510S), Chartered Accountants, Hyderabad, the statutory auditors of your Company shall continue to hold their office till the conclusion of 18<sup>th</sup> Annual General meeting of the company at a remuneration fixed by the Board of Directors of your Company in consultation with Auditors as recommended by the Audit Committee.

The independent Auditor's report to the members of the Company in respect of financial statements for the financial year ended March 31, 2025 forms part of this annual report. The said Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Further the matter pertaining to search and seizure of operations as mentioned and Confirmation/reconciliation of Trade payables & Trade Receivables under "Emphasis of matter" in the Auditor's Report is self-explanatory and do not call for any further comments.

#### b) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Rules made thereunder, M/s SARC & Associates (Regd. No.006085N), Chartered Accountants, Visakhapatnam held the office of Internal Auditors of the Company for the FY 2024-25 and has been reappointed to the said office for the FY 2025-26.

#### c) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (LODR) Regulations 2015, M/s P. S Rao & Associates, Company Secretaries were appointed as Secretarial Auditors to conduct Secretarial Audit for the FY ended March 31, 2025. Copy of Secretarial Audit Report is attached herewith as **Annexure-II**.

As regards the observations made by the Secretarial Auditors, we would like to state as hereunder:

- i. Owing to delay in receipt of requisite documents, the particulars of creation of charge, as reported, could not be filed with the Registrar of Companies (MCA). Further, upon completion of procedural formalities and receipt of requisite

documents, the particulars of satisfaction of charges shall be filed with the Registrar of Companies (MCA). We assure that there was no malafide intention as such and further we assure of timely filings and compliances.

- ii. It is hereby confirmed that the wordmark, "Kalamandir" is presently owned by the Company and hence entitled to use the same, without any objection or hindrance from any party. However, owing to procedural delays, the registration formalities are yet to be completed in this regard.

Further, it is proposed to appoint M/s. P.S. Rao & Associates, Company Secretaries as Secretarial Auditors of your Company for a period of 5 (Five) consecutive financial years i.e., from the FY 2025-26 to FY 2029-30 to undertake Secretarial Audit for each of the said years and to issue i) Secretarial Audit Report and ii) Secretarial Compliance Report for the corresponding periods. Resolution forms part of Notice attached hereto.

#### d) COST RECORDS:

It is hereby confirmed that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence accounts and records related thereto are not required to be made or maintained.

#### Instances of fraud, if any reported by the Auditors

During the year under review, there was no instance of fraud, misappropriation which required the Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

### 18. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (3) (c) and Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) it has 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) it has 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) it has prepared the annual accounts on a going concern basis;
- (e) it has laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively;
- (f) it has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 19. RISK MANAGEMENT POLICY:

The Company has in place a Risk Management Policy, aimed at

- i) embedding the risk management as an integral part of our business processes;
- ii) establishing an effective system of risk identification, analysis, evaluation and treatment within all areas and at all functional levels of the Company;
- iii) avoiding / minimizing exposure to significant financial loss;
- iv) contributing to the achievement of the Company's objectives; and
- v) to assess the benefits and costs of implementation of available options and controls to manage the risk.

Further the Risk management policy is available on the company website at <https://sskl.co.in/wp-content/uploads/2022/07/Risk-Management-Policy.pdf>.

### 20. INTERNAL FINANCIAL CONTROLS:

Your Company has laid down internal financial controls through entity level controls, inter-alia to ensure orderly and efficient conduct of business, including adherence to Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements/



## Directors' Report

information, safe guarding of assets, prevention and detection of frauds and errors.

The evaluation of these internal financial controls has been done through the internal audit process established within the Company and the need based support of Internal Auditors. Based on the review of the reported evaluations, your Board confirms that, for the preparation of financial accounts for the year ended March 31, 2025 the applicable Accounting Standards have been followed and the internal financial controls are generally found to be adequate and were operating effectively and that no material weakness were noticed.

### 21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided at **Annexure-III** and forms part of this report.

### 22. CORPORATE RESPONSIBILITY:

Your Board of Directors and the CSR committee feel proud to mention that the CSR tenets are an integral part of our organization. Your Company has been undertaking CSR activities as a wholehearted endeavor, which is driven by the urge to do our bit to the society we live in.

As far as FY 2024-25 is concerned your company has undertaken the activities in the areas of Child education, Health, Scholarships, food to the poor people and welfare of challenged people on its own and in association with other entities which are eligible to carry out the CSR activities.

The Board has adopted a CSR policy, pursuant to the recommendation of the CSR committee, with a vision to actively contribute to the social and economic development of the communities in which your company operates and in doing so, build a better, sustainable way of life for the economically weaker sections of the society.

The Annual Report on CSR activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure-IV** to this report. The CSR Policy is posted on the website

of the Company and the web link is <https://sskl.co.in/wp-content/uploads/2022/07/CSR-Policy.pdf>

The CSR Committee, constituted by the Board, is in place and is actively involved in identifying areas as per the contemporary needs of the society. While identifying such areas, it ensures that the same are commensurate with the Company's Policy in general. Further, the Committee also supervises the progress of CSR activities of the Company.

The composition of the CSR Committee has been disclosed in "Corporate Governance report" of the Company which is presented in a separate section and forms part of the Annual report of the Company.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, your Company was required to spend an amount of ₹2.33 Crores towards CSR Activities for the financial year March 31, 2025. However, your Company's total expenditure towards CSR aggregated ₹2.54 Crores for the year ended March 31, 2025, thus exceeding its obligation. Out of the said amount of ₹2.54 Crores your Company spent ₹ 1.83 Crores through Kalamandir Foundation and ₹0.71 Crores was spent by the Company on its own & implementing agencies.

### 23. PREVENTION OF INSIDER TRADING

Your Company has adopted a code of conduct to regulate, monitor and report trading by insiders including specified persons and Designated persons, in accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider) Regulations, 2015 as amended from time to time.

Mr. M.K.Bhaskara Teja, Company Secretary is the Compliance officer for monitoring adherence to the said Regulations and the Code. The said code is disclosed on company's website at <https://sskl.co.in/wp-content/uploads/2022/07/Code-of-Insider-Trading.pdf>

### 24. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no orders passed by the Regulators/Courts / Tribunals that would impact the going concern status of your Company and its future operations.

### 25. REMUNERATION OF EMPLOYEES

Disclosures concerning the remuneration of Directors, KMPs and employees as per section 197

(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 forms part of the report as **Annexure-V**.

### 26. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015 is presented as a separate section forming part of the Annual Report of the Company as **Annexure-VI**.

### 27. CORPORATE GOVERNANCE:

Report on Corporate Governance and Certificate thereon by M/s P. S Rao & Associates, Company Secretaries regarding compliance of the conditions of corporate governance as stipulated in part C of schedule V of the SEBI (LODR) Regulations, 2015 are provided in a separate section and forms part of the Annual Report of the Company. Report on Corporate Governance is annexed as **Annexure-VII**.

A certificate from the Managing Director and the CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statement including cash flow statement, etc., forms part of the Annual Report.

### 28. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A Business Responsibility and Sustainability Report as per Regulation 34 (2) (f) of SEBI (LODR) Regulations, 2015 detailing the various initiatives taken by the Company on the environmental, Social and governance front forms part of this report and is enclosed as **Annexure-VIII**.

### 29. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

Your Company strongly supports the rights of all its employees to work in a harassment – free environment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual

harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Complaints Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action.

The composition of said committee may be referred in the section titled as **"Report on Corporate Governance"** attached herewith.

We further confirm that during the year under review, one complaint was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The POSH Committee conducted a thorough investigation, including a detailed discussion with the victim and gathered evidence from eyewitnesses. As an exemplary message to all our employees and establishing commitment to maintaining a harassment-free workplace, the Committee terminated the manager's employment and closed the complaint.

### Compliance with the provisions relating to the Maternity Benefits Act, 1961.

Your Company complies with the provisions of the Maternity Benefit Act, 1961, extending all statutory benefits to eligible women employees, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable. Your company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

### 30. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The company has in place a Vigil mechanism / whistle blower policy in terms of section 177(9) of the Companies Act, 2013 which enables employees, officers and stakeholders to freely convey their concerns about illegal or unethical practices. No person has been denied access to the chairman of the Audit Committee to lodge his/her grievances. The Vigil mechanism / whistle blower policy is available on the company's website <https://sskl.co.in/wp-content/uploads/2025/07/Annual-Return-2024-25.pdf>



Mr. Ravindra Vikram Mamidipudi, Independent Director and chairman of the Audit committee is the Head of the Vigil Mechanism; all the employees have direct access to report their concerns and complaints. During the year under the review, no complaint has been received.

The details of the vigil mechanism are provided in the **Annexure – IX** to this Report.

31.ANNUAL RETURN:

In accordance with section 134(3)(a) of the Companies Act 2013, a copy of Annual Return in the prescribed format i.e., Form MGT-7 is placed on the website of the Company, <https://sskl.co.in/wp-content/uploads/2025/07/Annual-Return-2024-25.pdf>.

32.SECRETARIAL STANDARDS:

The Company has complied with the applicable clauses of the Secretarial Standards (SS-1 SS-2 and SS-3) issued by The Institute of Company Secretaries of India.

33.INSOLVENCY AND BANKRUPTCY CODE, 2016 & STATUS THEREOF

During the year under review, neither any application was made nor any proceeding stands pending under the Insolvency and Bankruptcy Code, 2016, as on March 31, 2025.

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

Not applicable (As there were no instances of one-time settlement with the Banks or financial institutions during the year under review)

35.ACKNOWLEDGEMENTS:

We place our hearty thanks to all our Business Partners, Weavers and vendors, customers and other Stakeholders and more importantly the employees of the Company, who have provided their unflinching support throughout and till date. We also extend our thanks to all our bankers and investors who has reposed their trust in our Company and its management.

For and on behalf of the Board of Directors

Sd/-  
**Ravindra Vikram Mamidipudi**  
Chairman  
DIN:00008241  
  
Place: Hyderabad  
Date: July 25, 2025

Form No. AOC-2

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

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 arms' length transactions under third proviso thereto

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

The Company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the expected contractual amount	Date(s) of approval by the Board, if any	Actual Contractual ₹ in Cr	Amount paid as advances, if any ₹ in Cr
AC Holdings (Enterprise over which Directors having significant influence)	Lease Deed (Expenses)	10 years with effect from April 01, 2024	Lease Rentals for office premises at Hyderabad and other properties (for Employees accommodation) at Bhimavaram, Visakhapatnam, Vijayawada and Coimbatore.	May 24, 2024	1.37	0.25
Sumaja Creations (Enterprise over which Directors having significant influence)	Advertisement (Expenses)	1 year with effect from April 01, 2024	Advertisement and publicity services as per the agreement	May 24, 2024	1.44	Nil
Soul of Pluto Tech LLP (Enterprise over which Directors having significant influence)	Software & software maintenance services (Expenses)	10 years	Software licensing & servicing agreement. 40 lacs per month maximum.	September 04, 2024	4.20	Nil
Soul of Pluto Tech LLP (Enterprise over which Directors having significant influence)	Rent (income)	9 years	Lease rentals for Office premises ₹1,15,000 per month (to be enhanced in terms of Agreement)	May 24, 2024	0.14	0.06

For and on behalf of the Board of Directors

Sd/-  
**Ravindra Vikram Mamidipudi**  
Chairman  
DIN:00008241  
  
Place: Hyderabad  
Date: July 25, 2025





## Directors' Report

## Annexure – II

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

## For the Financial Year ended March 31, 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,  
**SAI SILKS (KALAMANDIR) LIMITED**  
6-3-790/8, Flat No. 1, Bathina Apartments  
Ameerpet, Hyderabad- 500016.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAI SILKS (KALAMANDIR) LIMITED**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder
- Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings–Not applicable to the Company during the audit period.

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - The Monitoring Agency appointed to monitor the utilization of funds raised in the IPO (conducted during the FY 2023-24) is providing its Report on quarterly basis.
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - Subsequent upon issue and allotment of shares, pursuant to an ESOP Plan formulated by the Company, to SSKL Employees Trust, while the Company was unlisted, i.e., during the FY 2022-23, there has been no action taken / event occurred during the Financial Year under review which would otherwise require compliance of aforementioned regulations.
  - The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
  - 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;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period); and
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018(Not

applicable to the Company during the audit period);

- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

## vi. Other laws applicable specifically to the Company

We have been informed that generally applicable laws such as fiscal laws, labour laws and trade related laws etc., alone are applicable to the Company. However, the Company having entered the e-commerce segment, we have, inter alia, examined the compliance of Consumer Protection (E-Commerce) Rules, 2020. Further, we have also examined the compliance of Consumer Protection Act, 2019 and Trade Marks Act, 1999.

We have also examined compliance with the applicable clauses of Secretarial Standards, i.e., SS-1 and SS-2, as amended from time to time, issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- In one instance, particulars of creation of charge by way of hypothecation in favour of ICICI Bank in connection with a vehicle loan and in other two instances, particulars of satisfaction of charges with Toyota Financial Services India Limited and Daimler Financial Services India Private Limited, remains to be filed / registered with the Registrar of Companies (MCA).*
- The deed of assignment of wordmark "Kalamandir" remains to be registered in favour of the Company.*

We further report that:

The Board of Directors of the Company is duly constituted with requisite number of Independent Directors and woman Director as per the provisions of Companies Act, 2013 and SEBI Listing Regulations. No change in the composition of the Board of Directors has taken place during the period under review, except reappointment of Director upon retirement by rotation, which was in compliance with the provisions of the Companies Act, 2013.

As per the information provided by the Company, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent sufficiently in advance as per the confirmation given by the management, 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.

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

We further report that:

- As per the information provided by the management, 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. The offer documents filed by the Company with SEBI and other authorities in connection with its IPO had a mention of certain risks and concerns as perceived by the Board of Directors. We have been informed that none of the said risks and concerns, related to compliances forming part of our review, had any major bearing on the Company's affairs during the year under audit.
- During the audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs, except as laid hereunder:
  - As regards the Search and seizure of operations in the premises conducted in the month of May 2023 by the Income Tax department under section 132 of Income Tax Act, 1961, the liability on the company upon the said search proceedings has been concluded upon payment of final tranche of demand liability subsequent to close of FY under review.

**For P.S. Rao & Associates**  
Company Secretaries

**Vikas Sirohiya**  
Partner

M.No. 15116

C.P. No: 5246

Peer Review No. 6678/2025

ICSI Unique Code: P2001TL078000

UDIN: A015116G000862160

Place: Hyderabad

Date: July 25, 2025





Directors' Report

Annexure – A

To,  
The Members,  
**SAI SILKS (KALAMANDIR) LIMITED**  
6-3-790/8, Flat No. 1, Bathina Apartments  
Ameerpet, Hyderabad- 500016

Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For P.S. Rao & Associates**  
Company Secretaries

**Vikas Sirohiya**  
Partner  
M.No. 15116  
C.P. No: 5246  
Peer Review No. 6678/2025  
ICSI Unique Code: P2001TL078000  
UDIN: A015116G000862160

Place: Hyderabad  
Date: July 25, 2025

Annexure - III

**CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO:**

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

**A. Conservation of Energy: NA**

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the Company for utilizing alternate sources of energy;
- iii. the capital investment on energy conservation equipment;

**B. Technology Absorption: NA**

- i. The efforts made towards technology absorption;
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - the details of technology imported; the year of import;
  - whether the technology been fully absorbed;
  - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
  - the expenditure incurred on Research and Development.

**C. Foreign Exchange Earnings and Outgo during the year:**

Foreign Exchange Earned: Nil

Foreign Exchange Outgo: Nil

**For and on behalf of the Board of Directors**

Sd/-  
**Ravindra Vikram Mamidipudi**  
Chairman  
DIN:00008241

Place: Hyderabad  
Date: July 25, 2025



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

This CSR Report pertains to the period commencing on April 01, 2024 and ending on March 31, 2025

Brief outline of the Company's CSR policy, including overview of projects or programmes undertaken and a reference to the CSR policy and projects /programmes:

1. CSR Policy:

CSR Vision Statement & Objective

CSR Vision:

In alignment with its vision, as a socially responsible corporate citizen, Sai Silks (Kalamandir) Limited (SSKL) will continue to enhance value creation in the society and community in which it operates. Through its conduct, services, and CSR initiatives it will strive to promote sustained growth in the surrounding environs.

Objective:

- i. To operate its business in a sustainable manner respecting the society and the environment, while recognizing the interests of all its stakeholders.
- ii. To also take up directly or indirectly programs that will benefit the communities in and around its malls/stores/shopping complexes which will over a period of time enhance the quality of life and economic well-being of the local residents.
- iii. Through its regular services and additionally through its CSR initiatives, SSKL will generate community goodwill and create a positive image of SSKL as a socially responsible corporate.

Resources:

1. 2% of the average net profits of the Company made during the three immediately preceding financial years.
2. Any income arising therefrom.
3. Surplus arising out of CSR activities

Identification of CSR activities:

The CSR activities are identified upon receipt of applications, representations received from community representatives, NGO's, Panchayat or Govt. agencies requesting company's assistance. Further, SSKL on its own or through any other eligible Trust/Society also identifies CSR activities to be taken up during a particular period.

Areas Identified for CSR activities:

The areas where the Company intends to focus its CSR activity are listed below. This is not an exhaustive list and the Company may include other activities, based on the areas identified and the need for improvement by the CSR Committee:

1. Support the economically backward and children in need of health and education;
2. Support the humanity during the natural calamities, donation of clothes to flood relief camps;
3. Collaborate in the initiatives of other NGOs for the cause of fostering the needy children health care;
4. Support the initiatives that would help the public at large in understanding the health hazards;
5. Conduct the workshops and create awareness about conservation of natural resources;
6. Promote the activities, which would support the welfare and well-being of the Weavers Community;
7. Eradicating extreme hunger and poverty;
8. Infrastructure Development (village roads, culverts, bus shelters, solar lighting etc.);
9. Ensuring environmental sustainability;
10. Drinking water / Sanitation;
11. Healthcare;
12. Community Development;
13. Education and vocational training;
14. Skill Development;
15. Child care and nutrition.

SSKL will engage in the above activities independently or in such manner that it will complement the work being done by local authorities wherever necessary in such a manner that, the work executed by SSKL or through any other eligible Trust/Society will offer a multi fold benefit to the community.

Implementation Process:

A CSR Cell has been formed to identify various projects / Programmes suitable as per the policy of the Company. These identified projects / Programmes are scrutinized by the CSR Committee and selected for implementation.

Monitoring:

The coordinators periodically inspect & report the progress of work commissioned every quarter and submit a report to CSR Committee.

2. Composition of the CSR Committee:

- Mr. Ravindra Vikram Mamidipudi, Chairman

• Mr. Nagakanaka Durga Prasad Chalavadi, Member

• Mr. Kalyan Srinivas Annam, Member
3. The web-link where composition of CSR Committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company:  
  
weblink: <https://sskl.co.in/wp-content/uploads/2025/07/CSR-Policy.pdf>
4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not applicable
5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any: Nil

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	FY 2023-24	Nil	Nil
2	FY 2022-23	Nil	Nil
3	FY 2021-22	Nil	Nil
Total		Nil	Nil

6. Average Net Profit of the Company as per Section 135 (5) of the Act: ₹ 116,86,17,351
7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act: ₹ 2,33,72,347  
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil  
(c) Amount required to be set-off for the financial year, if any: Nil  
(d) Total CSR Obligation for the financial year (7a +7b -7c) : ₹ 2,33,72,347
8. (a) CSR amount spent or unspent for the financial year 2024-25:

Total amount spent for the Financial Year (in Rupees)	Amount unspent (in Rupees)				
	Total amount transferred to unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under schedule vii as per the second provision of Section 135 (5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 2,54,58,300/- Two Crore Fifty Four Lakhs Fifty Eight Thousand, Three Hundred only.	-		-	-	-





Directors' Report

(b) Details of CSR amount spent against ongoing projects for the Financial year 2024-25 : NIL

S No	Name of the Project	Item from the List of Activities in Schedule VII to the Act	Local Area (Yes/No)		Location of the Project		Project Duration	Amount allocated for the Project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR Account for the Project	Mode of Implementation - Direct (Yes/No)	Name	CSR Reg No.
			State	District	State	District							
-	-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the FY 2024-25:

S No	Name of the Project	Item from the List of Activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Name	CSR Reg No.
				State	District				
1	Promotion of Health Care	Promotion of Health Care	Yes	Telangana	Hyderabad	15,00,000	No	K C Pullaiah Foundation	CSR000002022.
2	Promotion of Health Care	Promotion of Health Care	Yes	Telangana	Hyderabad	5,00,000	No	Rotary Club Of Banjarahills Charitable Trust	CSR000002050.
3	Promotion of Health Care	Promotion of Health Care	Yes	Telangana	Hyderabad	6,00,000	No	Vijayadevi Foundation	CSR000023349.
4	Promoting Education	Promoting Education	Yes	Telangana	Hyderabad	3,85,000	No	Shri Saibaba Temple Trust	CSR000080740.
5	Promoting Education	Promoting Education	Yes	Telangana	Hyderabad	2,00,000	No	Universal Human Welfare Association	CSR000059414.
6	Promotion and development of Traditional arts	Promotion and development of Traditional arts	Yes	Telangana	Hyderabad	29,62,000	No	The Handloom Futures Trust	CSR000011700.
7	Promoting Education	Promoting Education	Yes	Andhra Pradesh	Chittoor	2,00,000	No	Sri Pratyaksha Charitable Trust	CSR000004025.
8	Setting up old age homes	Setting up old age homes	Yes	Andhra Pradesh	Chittoor	2,00,000	Yes	-	-
9	Promotion of National Sports	Promotion of National Sports	Yes	Andhra Pradesh	Vijayawada	3,00,000	Yes	-	-
10	Promotion of Health Care	Promotion of Health Care	Yes	Telangana	Hyderabad	3,15,000	Yes	-	-
11	Promoting Education	Promoting Education	Yes	Telangana, Andhra Pradesh, Tamil Nadu, Karnataka	Hyderabad, Bengaluru, Chennai, Visakhapatnam	1,09,51,571	No	Kalamandir Foundation	CSR000009299
12	Promoting Health care	Promoting Health care	Yes	Telangana, Andhra Pradesh, Tamil Nadu, Karnataka	Hyderabad, Bengaluru, Chennai, Visakhapatnam	7,47,460	No	Kalamandir Foundation	CSR000009299
13	Poverty, Hunger, Malnutrition	Poverty, Hunger, Malnutrition	Yes	Telangana, Andhra Pradesh, Tamil Nadu, Karnataka	Hyderabad, Bengaluru, Chennai, Visakhapatnam	65,97,269	No	Kalamandir Foundation	CSR000009299

- (d) Amount spent in administrative overheads: **Nil**
- (e) Amount spent on impact assessment, if applicable: **Not applicable**
- (f) Total amount spent for the financial year (8b+8c+8d+8e) : **₹ 2,54,58,300**
- (g) Excess amount for set off, if any: **₹ 20,85,953 /-**

Sl. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	2,33,72,347
(ii)	Total amount spent for the Financial Year	2,54,58,300
(iii)	Excess amount spent for the financial year [(ii)-(i)]	20,85,953
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S No	Preceding Financial year	Amount transferred to Unspent CSR Account number under Section 135(6) (in ₹)	Amount spent in the reporting year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	FY 2023-24	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	FY 2022-23	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3	FY 2021-22	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year: **Nil**

S No	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not applicable**
11. Specify the reason (s), if the Company has failed to spend two percent of the average net profit as per Section. 135(5): **Not Applicable**

For and on behalf of the Board of Directors

Sd/-  
**Ravindra Vikra Mamidipudi**  
Chairman of the Board  
DIN 00008241

Sd/-  
**Ravindra Vikra Mamidipudi**  
Chairman of CSR Committee  
DIN 00008241

Place: Hyderabad  
Date: July 25, 2025





Annexure-V

Details pertaining to remuneration as required under section 197 (12) read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

a. The ratio of remuneration of each director to the median remuneration of the employees of the Company for 2024-25.

The median remuneration of employees of the company during 2024-25 was ₹ 1,97,806 and ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year is provided in the table below:

S. No	Name of the Director	Designation	Remuneration of Director for FY 2024-25 ₹ in Cr	Ratio of Remuneration of each Director to Median Remuneration of employees for FY 2024-25
1	Mr. Nagakanaka Durga Prasad Chalavadi	Managing Director	5.00	253
2	Mr. Kalyan Srinivas Annam	Whole Time Director	1.99	101
3	Mr. Doodeswara Kanaka Durgarao Chalavadi	Whole Time Director	0.39	20

Note: Apart from the Directors mentioned above no other Director draws any remuneration except sitting fee.

b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

The percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in 2024-25 is provided in the table below:

S.No	Name of the Director / KMP	Designation	% increase in Remuneration in 2024-25
1	Mr. Nagakanaka Durga Prasad Chalavadi	Managing Director	Nil
2	Mr. Kalyan Srinivas Annam	Whole Time Director	Nil
3	Mr. Doodeswara Kanaka Durgarao Chalavadi	Whole Time Director	Nil
4	Mr. K.V.L.N. Sarma	Chief Financial officer	Nil
5	Mr. M.K. Bhaskara Teja	Company Secretary & Compliance officer	Nil

c. The percentage increase in the median remuneration of employees in the financial year; 3.23 %

d. The number of permanent employees on the rolls of the Company: 6439 Employees

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

There has been no increase in Managerial Remuneration during the FY 2024-25. Average percentile increase made in the salaries of the employees other than the managerial personnel in this financial year i.e.; 2024-25 is 6.87% (approx.)

f. The key parameters for any variable component of remuneration availed by the directors; No Variable Component of payment to Directors

g. Affirmation that the remuneration is as per the remuneration policy of the company.

It is hereby affirmed that the remuneration is paid as per the Nomination and Remuneration policy of the Company.

Statement of particulars of employees pursuant to section 197 of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Details of the Employees (other than Executive Directors) who employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees

S. No	Employee Name	Designation	Remuneration for FY 2024-25	Nature	Qualification & Experience of Employee	Date of joining	Age years	Previous Employment	% of shares	Relative of Director
1	Mr. K.V.L.N Sarma	CFO	1,08,00,000	Regular	B. Com, Member of Institute of cost accountant of India & 37 years of experience in Finance	01.03.2022	66	CCL Products Limited	Negligible	Nil

List of Top 10 Employees in terms of remuneration drawn

S. No	Employee Name	Designation	Remuneration for FY 2024-25	Nature	Qualification & Experience of Employee	Date of joining	Age years	Previous Employment	% of shares	Relative of Director
1	Ms. Jhansirani Chalavadi	Senior VP Retail	99,99,996	Regular	B. Com	September 28, 2005	56	Nil	2.28	Wife of Nagakanaka Durga Prasad Chalavadi
2	Mr. Venkata Rajesh Annam	Senior VP Operations	89,00,004	Regular	B. Com	September 28, 2005	45	Nil	0	Brother of Kalyan Srinivas Annam
3	Mr. Subash Chandra Mohan Annam	Senior VP	81,58,337	Regular	B. Com & MBA	September 28, 2005	49	Sai Retail India Limited	0	Brother of Kalyan Srinivas Annam
4	Mr. R Bharadwaj B	Senior VP IT & E commerce	54,00,000	Regular	B Tech & MBA	January 01, 2018	34	M & T Bank	0	Son in law of Nagakanaka Durga Prasad Chalavadi
5	Mr. Chakradhar B	Head of Sourcing	44,75,624	Regular	B. Com & MBA	November 01, 2005	49	Self-employment	Nil	Nil
6	Mr. Mohana Durgarao Chalavadi	Senior VP Operations	39,00,000	Regular	B. Tech & M. Tech	June 01, 2012	55	JPMorgan Chase Bank, Sophos, Inc. and Endforce	0	Brother of Nagakanaka Durga Prasad Chalavadi
7	Mr. Uday Kumar Chidella	Sourcing Executive	33,89,387	Regular	SSC	September 28, 2005	49	Self-employment	0	Nil
8	Mr. Prasad Ambati	Sourcing Executive	30,45,608	Regular	Matriculation	April 01, 2006	48	Bommana Brothers	0	Nil
9	Mr. Sambasivarao Devara	Sourcing Executive	30,59,595	Regular	7 <sup>th</sup> Class	September 28, 2005	50	Kalanikethan	0	Nil
10.	Mr. Venkata Gana Suresh Manepalli	GM Finance	30,00,000	Regular	B.Com, Member of ICAI	July 01, 2023	38	G.V & Co	0	Nil





Annexure-VI

Management Discussion and Analysis

1. Economic Scenario

India retained its status as the world’s fastest-growing major economy in the Financial Year 2025, with GDP rising by 6.5%. Despite global challenges ranging from trade disruptions and geopolitical tensions to financial market volatility the Indian economy demonstrated remarkable resilience, supported by strong macroeconomic fundamentals, policy stability and a sound monetary system.

Robust public sector investments and large-scale infrastructure development were key growth drivers, effectively counterbalancing subdued private consumption. The government’s focus on capital expenditure in transportation, energy and digital infrastructure sustained momentum, even as household spending faced pressure from elevated inflation at times.

Policy efforts remained firmly committed to building a transparent, rules-based environment that fosters investment and innovation. Structural reforms to strengthen manufacturing, improve domestic supply chains, accelerate digital adoption and advance sustainability remained central priorities. The broader vision of achieving “Viksit Bharat” (Developed India) by 2047 continues to shape India’s medium- and long-term policy trajectory.

Outlook

Looking ahead, the RBI forecasts GDP growth of 6.5% for FY26, with inflation expected to remain within its target range of 4%, supported by stable commodity prices and steady demand. While India’s macroeconomic and financial fundamentals remain strong, the outlook carries some risks. Geopolitical uncertainties, including recent border tensions and shifting global conditions could impact market sentiment and external trade flows. However, the country’s sustained progress in domestic reforms and its resilient economic base position India well on the global stage, creating a solid foundation for continued growth and development.

India’s GDP Growth Trend (%)

FY22	FY23	FY24	FY25
9.1	7.2	8.2	6.5

Source: Ministry of Statistics and Program Implementation (MoSPI)

2. Industry Review

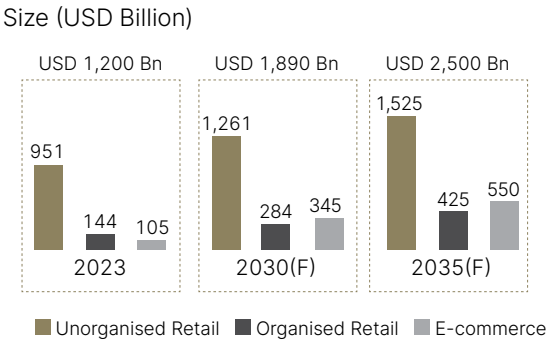
2.1 Indian Retail Industry

The retail industry in India has long been a vibrant and dynamic sector, deeply embedded in the country’s economic and cultural fabric. Over the years, it has undergone significant transformation—continually adapting to shifting consumer preferences, technological advancements and evolving market dynamics. Today, as the landscape is reshaped by ongoing geopolitical developments, India’s retail sector stands on the cusp of a new era filled with promise and potential.

As a key pillar of the Indian economy, the retail sector ranks among the world’s top five markets and is set to become the third-largest consumer market by 2030, behind only China and the United States. This strong growth trajectory highlights the sector’s immense potential.

Valued at USD 780 billion in 2019, India’s retail market surged to USD 1,200 billion within four years, despite the pandemic’s disruptions, driven by rising demand across food, beverages, luxury jewellery, and apparel. Looking ahead, the market is projected to reach USD 2,500 billion by 2035, growing at a CAGR of 6%.

Indian Retail Growth



Source: ANAROCK Research

Growth drivers

Favourable demographics	<ul style="list-style-type: none"><li>Young population: Approximate 29% of the country are youth.</li><li>Rising middle class: Nearly 40% of the population is middle class</li><li>Urbanisation: The urban population is expected to reach 40% by 2036</li><li>Changing lifestyle, evolving consumption patterns and favourable government initiatives have been the growth engines</li></ul>
Rising income	India's per capita income is expected to be INR 14.9 Lakh in 2047 from INR 2.12 Lakh in 2023-24
Easy credit availability	Credit card spending in 2024-25 increased nearly 5% reaching approximately INR 1.7 trillion. India's credit card market to touch 200 million cards in 5 years, with the growth doubling in just half the time.
Brand consciousness	Brand consciousness is influenced by economic, cultural and technological factors. This has pushed brands to be agile, continually innovate to achieve a competitive edge.

Outlook

The transition from unorganised to branded retail and the rise of e-commerce have transformed shopping behaviour. Going forward, the sector will keep evolving through AI-powered automation, hyper-personalised customer experiences, sustainability-focused practices and the rapid expansion into Tier 2 and Tier 3 cities all set to fuel the next wave of growth.

2.2 Indian Textile Industry

The textile industry has long served as a vital pillar of the Indian economy, contributing significantly to production, employment, and exports. Renowned for its rich heritage of fabrics and craftsmanship, the sector is undergoing a major transformation, driven by policy reforms, sustainability initiatives, and evolving global supply chains. As the Indian textile market aspires to strengthen its position as a global brand, it faces both promising opportunities and inherent challenges while responding to rising domestic demand

Market size and growth

By 2025, India's textile and apparel industry is projected to reach an estimated size of USD 225 Billion, up from approximately USD 165 billion in 2022 reflecting a robust compound annual growth rate of 10–12%. The domestic market remains the primary growth engine, fuelled by rising incomes, rapid urbanisation, and shifting fashion preferences.

Technological advancements and sustainability

India’s textile industry is increasingly embracing technology and sustainable practices. Manufacturers are adopting automation, AI, IoT-enabled machinery, and digital fabric printing to boost efficiency, enhance customisation, and streamline production. Digital textile printing, in particular, is growing at over 10% annually, fuelled by the rise of e-commerce and fast fashion.

On the sustainability front, the industry is shifting toward eco-conscious operations embracing organic cotton, recycled fabrics and dyes, recyclable textiles, and zero liquid discharge systems driven by growing consumer demand for environmentally responsible products.

E-commerce and changing consumer trends

E-commerce continues to reshape the textile landscape, allowing both established players and direct-to-consumer (D2C) brands to access wider audiences. By 2025, India’s e-commerce market is expected to reach USD 160 billion, with apparel and textiles representing a significant share.

This digital surge has accelerated demand for niche segments such as athleisure, fusion wear, and sustainable fashion. Alongside these modern categories, there is renewed interest in traditional, culture-based, and ethnic wear specifically for handlooms, artisanal embroideries and regional specialties reflecting consumers’ desire to celebrate heritage while embracing contemporary styles.

Government initiatives and support

In the near future, the Indian textile industry’s growth is expected strongly backed by targeted government initiatives. The Production Linked Incentive (PLI) scheme, with an allocation of INR 10,683 Crore, has driven substantial investments in man-made fibres and technical textiles, generating thousands of new employment opportunities.

The PM MITRA scheme envisions the development of seven mega textile parks across different states. These parks are designed to offer integrated infrastructure, cost-effective logistics, and end-to-end value chain efficiencies to boost competitiveness. Additional support comes through tariff reforms, technology upgrades, and initiatives to promote start-ups in the technical textiles space, all contributing to the sector’s modernisation and global positioning.





## Directors' Report

### Outlook for the Future

With further reforms and infrastructure upgrades, India could target textile exports of USD 65 billion or more by FY 2026. Achieving this ambition will require strengthening domestic manufacturing capacities, advancing technical textiles, improving ease of doing business, and investing in green technologies to enhance global competitiveness. In 2025, the industry stands at a dynamic inflection point, where traditional strengths in weaving, handloom, and handmade textiles intersect with modern innovations and government incentives.

India's rich legacy of artisanal craftsmanship from intricate handwoven fabrics to region-specific techniques remains a core differentiator in global markets that increasingly value authenticity and sustainability. The combination of heritage skills, contemporary design, and quality infrastructure is paving the way for a new era of growth. To fully realise this potential, the sector must overcome structural challenges, scale efficiencies, and embed sustainable practices across the value chain. If successful, India is poised to emerge as a true global textile powerhouse, celebrating both its cultural heritage and its modern manufacturing capabilities.

### 2.3 Apparel Industry

The Indian apparel market is expected to expand at a compound annual growth rate (CAGR) of 9.7% between 2024 and 2028, reaching USD 50 billion by the end of the forecast period. This growth will be propelled by rising disposable incomes, shifting fashion trends, and the growing popularity of online shopping platforms.

The ethnic wear market is India's largest apparel category, and the share of the organised segment within this market is growing rapidly. Previously dominated by unorganised players, this shift offers significant opportunities for branded players.

#### Growth drivers

#### 1. Customer experience & omnichannel

Brands now prioritise seamless experiences across online and offline touchpoints, making convenience a core differentiator.

#### 2. Premiumization & luxury growth

Rising incomes, social media, and easy credit are driving demand for high-quality, premium products, especially in fashion.

#### 3. Value fashion expansion

Affordable, trend-driven clothing is booming, as youth and budget-conscious shoppers seek stylish options at accessible prices.

#### 4. Social marketing & community building

Brand communities strengthen loyalty, boost retention, and help tailor products through insights from customer data.

#### 5. E-commerce & digital payments

E-commerce is surging, with Tier II and III cities leading growth. Digital payments, EMIs, and ONDC are further accelerating adoption.

#### 6. Shift to sustainability

Circular fashion and sustainable practices are becoming mainstream, as brands reduce waste and meet eco-conscious consumer demand.

According to Credence Research, the India women's apparel market is projected to grow from USD 28,786.82 Million in 2023 to USD 45,491.96 Million by 2032, at a CAGR of 5.21% between 2024 and 2032. This growth is driven by rising disposable incomes, increasing demand for fashion-forward clothing, and a larger base of working women.

Key factors fuelling expansion include growing fashion-consciousness, evolving consumer preferences, and deeper e-commerce penetration. Social media influence, celebrity endorsements, and lifestyle shifts also play a significant role. Emerging trends such as sustainable fashion, the rise of athleisure, ethnic wear and the demand for customised and personalised products are further shaping the market's future.

#### Women's apparel is a faster growing market

##### Supply-side structural shifts

- Entry of domestic and international branded players
- Expansion of modern retail and organised trade formats

##### Demand-side structural shifts

- Rise in discretionary spending
- Increasing number of working women
- Shift from need-based to aspiration-driven consumption

### Outlook

India's retail sector is in specific the garment market poised for significant growth, bolstered by its vast population, accelerating urbanisation, increasingly connected rural consumers, and rising economic activity. With over half of the population under 30, young consumers are a powerful driver of demand. A significant share of the fashion market remains unorganised, creating ample opportunities for organised players to expand. As shoppers become more brand-conscious and seek higher-quality experiences, organised retail is expected to gain substantial ground. Ethnic and value fashion will also

benefit as consumers transition from unbranded to branded products.

The trajectory is expected to be driven with contribution from all segments, ethnic wear, modern wear, casual wear and also fashion accessories

Digital transformation is further reshaping the market. The spread of e-commerce, smartphones, and internet access is making fashion more accessible, while also delivering a more personalised and convenient shopping experience.

### 2.4 Indian Silk Sector

Silk is associated with Indian heritage and culture since time immemorial. Indians have a strong cultural bond with silk products. In the modern age of convenience clothing, athleisure, Indian women aspire and choose to buy the best of the sarees, lehengas, ghagras and other traditional Indian women attire crafted from silk with intricate work. A silk garment is the "pride of the women wearing it and envy for the other women.

India remains the world's second-largest producer of silk, accounting for over 30% of global output, with Karnataka, Andhra Pradesh, Tamil Nadu, West Bengal, and Jharkhand as key production hubs. The Indian silk industry is projected to grow steadily, driven by rising domestic demand for traditional attire such as sarees, lehengas, and dupattas, as well as increased exports to the US, Europe, and Southeast Asia.

India's raw silk production reached 34,042 metric tonnes during the April-January period of 2024-25, marking a significant increase of nearly 10,000 metric tonnes from 24,299 metric tonnes recorded in the same period of 2014-15. This growth reflects the impact of several government initiatives strategically designed to strengthen the sericulture sector. Programmes such as the Catalytic Development Programme, the North East Region Textile Promotion Scheme (NERTPS), the Integrated Scheme for the Development of the Silk Industry, and the Silk Samagra initiatives have played a pivotal role in modernising production practices, improving quality standards, and expanding output across key silk-producing states.

Employment generation remains one of the most important contributions of the silk sector, with an estimated 80.90 lakh people engaged in sericulture activities as of January 2025—71.2 lakh in direct employment and 9.7 lakh in indirect roles. This underlines the industry's critical role in supporting rural livelihoods. Quality improvements have also been prioritised through the establishment of 109 Automatic Reeling Machines across the country, enabling the production of international-grade 3A

and 4A silk, further strengthening India's position in the global silk market.

To sustain this momentum, the Central Silk Board is implementing the Silk Samagra-2 scheme, with a total allocation of ₹4,679.85 crore for 2021-26. Under this programme, ₹1,075.58 crore has already been disbursed, benefiting approximately 78,000 stakeholders involved in pre- and post-cocoon activities such as silkworm rearing, kisan nurseries, infrastructure development, and post-cocoon processing.

Research and development initiatives have further contributed to higher productivity and better alignment with the government's vision of Aatmanirbhar Bharat (Self-Reliant India) in silk production. Over the last three years, Andhra Pradesh and Telangana alone have received ₹72.50 crore and ₹40.66 crore respectively to implement beneficiary-oriented components of the scheme, bolstering regional supply chains. Overall, India's ongoing investment and policy support are expected to enhance the sector's global competitiveness, create more employment opportunities, and increase its contribution to textile and handloom exports.

### Outlook

Consumer spending on weddings, festivals, and cultural celebrations continues to fuel demand for premium and handloom silks, while government initiatives like the Silk Samagra 2.0 scheme are supporting sericulture development, technology upgrades, and skill training for artisans. Sustainability is also gaining prominence, with growing interest in organic, eco-friendly silk production and traceable supply chains.

Overall, India's silk sector is expected to see healthy expansion, balancing heritage craftsmanship with innovation and responsible production practices to meet evolving consumer expectations at home and abroad.

## 3. Company Overview

Your Company is a leading player in the ethnic women's wear especially sarees in South Indian states of Telangana, Andhra Pradesh Karnataka, Tamil Nadu and Pondicherry through various formats-Kancheepuram Varamahalakshmi, Kalamandir and Mandir. The company also operates in the value fashion segment through KLM Fashion Malls in Andhra Pradesh, Telangana and Karnataka.

Indian women, South Indian women in particular, have a strong cultural and sentimental bonding with the saree. Saree is the preferred dress code at festivals,



Directors' Report

celebrations, functions and events across India, more specifically in South India.

Women irrespective of age, strongly prefer to look at a saree in the day light, feel the fabric before deciding to buy a particular piece. Also, traditionally buying for celebrations and events is done by a group of women from the family and friends visiting an outlet and only after deliberating on the fabric, colour, design and various other intricate details. The showrooms of the Company have been designed to meet the above unique shopping experience. All formats are designed to induce a festive, joyful atmosphere with a touch of divinity to the customers.

The company's sales strategies have been designed to give best of the following characteristics:

- P** Price
- Q** Quality
- R** Range
- S** Service

Women across segments demand huge range before buying a garment, all the more a saree. Once the design is chosen, the quality and price are double checked by the customer before the billing. Apart from price, quality and range, availability of tailoring services, other accessories within the outlet play a significant role in fructifying a sale. The showrooms of the company offer extremely high-quality services in:

- a. Articulated explanation of the saree comprising of fabric, design, color, trend and other factors
- b. Professional tailors for accessories including delivery of the accessory at the desired location of the customer

c. **Brands:**

**Kalamandir:**

'Kalamandir' the flagship brand, was launched in September, 2005. The brand was launched to capture the larger market for ethnic wear for the entire family. Kalamandir showrooms are operational in cities and towns in Andhra Pradesh, Telangana and Karnataka enjoying good patronage and brand recall.

**Mandir:**

Mandir format was launched to offer sarees, lehengas and other ethnic women's wear customised with intricate art work, both with thread and other material. Mandir caters to the hyper customised ethnic fashion requirements for customers willing to pay higher premium customization. Customers interact with the staff at the showroom to explain the desired

customization. A dedicated workshop with artisans works to deliver the final product with precise customization. Mandir showrooms are located in the niche residential and business localities in Hyderabad- Telangana.

**Kancheepuram Varamahalakshmi:**

Kancheepuram Varamahalakshmi format offers sarees across outlets including ethnic wear at select outlets. Kancheepuram Varmahalakshmi stores have a pious and serene store layout displaying the rich cultural heritage of the country. The showrooms have ethnic interior with murals, art works and paintings clubbing the cultural values and divinity.

Kancheepuram Varamahalakshmi format launched on 31<sup>st</sup> July, 2011 for selling sarees sourced from Kancheepuram and other major weaving centres, now has a curated collection of pure silk and handloom sarees sourced directly from weavers across the country to meet the diverse ethnic requirements of customers. With wide range across designs and prices, these showrooms are a 'one-stop' location for buying sarees for wedding, festivities and all other events, doing away with the cumbersome activity of moving around various outlets for shopping. Customers across cities and towns vouch the tag line of the format 'PQR – Price Quality Range'. Customers to this format leave with a unique experience assisted by well-trained saree drapers and the inputs provided by the sales personnel on the product, design and prevailing trends to customers across age groups.

The 'temple' style elevation for ethnic women's wear was adopted for first time in the market by your company for Kancheepuram Varamahalakshmi format. The adoption of temple elevation by major saree retailers in South India subsequent to our unique elevation in 2011 demonstrates the popularity of the format.

Kancheepuram Varamahalakshmi format, the key growth driver for the company operates across cities and towns in Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and Pondicherry. Showrooms under this format are being rolled across towns and cities in South India in a big way.

**KLM Fashion Mall:**

Your company identified the market potential in value fashion and launched KLM Fashion Mall in the year 2017 across cities and towns in Andhra Pradesh, Telangana and Karnataka.

KLM Fashion Mall is a one-stop family shopping destination for all occasions, offering value fashion garments for men, women, children and teenagers. KLM showrooms have a vibrant and trendy layout to ensure maximised display. This format attracts footfall all through the year.

**Product-wise/Segment-wise performance**

(in Cr)		
Category	FY 2024-25	FY 2023-24
Sarees	1045.32	951.88
Ladies apparel	194.97	181.53
Men's	114.11	130.26
Kids	101.86	109.66
Few-Rasamayi	5.75	0.21
Total	1462.01	1,373.55

**SWOT Analysis**

**Strengths**

**Leading ethnic wear and value-fashion retail brand in south India with a scalable model**

The Group has established itself as one of South India's foremost names in ethnic and value-fashion retail. A proven and scalable business model enables expansion across geographies and store formats, ensuring sustainable growth while catering to diverse consumer segments.

**Focused sales and marketing strategy along with unique shopping experience**

A targeted approach to sales and marketing has strengthened customer engagement, enhanced brand recall, and driven consistent footfall across stores. Focused promotions, loyalty programs, and curated merchandising strategies have positioned the brands effectively in their respective categories.

**Well-positioned to leverage industry growth**

With India's ethnic and value-fashion apparel market witnessing strong growth, the Group is well-placed to capitalise on rising demand driven by evolving consumer preferences, increasing disposable incomes, and greater acceptance of branded ethnic wear.

**Strong omni-channel presence**

The Group combines an extensive offline store network with robust online platforms, providing customers a seamless shopping experience across channels. This omni-channel model strengthens market reach and ensures relevance in an increasingly digital retail environment.

**Proven track record of growth and profitability**

The business has consistently delivered growth in revenues and profitability, underpinned by disciplined cost management, healthy unit economics, and an efficient operating model that supports scale without compromising margins.

**Experienced leadership and skilled teams**

A seasoned Promoter and professional management team, backed by experienced in-house design, sourcing, and operations teams, have demonstrated strong execution capabilities. Their expertise drives innovation, operational excellence, and consistent performance across business verticals.

**Weakness**

**Concentration in South India**

A significant portion of revenues comes from stores located in four South Indian states, exposing the business to regional economic fluctuations, cultural preferences, and competitive pressures. However south India accounted more than 50% of the saree business and hence growth perspective in this strong market may not be a major weakness.

**High dependence on physical stores**

While there is an omni-channel presence, a substantial part of sales still comes from offline retail outlets, making the business vulnerable to disruptions such as pandemics or changes in mall footfalls. However the saree is not a self-serving category and need to be explained by the sales personnel and predominantly a physical shopping experience

**Inventory management challenges**

Managing a diverse product portfolio ranging from premium sarees to value fashion requires efficient inventory planning. Overstocking or understocking could lead to working capital inefficiencies or missed sales opportunities.

**Exposure to fashion trends and seasonality**

The business is sensitive to changing fashion preferences, wedding seasons, and festival-driven demand cycles, which can lead to sales volatility.

**High competition**

The ethnic and value-fashion market is highly fragmented, with intense competition from national brands, regional retailers, and unorganised players offering similar products at competitive prices.



Directors' Report

Opportunities

Product range

The Company aspires to be a one-stop destination for families seeking affordable, high-quality products. A diverse portfolio of brands and in-house designs has strengthened its position in the retail market. The dedicated product design team drives innovation and differentiation, introducing new products to enhance variety and appeal.

Quality control and assurance

Robust quality control processes reflect the Company's commitment to excellence. Routine inspections, staff training and adherence to regulatory standards ensure products consistently meet customer expectations.

Customer support

Sai Silks is dedicated to delivering superior in-store experiences, with trained staff assisting customers and collecting feedback to improve service. Exclusive Brand Outlets (EBOs) further enhance customer interaction and strengthen relationships.

Store network and online sales

As on March 31, 2025, the Company operating through 68 stores and expanded its e-commerce presence through its websites. A strong omnichannel approach integrates physical stores and online platforms, broadening reach and reinforcing brand awareness across geographies.

Leading retailer

As one of India's leading retailers, the Company serves diverse premium and ultra-premium saree segments, along with men's and children's ethnic wear. This diversification expands the customer base and creates multiple revenue streams.

Integration of technology

Technology integration has optimised operations and supply chains, enabling data-driven decisions that improve efficiency and resource utilisation.

Threats

Price pressure from discounters

Intense price competition from discount retailers can erode margins and impact sales performance, potentially leading to customer attrition over time.

Market disruptions from online sellers

The rise of online platforms has increased price transparency, challenging the Company's pricing strategy and putting additional pressure on profitability.

Weaver management challenges

Ineffective supervision and policies for managing weavers could result in production delays and missed delivery timelines. Maintaining strong relationships with artisans is essential to ensure consistent quality and supply.

Rising competition

Growing competition in the ethnic and value-fashion segment can dilute brand value and market share. Sustained investments in innovation to remain competitive may also weigh on profitability.

Changing market dynamics

The textile industry is highly dynamic, driven by shifting consumer preferences, evolving lifestyles, and the rising influence of Western fashion, making demand unpredictable.

Talent retention

Retaining skilled sales staff is critical to delivering superior customer service. High attrition can weaken operational efficiency and impact the overall shopping experience.

Location risks

Inability to secure high-traffic, strategic store locations can hurt sales growth, hinder customer acquisition, and affect expansion plans.

Showroom Network

Saree is a 'one-size' fits for all product. However, saree is not a self-serving category. The sales person initiates the sale process by explain various facets, unique features. The sales teams at the showrooms are formed to ensure every customer is provided with the best inputs on the saree while the saree is being displayed.

The showroom network of the Company has been designed to capture maximum customers. Showrooms in a format are homogenous at a macro level. The interiors are customised based the local culture and other aspects. All showrooms are spacious with a bright entrance, warm interiors and maximised utilizable area to provide customers a unique shopping experience. Visual merchandizing,

window displays, and vibrant posters are an integral component across formats.

The expansive showroom network creates a seamless two-way communication channel – providing key inputs to procurement teams with the current customer preferences and the sales personnel explaining the special features and other intricate details of the sarees to the customers wherever required. The company has developed strong e-commerce platforms for Kanchipuram Varmahalakshmi and Mandir brands to engage with customers who prefer to shop online. Live shows are conducted regularly to support the online formats and to provide on-line shoppers to take through the intricate superior details of each saree. Products on the on-line channels are carefully selected displayed with all product features.

States	Number of stores (as on March 31, 2025)	Aggregate area (sq. ft.)	FY 2024-25 revenue (INR Crore)	FY 2023-24 revenue (INR Crore)
Telangana	26	2,80,751	490.54	535.87
Andhra Pradesh	17	1,97,745	412.86	441.59
Karnataka	10	1,16,209	224.89	208.59
Tamil Nadu	14	1,10,871	325.70	187.51
Pondicherry	1	10,692	8.02	-
Total	68	7,16,088	1,462.01	1,373.56

Marketing and Promotion

The well laid network of showrooms is supported by al activities. strong marketing and promotional activities play are crucial elements to enthuse buying. The company has a dynamic advertisement, publicity and marketing strategy to

- i. Maximise footfall
- ii. Attract new customers
- iii. Retain existing customers
- iv. Instinctive buying by customers

Marketing and publicity are conducted through print media, television sponsorships, pamphlets, radio advertisements, LED signages, display at airports, metro stations, traffic dividers, display places of worship, sponsoring and branding for movie related activities, religious and cultural events, The company uses advanced techniques for visibility and to attract customers, reach out the target customer segment through social media and live shows. The digital publicity channels and sub-streams are handled by dedicated teams with well laid down evaluation

metrics for the activities run on a particular digital marketing platform.

The marketing and publicity content is curated in line with the unique features of the format and product and the format to maximise customer reach. Celebrities both national and local are engaged to attract customers and augment the brand recall.

Promotions are rolled at regular intervals to cater the buying spree during, festivals and pre-wedding season and other major events. The in-store promotional activities are carefully designed to attract customers.

Human Resources

The procurement and sales personnel working in a synchronization are the back-bone of the with the support of other functions are the backbone of the company. The sales personnel provide the procurement teams with various inputs related to prevailing trends, market updates enabling the procurement personnel reach out to the weavers, machine made fabric manufacturers, and other supply sources to source the products at competitive prices. The seamless flow of information between these teams ensures efficient inventory management, a key to the success in the retail industry. Structured incentive plans have been put in place to reward employee dedication, commitment and performance. As on March 31, 2025 there are 6439 employees (other than Executive Directors) in the Company.

Your Company has well laid policies for the health, safety and security of the employees. Work protocols have been put in place for cordial conduct of business activities. Women employees are actively involved in various decision-making activities apart from being employed across hierarchy and functions.

The company has set up policies and relevant controls to ensure that there is no discrimination with reference to caste, creed. Gender, sexual orientation or any other classification that is not limited demographically

The company acknowledges the contribution of the weavers in the success of the organization.

Financial Review

(INR in Crore)		
Year	FY 2024-25	FY 2023-24
Revenue	1462.01	1373.55
EBITDA	211.64	211.98
PAT	85.39	100.87



## Directors' Report

Operational performance overview and the significant changes in ratio

### Key Ratios

Particulars	As at March 31, 2025	As at March 31, 2024	Variance	Remarks for variance More than 25%
a) Current Ratio:	4.48	3.41	31.45%	Decrease in CL due to payment of Creditors & reduction in working capital utilisation by utilising IPO funds & Internal Accruals.
Current Assets	1,125.09	1,175.08		
Current Liabilities	251.32	345.05		
b) Debt Equity:	0.15	0.24	-39.32%	Due to repayment of Term Loans & reduction in utilisation working capital limits by utilising IPO funds & Internal Accruals of the Company
Total Debt (long-term and short-term interest bearing)	166.53	257.75		
Shareholder's Equity	1,131.77	1,062.94		
c) Debt Service Coverage Ratio:	3.12	2.59	20.67%	Not Applicable
Earnings available for Debt Service	234.69	233.65		
Debt Service (Obligation)*	75.13	90.25		
* Excluding the Prepayment made through IPO funds (which is in excess of amount to be repaid as per repayment schedule)				
d) Return on Equity:	7.78%	13.82%	-43.67%	Fresh equity through IPO are under the process of deployment and reduction in PAT due to Tax liability arising in Search & Seizure.
Net Profits after taxes	85.39	100.87		
Average Shareholder's Equity	1,097.35	730.14		
e) Inventory Turnover Ratio:	1.95	1.94	0.19%	Not Applicable
Total Sales	1,462.01	1,373.55		
Average Inventory	750.52	706.49		
f) Trade Receivables Turnover:	502.37	443.78	13.20%	Not Applicable
Total Sales	1,462.01	1,373.55		
Average Accounts Receivable	2.91	3.10		
g) Trade Payables Turnover:	21.11	5.87	259.72%	Decrease in Trade Creditors level by utilising IPO funds & Internal Accruals of the Company
Total Purchases	905.54	848.56		
Average Trades Payable	42.90	144.62		
h) Net Capital Turnover:	1.72	2.59	-33.64%	Decrease in CL due to payment of Creditors & reduction in working capital utilisation by utilising IPO funds & Internal Accruals.
Total Sales	1,462.01	1,373.55		
Average Working Capital	851.90	531.11		
i) Net Profit Ratio:	5.84%	7.34%	-20.47%	Not Applicable
Net Profit	85.39	100.87		
Total Sales	1,462.01	1,373.55		
j) Return on Capital Employed:	13.74%	13.94%	-1.41%	Not Applicable
Earning before interest and taxes	183.01	187.54		
Capital Employed	1,331.66	1,345.37		
k) Return on Investment*	NA	NA	NA	Not Applicable

\* There are no investments made by the company, as such the ratio is not applicable.

### Financial Performance Indicators (KPIs):

Particulars	As at March 31, 2025	As at March 31, 2024
Revenue from Operations	1,462.01	1,373.55
EBITDA	211.64	211.98
EBITDA Margin	14.48%	15.43%
Gross Margin	610.88	558.88
Gross Margin (%)	41.78%	40.69%

### Outlook

We see a strong and promising future for India's wedding / festive related and ethnic sector. A robust economic outlook, rising per capita GDP, increasing discretionary spending, and the shift from unorganised to organised retail will continue to drive growth.

SSKL is well-positioned to scale and strengthen market leadership in the coming years. Over time, the Company has transformed significantly by building multiple high-growth platforms across categories and segments. These platforms are designed to tap large, high-potential markets through a brand-led approach, creating iconic brands and winning retail formats.

A diverse portfolio, a wide distribution network, and a strong operational backbone empower us to grow at scale. Our commitment to innovation, customer-centricity, distribution expansion, and operational excellence continues to reinforce our leadership.

Leveraging our trusted brands, strong retail formats, and presence across promising categories, SSKL is well prepared to capture the sector's growth potential—delivering exceptional value to consumers and creating long-term shareholder wealth.

### Risks and concerns

- The Company's performance is closely linked to the broader economic environment and discretionary spending of the people. Wedding and festivity calendar would also have an impact.
- India's textile market is highly competitive, requiring the Company to meet demand consistently and manage inventory effectively. To address this, the Company employs demand forecasting, analytics-driven planning, and proactive stock management.
- As a labour-intensive business, the Company relies on a skilled workforce to deliver quality customer service. Hiring, training, and retaining talent remain critical priorities to sustain smooth operations and drive sales performance.

- Timely procurement from third-party vendors and master weavers is essential to maintain production schedules. Fluctuations in raw material prices, availability, and quality can disrupt operations and affect product consistency.

- The Company has adopted strategic pricing practices to mitigate rising input costs by passing price increases to customers when necessary. Rigorous quality control measures are also in place to ensure products meet the highest standards.

### Cautionary statement

Certain statements in the MDA section about future prospects may be forward-looking statements, which include a number of underlying identified and unidentified risks and uncertainties that might cause actual results to differ considerably. In addition to the aforementioned macroeconomic changes, such ongoing geopolitical developments pose unprecedented, unknown and continually shifting risk(s) to the company and the environment in which it operates. The report's facts and statistics are based on the findings of these assumptions, which are based on available internal and external information. Because the factors behind these assumptions change with time, so do the estimates upon which they are founded. These forward-looking statements reflect only the company's current objectives, beliefs, or expectations and each forward-looking statement is only as of the date it was made. The company disclaims any duty to alter or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

### Internal financial control systems

Internal financial controls, including entity-level controls, have been introduced to ensure that business operations run smoothly and efficiently. This includes following Company policies and procedures, maintaining accounting records that are accurate and comprehensive, preparing and reporting reliable financial information on time, protecting assets and preventing and detecting fraud and errors.

These internal financial controls were examined using an internal audit procedure designed by the Company and a professional firm hired to conduct systematic internal audits. Based on the evaluations, the directors confirm that the applicable Accounting Standards were followed in the preparation of the financial statements for the fiscal year ending March 31, 2025. Internal financial controls were determined to be generally adequate and effective, with no significant flaws discovered.





Directors' Report

Annexure-VII

Report on Corporate Governance

This Report on Corporate Governance is prepared pursuant to Regulation 34(3) read with schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 herein after referred as Lisitng Regulations.

1. Company’s philosophy on Corporate Governance

Sai Silk (Kalamandir) Limited is committed to adopt the best corporate governance practices to manage the affairs of the company in an ethical, accountable, transparent and fairway with an ideal blend of both legal and management practices to embed the same in decision making process of the Company, and to communicate the same in an accurate and timely manner in such a way that both stakeholders’ expectations and legal standards are not only met, but the company stands ahead of them.

The Company strives to ensure compliance with various Corporate Governance requirements as prescribed under Securities Exchanges Board of India (LODR) Regulations, 2015 as amended from time to time and considers it as its inherent responsibility to protect the rights of its stakeholders and disclose timely, adequate and accurate information regarding its financials and performance.

Adherence to various policies and codes adopted by the company from time to time in conformity with regulatory requirements helps your company fulfills its responsibility

2. Board of Directors

The Board is at the core of our Corporate Governance practices and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

a. Composition and Category of Directors

Our Board of directors comprises of an optimum combination of Executive and Non-executive directors with an Independent Director appointed as the Chairman of the Company. The strength of our board of directors as on date of this report is 7 (seven). Out of 7 Directors, 3 directors are executive directors and remaining 4 directors are independent directors including one woman director. The composition of the board is in conformity with section 149 of the Companies Act 2013 and Regulation 17 of SEBI (LODR) Regulations.

None of the directors of our company serves as a director in more than 7 listed companies. Further, none of our Managing Director / Whole time Directors serves as an independent director in more than 3 listed companies.

As on 31<sup>st</sup> March 2025, the composition of the board is as follows:

S.No	Name of the Director	Designation
A	Executive Directors	
	Mr. Nagakanaka Durga Prasad Chalavadi (DIN: 01929166)	Managing Director (Promoter)
	Mr. Kalyan Srinivas Annam (DIN: 02428313)	Whole Time Director
	Mr. Doodeswara Kanaka Durgarao Chalavadi (DIN: 02689280)	Whole Time Director
B	Non-Executive Directors	
	Mr. Ravindra Vikram Mamidipudi (DIN: 00008241)	Chairman & Independent Director
	Mr. Venkata Ramakrishna Kunisetty (DIN: 00133248)	Independent Director
	Mr. Pramod Kasat (DIN: 00819790)	Independent Director
	Ms. Sirisha Chintapalli (DIN: 08407008)	Independent Director

Note: During the Financial year 2024-25, there has been no change in the composition of the Board of Directors.

b. Number of Board Meetings and Attendance of Directors thereat

The board met 4 times during the financial year 2024-25 on the following dates:

May 24, 2024	August 14, 2024
November 04, 2024	January 28, 2025

c. Directors Attendance

Name of Director	May 24, 2024	August 14, 2024	November 04, 2024	January 28, 2025
Mr. Nagakanaka Durga Prasad Chalavadi	Present	Present	Present	Present
Mr. Kalyan Srinivas Annam	Present	Present	Present	Present
Mr. Doodeswara Kanaka Durgarao	Absent	Present	Present	Present
Mr. Ravindra Vikram Mamidipudi	Present	Present	Present	Present
Mr. Pramod Kasat	Present	Present	Present	Present
Ms. Sirisha Chintapalli	Present	Present	Present	Present
Mr. Venkata Ramakrishna Kunisetty	Present	Present	Present	Present

d. Number of other board of directors or committees in which a director is a member or chairperson and name of the listed entities where the person is a director and the category of directorship.

Name of the Director	Directorship in other companies (Note)		Committee memberships held in other Public companies		Name of the listed entities & Category of directorship	Attendance at the last AGM September 27, 2024
	Public	Private	Member	Chairman		
Mr. Nagakanaka Durga Prasad Chalavadi	1	0	2	None	None	Yes
Mr. Kalyan Srinivas Annam	1	1	None	None	None	Yes
Mr. Doodeswara Kanaka Durgarao	0	0	None	None	None	Yes
Ms. Sirisha Chintapalli	1	3	0	2	Zen Technologies Limited – Independent Director	Yes
Mr. Ravindra Vikram Mamidipudi	6	12	10	7	GTN Industries Limited (resigned w.e.f August 06, 2024) - Independent Director Ahlada Engineers Limited - Independent Director ASM Technologies Limited – Non-Independent Director-	Yes
Mr. Pramod Kasat	4	2	5	4	Advanced Enzyme Technologies Limited – Independent Director Natural Capsules Limited – Independent Director FermentaBiotech Limited. – Independent Director	Yes
Mr. Venkata Ramakrishna Kunisetty	0	2	0	0	Nil	Yes

Note:

The Directorships held by Directors in other Companies, as mentioned above are as on March 31, 2025 and do not include Directorships in Foreign companies if any.

e. Relationship Between Directors

Mr. Nagakanaka Durga Prasad Chalavadi (Managing Director) and Mr. Doodeswara Kanaka Durgarao Chalavadi (Whole Time Director) are brothers and hence relatives as per section 2(77) of the Companies Act, 2013. No other director is related to each other in terms of definition “relative” under the Act.

f. Number of Shares / Convertible instruments held by Non-executive Directors

None of the Non-Executive Directors holds any shares / convertible instruments in the Company.



Directors' Report

- g. web link for familiarisation programmes imparted to Independent directors**  
https://sskl.co.in/wp-content/uploads/2025/04/Familiarisaiton-programme-2024-25.pdf

**h. List of core skill / expertise / competencies / identified by the board of directors as required in the context of the business of the Company.**  
The Board skills matrix provides a guide as to the skills, knowledge, experience, personal attributes and other criteria appropriate for the Board of the Company. Ours is a skill-based board comprising of directors who collectively have the skills, knowledge and experience to effectively govern and direct the Company. The Board is of the opinion that the skill or competence required for the directors in relation to the present business of the company includes the following:

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business	Names of Directors who possess such skills/ expertise/ competence
Leadership qualities and in-depth knowledge and experience in general management of organization	Mr. Nagakanaka Durga Prasad Chalavadi Mr. Kalyan Srinivas Annam Mr. Doodeswara Kanaka Durgarao Chalavadi
Exposure to sales and marketing management based on understanding of the customers, ads and publicity	Mr. Nagakanaka Durga Prasad Chalavadi Mr. Kalyan Srinivas Annam Mr. Doodeswara Kanaka Durgarao Chalavadi
Ability to analyse and understand the key financial statements, experience in the fields of taxation, audit, financial management, banking, insurance and investments, treasury, fund raising and internal controls	Mr. Ravindra Vikram Mamidipudi Mr. Venkata Ramakrishna Kunisetty Mr. Nagakanaka Durga Prasad Chalavadi Mr. Pramod Kasat
Interpersonal relations, human resources management, communication, corporate social responsibility including environment and sustainability	Mr. Ravindra Vikram Mamidipudi Mr. Nagakanaka Durga Prasad Chalavadi Mr. Kalyan Srinivas Annam Mr. Venkata Ramakrishna Kunisetty
Technical, professional skills and knowledge including legal, governance and regulatory aspects	Mr. Ravindra Vikram Mamidipudi Mr. Nagakanaka Durga Prasad Chalavadi Mr. Pramod Kasat Ms. Sirisha Chintapalli

**i.** In the opinion of the board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

**j. Detailed reasons for the resignation of an independent director who resigns before the expiry of his[/her] tenure along with a confirmation by such director that there are no other material reasons other than those provided.**  
During the year review, there was no instance of resignation of any Independent Director of the Company.

3. AUDIT COMMITTEE

The company has in place an audit committee as per the provisions section of 177 of the Companies Act, 2013. As on the date of this report, the composition of Audit committee stands as follows:

Sl. No	Name	Category
1	Mr. Ravindra Vikram Mamidipudi	Chairperson
2	Mr. Venkata Ramakrishna Kunisetty	Member
3	Mr. Pramod Kasat	Member
4	Ms. Sirisha Chintapalli	Member

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and its terms of reference include the following:

- Powers of Audit Committee**  
The Audit Committee shall have powers, including the following:

  - a) to investigate any activity within its terms of reference;
  - b) to seek information from any employee;
  - c) to obtain outside legal or other professional advice;
  - d) to invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives.
  - e) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
  - f) such other powers as may be prescribed under the Companies Act and the Listing Regulations.

**Role of Audit Committee**  
The role of the Audit Committee shall include the following:

  - a) oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;
  - b) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company and the fixation of the audit fee;
  - c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - d) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
  - e) reviewing, at least on a quarterly basis, the details of related party transactions entered into by our Company pursuant to each of the omnibus approvals given;
  - f) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
    - (i) 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;
- (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions; and
  - (vii) Modified opinion(s) in the draft audit report.

g) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to our Board for approval;

h) 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 our Board to take up steps in this matter;

i) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

j) approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed.;

k) scrutiny of inter-corporate loans and investments;

l) valuation of undertakings or assets of our Company, wherever it is necessary;

m) evaluation of internal financial controls and risk management systems;

n) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;



Directors' Report

- o) 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;

p) discussion with internal auditors of any significant findings and follow up thereon;

q) 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 our Board;

r) 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;

s) recommending to our Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

t) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

u) reviewing the functioning of the whistle blower mechanism;

v) monitoring the end use of funds raised through public offers and related matters;

w) overseeing the vigil mechanism established by our Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

x) 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;

y) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 100
- Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;

z) carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(aa). consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

(ab).carrying out any other functions required to be carried out by the Audit Committee as contained in the Listing Regulations or any other applicable law, as and when amended from time to time

(ac).To formulate, review and make recommendations to the Board to amend the terms of reference of Audit Committee from time to time;
- The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Management letters / letters of internal control weaknesses issued by the statutory auditors;

c) Internal audit reports relating to internal control weaknesses;

d) The appointment, removal and terms of remuneration of the internal auditor;

e) Statement of deviations in terms of the SEBI Listing Regulations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are listed in terms of the SEBI Listing Regulations; and

ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

f) review the financial statements, in particular, the investments made by any unlisted subsidiary if any.

Composition, Names of members, Chairperson, Meetings and Attendance

The committee met 5 times during the financial year under review i.e., on May 11, 2024, May 24, 2024, August 14, 2024, November 04, 2024 and January 28, 2025.

S.No	Name	Designation	May 11, 2024	May 24, 2024	August 14, 2024	November 04, 2024	January 28, 2025
1	Mr. Ravindra Vikram Mamidipudi	Chairperson	Present	Present	Present	Present	Present
2	Mr. Pramod Kasat	Member	Present	Present	Present	Present	Present
3	Ms. Sirisha Chintapalli	Member	Present	Present	Present	Present	Present
4	Mr. Venkata Ramakrishna Kunisetty	Member	Present	Present	Present	Present	Present

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

All the members of the Audit Committee are financially literate and have expertise in accounting/ financial management.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

4. NOMINATION AND REMUNERATION COMMITTEE

The company has in place a Nomination and Remuneration committee in line with the provisions of section 178 of the companies Act, 2013. As on the date of this report, the composition of Nomination and Remuneration committee stands as follows:

Sl. No	Name	Category
1	Mr. Venkata Ramakrishna Kunisetty	Chairperson
2	Mr. Ravindra Vikram Mamidipudi	Member
3	Mr. Pramod Kasat	Member
4	Ms. Sirisha Chintapalli	Member

The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “Board” or “Board of Directors”) a policy relating to the remuneration of the directors, Key managerial personnel and other employees (“Remuneration Policy”).

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person

recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

• Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

• 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.

2. Formulation of criteria for evaluation of the performance of the independent directors and the Board;

3. Devising a policy on Board diversity;



Directors' Report

4. 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 their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

5. Determining 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;

6. To recommend, implement, design, execute, approve schemes of ESPS, ESOP, SAR, Sweat Equity and do all other activities as detailed under Sai Silks (Kalamandir) Limited Share based employee benefits Scheme 2022, administer, monitor and formulate detailed terms and conditions thereof.

7. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.”

8. Analysing, monitoring and reviewing various human resource and compensation matters;

9. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

10. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

11. Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

12. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

13. Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

• the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable; and

14. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
- Performance evaluation criteria by Independent Director

The criteria for performance evaluation cover the areas such as qualifications, experience, knowledge and competency, ability to function as a team, initiative, availability and attendance, commitment, integrity, constructive contribution, protection of interest of stakeholders, Independence and independent views. The independent directors reviewed the performance of Non-Independent directors and the entire board of directors, including the chairman, while considering the views of the Executive and Non-Executive directors, excluding the director being evaluated based on the above evaluation criteria laid down by the Nomination and Remuneration committee. The Independent directors were highly satisfied with the overall functioning of the board and its various committees, which demonstrated a high level of commitment and engagement. They also appreciated the exemplary leadership of the chairman of the Board and its committees in upholding and following the highest values and standards of corporate governance. Post the review by the Independent Directors, the results were shared with the entire board and its respective committees. The Board expressed its satisfaction with the evaluation results, which reflects very high degree of engagement of the board and its committees with the management. Based on the outcome of the evaluation and assessment cum feedback of the directors, the board and the management have agreed on various action points, which will be implemented during the ensuing years.

Number of members, Chairperson, meetings and attendance

The Committee met on August 14,2024 during the financial year under review

Sl. No	Name	Designation	August 14, 2024
1	Mr. Venkata Ramakrishna Kunisetty	Chairperson	Present
2	Mr. Ravindra Vikram Mamidipudi	Member	Present
3	Mr. Pramod Kasat	Member	Present
4	Ms. Sirisha Chintapalli	Member	Present

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

Details of remuneration for the year ended March 31, 2025

i. Executive Directors

₹ In Cr						
Name of the Director	Salary	Other Benefits	Company's contribution to PF	Commission	Performance linked incentive	Total Remuneration
Mr. Nagakanaka Durga Prasad Chalavadi	5.00	-	-	-	-	5.00
Mr. Kalyan Srinivas Annam	1.99	-	-	-	-	1.99
Mr. Doodeswara Kanaka Durgarao Chalavadi	0.39	-	-	-	-	0.39

Payment of remuneration to the Executive / Whole Time Directors of the company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration committee and approved by the Board and Shareholders.

Details of shares held by Managing Director & Executive Directors in the Company as on date of this Report

Name of the Director	Designation	Shareholding (Face value ₹2 each)
Mr. Nagakanaka Durga Prasad Chalavadi	Managing Director	5,05,66,160 equity shares
Mr. Kalyan Srinivas Annam	Whole Time Director	Nil
Mr. Doodeswara Kanaka Durgarao Chalavadi	Whole Time Director	Nil

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The company has in place a stakeholders relationship committee in line with the provisions of the section 178 (5) of the Companies Act, 2013.As on the date of this report, the composition of stakeholders' relationship committee stands as follows:

Sl. No	Name	Category / Designation
1	Ms. Sirisha Chintapalli	Chairperson
2	Mr. Nagakanaka Durga Prasad Chalavadi	Member
3	Mr. Kalyan Srinivas Annam	Member

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee include the following:

1. Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent; and
4. Consider and specifically look into various aspects of interest of shareholders, debenture holders and other security holders;
5. Investigate complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;



Directors' Report

6. Give effect to all transfer/transmission of shares and debentures, dematerialisation of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
7. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
8. Carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.
9. Approve, register, refuse to register transfer or transmission of shares and other securities;
10. Sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
11. Allot and get the shares listed;
12. Authorise affixation of common seal of the Company;
13. Issue duplicate share or other security(ies) certificate(s) in lieu of the original share/ security(ies) certificate(s) of the Company;
14. Approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
15. Carry out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
16. Further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Number of members, Chairperson, Meetings and Attendance

The committee met once during the financial year under review, i.e.; August 14, 2024

Sl. No	Name	Designation	August 14, 2024
1	Ms. Sirisha Chintapalli	Chairperson	Present
2	Mr. Kalyan Srinivas Annam	Member	Present
3	Mr. Nagakanaka Durga Prasad Chalavadi	Member	Present

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

No. of shareholders complaints received during the FY	1
No. of complaints not solved to the satisfaction of the shareholders	Nil
No. of pending complaints	Nil

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The company has in place a Corporate Social Responsibility (CSR) Committee in line with the provisions of section 135 of the Companies Act, 2013 to recommend the amount of expenditure to be incurred on the activities prescribed as per the approved policy and to monitor the Corporate Social Responsibility policy of the company from time to time. As on the date of this report, the composition of Corporate Social Responsibility committee stands as follows:

Sl. No	Name	Category
1	Mr. Ravindra Vikram Mamidipudi	Chairperson
2	Mr. Nagakanaka Durga Prasad Chalavadi	Member
3	Mr. Kalyan Srinivas Annam	Member

The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, including:

- (a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- i. Support the economically backward and children in the need of health and education;
- ii. Support the humanity during the natural calamities, donation of clothes to flood relief camps;
- iii. Collaborate in the initiatives of other NGOs for the cause of fostering the needy children health care;
- iv. Support the initiatives that would help the public at large in understanding the health hazards;
- v. Conduct the workshops and create awareness about conservation of natural resources;

- vi. Promote the activities, which would support the welfare and well-being of the Weavers Community;
- vii. Eradicate extreme hunger and poverty;
- viii. Infrastructure Development (village roads, culverts, bus shelters, solar lighting etc);
- ix. Ensure environmental sustainability;
- x. Drinking water / Sanitation;
- xi. Healthcare;
- xii. Community Development;
- xiii. Education and vocational training;
- xiv. Skill Development;
- xv. Child care and nutrition.
- (b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a), amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years during such immediately preceding financial years, and the distribution of the same among various corporate social responsibility programs undertaken by the Company;
- (d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (e) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (f) The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

- (i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
- (ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
- (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (iv) monitoring and reporting mechanism for the projects or programmes; and
- (v) details of need and impact assessment, if any, for the projects undertaken by the Company; and
- (g) monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- (h) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

The committee met once during the financial year under review, i.e.; May 23, 2024

Sl. No	Name	Designation	May 23, 2024
1	Mr. Ravindra Vikram Mamidipudi	Chairperson	Present
2	Mr. Nagakanaka Durga Prasad Chalavadi	Member	Present
3	Mr. Kalyan Srinivas Annam	Member	Present

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

CSR policy is available on the Company’s website: <https://sskl.co.in/wp-content/uploads/2022/07/CSR-Policy.pdf>



Directors' Report

7. RISK MANAGEMENT COMMITTEE

The Company has in place a Risk Management Committee and this committee consists of 5 members as follows:

Sl. No	Name	Category / Designation
1	Mr. Nagakanaka Durga Prasad Chalavadi	Chairperson
2	Mr. Doodeswara Kanaka Durgarao Chalavadi	Member
3	Mr. Kalyan Srinivas Annam	Member
4	Mr. Ravindra Vikram Mamidipudi	Member
5	Mr. K.V.L.N. Sarma	Member

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

The scope and functions of the Risk Management Committee are in accordance with Regulation 21 of the Listing Regulations. The terms of reference of the Risk Management Committee are as follows:

1. To formulate a detailed risk management policy which shall include:

i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.

ii. Measures for risk mitigation including systems and processes for internal control of identified risk

iii. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per framework laid down by the board of directors;
4. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
5. To periodically review the risk management policy, at least once in two years, including by

- considering the changing industry dynamics and evolving complexity;
6. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
7. To approve major decisions affecting the risk profile or exposure and give appropriate directions
8. To consider the effectiveness of decision-making process in crisis and emergency situations;
9. To balance risks and opportunities;
10. To generally, assist the Board in the execution of its responsibility for the governance of risk
11. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
12. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee and
13. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing regulations.

The committee met twice during the financial year under review, i.e.; August 14, 2024 & January 30, 2025.

Sl. No	Name	Designation	August 14, 2024	January 30, 2025.
1	Mr. Nagakanaka Durga Prasad Chalavadi	Chairperson	Present	Present
2	Mr. Doodeswara Kanaka Durgarao Chalavadi	Member	Present	Present
3	Mr. Kalyan Srinivas Annam	Member	Present	Present
4	Mr. Ravindra Vikram Mamidipudi	Member	Present	Present
5	Mr. K.V.L.N. Sarma	Member	Present	Present

8. SENIOR MANAGEMENT:

Particulars of the Senior management including the changes therein since the close of the previous financial year.

Sl. Employee No	Name	Department	Designation	Date of Joining
1.	Mohana Durga Rao Chalavadi	Business Operations	Senior Vice President	June 01, 2012
2.	Venkata Rajesh Annam	Business Operations	Senior Vice President	December 12, 2007
3.	Rachamadugu Balaji Bharadwaj	IT & E-commerce	Senior Vice President	January 01, 2018
4.	Chakradhar Boorlagadda	Business Operations	Head of Sourcing & Strategy	November 01, 2005
5.	K.V.L.N Sarma	Finance	CFO	March 01, 2022
6.	M.K. Bhaskara Teja	Secretarial	Company Secretary & Compliance officer	November 05, 2018
7.	Sabitha Borra	Legal	General Manager	September 08, 2021
8.	Annam Sowjanya	Administration	General Manager	April 01, 2014
9.	Sai Ram Chavali	Human Resource	General Manager	February 12, 2024
None of the senior management personnel resigned during the year.				
-	-	-	-	-

9. SEPARATE MEETING OF INDEPENDENT DIRECTORS

The meeting of the independent directors during the year 2024-25 was held in accordance with

- a) The annual remuneration package of Executive Directors comprises a fixed salary component which is as follows

₹ In Cr				
S. No	Particulars of Remuneration	Mr. Nagakanaka Durga Prasad Chalavadi	Mr. Kalyan Srinivas Annam	Mr. Doodeswara Kanaka Durgarao Chalavadi
1	Designation	Managing Director	Whole Time Director	Whole Time Director
2	Gross Salary (In ₹)			
	a) Salary as per the provisions contained in section 17(1) of the Income-tax Act, 1961	5.00	1.99	0.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-
3	Stock Option	-	-	-
4	Sweat Equity	-	-	-
5	Commission			
	- As % of profit	-	-	-
	- Others, If any	-	-	-
6	Others	-	-	-
	<b>Total</b>	<b>5.00</b>	<b>1.99</b>	<b>0.39</b>

the requirements of section 149 & Schedule IV of the Companies Act, 2013. During the year, the independent directors met twice, i.e., on August 16, 2024 and March 26, 2025 and all the independent directors attended the meeting.

V. Remuneration of Directors  
a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company

The Company neither has any pecuniary relationship (except Sitting Fee) nor has entered into any transaction(s) with any of its non-executive directors.

b) Criteria of making payments to non-executive directors

The remuneration policy describing the criteria of making payment to non-executive directors may be accessed at <https://sskl.co.in/wp-content/uploads/2022/07/Remuneration-Policy.pdf>

c) Disclosures with respect to remuneration: (In addition to disclosures required under the Companies Act, 2013):

- a. All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc for the FY 2024-25.



Directors' Report

b) Payment to Non- Executive Independent Directors

₹ in Cr		
Sl. No	Name	Sitting Fee
1	Mr. Ravindra Vikram Mamidipudi	0.035
2	Mr. Pramod Kasat	0.035
3	Mr. Venkata Ramakrishna Kunisetty	0.035
4	Ms. Sirisha Chintapalli	0.038
Total		0.143

- b. Details of fixed component and performance linked incentives, along with the performance criteria:
- No Director has been paid any fixed component or performance linked incentives.
- c. Service contracts, notice period, severance fees:
- Terms and conditions of appointment as per the resolution(s) as approved by the NRC, the Board of Directors and the members of the Company.
- d. Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable:
- The Company has not issued stock options to any of the directors.

10.General Body Meetings

AGM	Financial Year Ended	Date & Time	Venue	Special Resolution passed
16 <sup>th</sup>	March 31, 2024	September 27, 2024, 11.00 A.M.	Virtual	Nil
15 <sup>th</sup>	March 31, 2023	August 24, 2023 10.30 A.M.	Registered office	1. Re-appointment of Ms. Sirisha Chintapalli (DIN: 08407008), to the office of Independent Director. 2. Re-appointment of Mr. Nagakanaka Durga Prasad Chalavadi (DIN: 01929166) to the office of Managing Director. 3. Re-appointment of Mr. Kalyan Srinivas Annam (DIN: 02428313) to the office of Whole Time Director. 4. Re-appointment of Mr. Doodeswara Kanaka Durgarao Chalavadi, (DIN: 02689280) to the office of Whole Time Director.
14 <sup>th</sup>	March 31, 2022	September 30, 2022 11:00 A.M.	Registered office	Nil

During the financial year under review, no resolution was passed through Postal Ballot. Therefore, providing details of person who conducted the Postal Ballot exercise does not arise. Also, no special resolution is being proposed through Postal Ballot as on the date of notice calling the ensuing Annual General Meeting. The members of the Company will be intimated appropriately as and when the Postal Ballot need arises.

Procedure for postal ballot

The Postal ballot will be conducted in accordance with the provisions of Sec 110 of The Companies Act, 2013 read with Rule 22 of The Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Information about Directors seeking appointment / Reappointment

Mr. Kalyan Srinivas Annam is retires by rotation and being eligible offers himself for re-appointment and his details are given in the Notice.

Means of Communication

Subsequent to the listing of the Company's shares on September 27, 2023, the company has been undertaking dissemination of information in line with the Listing regulations on its website <https://sskl.co.in/investor-relations/>

The Quarterly, Half yearly and Yearly results are disclosed and communicated to the stock exchanges (BSE Limited and NSE Limited). The results are normally published in Financial Express / Business Standard and Surya / Nava Telangana and the results are also displayed on the company website <https://sskl.co.in/investor-relations/> along with press releases and investor presentations made to institutional investors and / or analysts.

11. GENERAL SHAREHOLDER INFORMATION

- a. The 17<sup>th</sup> Annual General Meeting of the company will be held on August 29, 2025 at 11:00 A.M. through Video Conferencing ("VC")/ Other Audio-visual Means ("OAVM") for details, please refer to the Notice of the AGM.
- b. Financial Year (2024-2025)
- The Financial year under review is 2024-2025 (01<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025)
- c. **Dividend payment date: On or before September 27, 2025**

**Unclaimed Dividend –** unclaimed dividend amount pertains to FY 2023-24 is ₹ 96,062 (Rupees Ninety-Six Thousand and Sixty-Two only) as on March 31, 2025

**Transfer of unclaimed dividend and shares to Investor Education and Protection Fund**

There is no unclaimed dividend pertaining to past years;hencenoshareswererequiredtobetransferred to Investor Education and Protection Fund.

d. Listing on Stock Exchanges & Stock Code

- National Stock Exchange of India Limited (NSE), Exchange Plaza, 5<sup>th</sup>Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

The Annual Listing fees in respect of both the Stock Exchanges have been paid.

The Company has paid custodial fees for the year 2025-26 to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] on the basis of number of beneficial accounts maintained by them as on March 31, 2025.

- e. **Stock Code –**  
BSE – 543989  
NSE – KALAMANDIR  
ISIN - INE438K01021
- f. **Suspension – No shares / securities of the Company suspended during the year under review.**
- g. **Registrar and Share Transfer Agent**  
Bigshare Services Private Limited  
306, Right Wing, 3<sup>rd</sup> Floor, Amrutha Ville,  
Opp. Yashoda Hospital, Raj Bhavan Rd, Somajiguda,  
Hyderabad, Telangana 500082  
Telephone: 040 40144967  
[investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)
- h. **Share Transfer System**

The Company engages the services of M/s. Bigshare Services Private Limited, Hyderabad in case of any physical share transfers / transmission, etc., Share transfers, whether physical or demat are carried out in accordance with the provisions of Companies Act, 2013. The Company has appointed M/s. Bigshare Services Private Limited, Hyderabad to act as Registrar to the Issue.





## Directors' Report

## i. Shareholding pattern and Distribution of shares as on March 31, 2025

Range of Equity Shares Held	Shareholders		Shares Face value-₹2/-	
	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
Upto – 5000	59290	99.03	14499042	9.45
5001 – 10000	301	0.50	2211482	1.44
10001 – 20000	127	0.21	1805864	1.17
20001 – 30000	50	0.08	1251312	0.82
30001 – 40000	13	0.03	444904	0.29
40001 – 50000	19	0.04	840782	0.55
50001 – 100000	22	0.04	1466937	0.96
100001 and above	45	0.07	130845789	85.32
Total	59,867	100.00	153366112	100.00

## Shareholding Pattern as on March 31, 2025

Sl. No	Category	Total No of Shares (Face Value ₹2)	Total Percentage as a % of Total Share Capital
1	Promoter & Promoter Group	93350864	60.87
2	Public	19137346	13.07
3	Mutual Funds	20213427	13.18
4	Alternate Investment Funds	3920806	2.56
5	Foreign Portfolio Investors	4855687	3.17
6	Non-Resident Indians (NRIs)	971093	0.63
7	Bodies Corporate	3889650	2.53
8	Trusts	929	0.00 Negligible
9	HUF	903509	0.59
10	Clearing Members	106656	0.07
11	Non-Promoter & Non-Public	6016145	3.92
	Total	153366112	100.00

## j. Dematerialization of shares &amp; liquidity

As on March 31, 2025 and further also as on date of this Report, the entire share capital of the company is held in dematerialization mode. The entire shareholding of Promoters and Promoter Group is in dematerialization form.

## k. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR, ADR, Warrants or any other convertible instruments.

## l. Commodity price risk or foreign exchange risk and hedging activities

Nil / N.A

## m. Plant locations:

The Company is not engaged in any manufacturing activity and hence does not operate / maintain any factory or plant as such. The Company carries out its operations through its stores / warehouses, the details of which may be obtained from the website of the Company, [www.sskl.co.in](http://www.sskl.co.in).

## n. Investor's Correspondence

All queries of Investor(s) regarding our Company's shares in physical / Demat form may be sent to the Company Secretary of the Company, i.e. [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in). Shareholders holding shares in electronic mode should address all correspondence to their respective Depository Participants.

## o. Compliance officer

Mr. M.K. Bhaskara Teja  
Company Secretary & Compliance officer  
Sai Silks (Kalamandir) Limited  
6-3-790/8, Flat no:1, Bathina Apartments,  
Ameerpet, Hyderabad, Telangana 500016  
Ph: 040 66566555  
Email: [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in)

- p. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

The Company does not have any debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds.

## 12. OTHER DISCLOSURES

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

All the transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on arm's length basis.

Transactions with related parties are disclosed at Note No: 45 of the financial statements in the Annual Report.

We have formulated a policy on materiality of related party transactions and on dealing with related party transactions, which are in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The same has been uploaded on the website of the company <https://sskl.co.in/wp-content/uploads/2025/01/Policy-on-Related-Party-Transactions.pdf>

- ii) Details of non-compliances by the Company, penalties, strictures imposed on the Company by the stock exchanges /SEBI/ statutory authority on any matter related to capital markets during the last three years.

Nil

- iii) The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes

of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also posted on the website of the Company and may be accessed at <https://sskl.co.in/wp-content/uploads/2022/07/Vigil-Mechanism-Policy.pdf>

## iv) Details of compliance of Mandatory and adoption of Non- Mandatory Requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted the discretionary requirements as specified in part E of Schedule II of the Regulations and the same may be referred at point no.15 hereunder.

## v) Policy for determining material subsidiaries may be accessed on our website

<https://sskl.co.in/wp-content/uploads/2025/01/Policy-on-material-subsiadiary.pdf>

## vi) Policy on dealing with Related Party Transactions

<https://sskl.co.in/wp-content/uploads/2025/01/Policy-on-Related-Party-Transactions.pdf>

## vii) Recommendation of the committees of Board

There were no such instances during the financial year 2024-25, wherein the board had not accepted the recommendation(s) made by any committees of the board.

## viii) Commodity Price Risk and Commodity Hedging Risk – Not Applicable

- ix) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not Applicable

- x) A Certificate from M/s. P.S. Rao & Associates, Company secretaries in practice has been obtained



Directors' Report

to the effect that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and has been enclosed to this report.

xi) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

- ₹ 0.37 Crores

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

The Board has constituted Internal Complaints Committee in accordance with the provisions of

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). This Committee has been constituted to specifically provide a safe, secure and enabling environment, free from sexual harassment to every woman.

Internal compliance Committee Composition & Attendance in Meetings:

During the year the Internal compliance Committee was reconstituted as follows

Sl. No	Name	Designation
1	Ms. Syamala Allubilli	Chairperson
2	Ms. Sabitha Ghanta	Member
3	Ms. Kalpana Dulipudi	Member
4	Mr. Raghava Rangappa	Member
5	Mr. Sai Ram Phani Chalavadi	Member

The Committee met twice on December 16, 2024 and March 14,2025 during the year under review

Name	Designation	Meetings held	Meeting entitled to attend	Attended
Ms. Syamala Allubilli	Chairman	2	2	2
Ms. Sabitha Ghanta	Member	2	2	2
Ms. Kalpana Dulipudi	Member	2	2	2
Mr. Raghava Rangappa	Member	2	2	2
Mr. Sai Ram Phani Chalavadi	Member	2	2	2

Sl. No	Particulars	
1	Number of complaints filed during the financial year	1
2	Number of complaints disposed of during the financial year	1
3	Number of complaints pending as on end of the financial year	Nil

12. Disclosures by the Listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/ companies in which directors are interested by the nature and amount: Not applicable

13. Details of the material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not applicable.

14. Non- compliance of any requirement of corporate governance report, with reasons thereof:

All the corporate governance requirements are complied with.

15. The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

Discretionary Requirements:

Your Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board:

Maintenance of Office to the Non-executive Chairperson at the Company's expense: The Non-executive Chairperson, being resident of the same city as of the Company, visits the Company's Registered Office / stores as and when deemed necessary. Hence, no separate office as such is required to be maintained.

ii. Shareholders' rights:

All the quarterly financial results are being placed on the Company's Website, www.sskl.co.in, apart from publishing the same in the Newspapers along and submission to Stock Exchanges, subsequent upon Listing.

iii. Modified opinion(s) in audit report:

There are no modified opinions in the Audit Reports.

16. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details are as follows:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of Directors	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of the Company	Not Applicable
25	Obligations with respect to independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

17. Disclosure with respect to demat suspense account / unclaimed suspense account:

No Demat Suspense Account/unclaimed suspense account

18. Prevention of Insider Trading

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct for regulating, monitoring and reporting of trading by insiders. This Code also provides for periodical disclosures from the designated Persons and their immediate Relatives as well as pre-clearance of transactions by such persons as per the thresholds mentioned in the code.

The code is applicable to Designated Persons and their Immediate relatives who are likely or may reasonably be expected to have access to the unpublished price sensitive information relating to

iv. Separate Posts of Chairman and the Managing Director or the CEO:

Mr. Ravindra Vikram Mamidipudi is the Non-executive Chairman of the Company, whereas Mr. Nagakanaka Durga Prasad Chalavadi is the Managing Director of the Company

v. Reporting of Internal Auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly.

the Company and the same is being implemented as a self-regulatory mechanism.

The said code of conduct may be accessed at <https://sskl.co.in/wp-content/uploads/2025/07/Code-of-Insider-Trading.pdf>

19. Code of Conduct:

In compliance with the provisions of the Listing Regulations, the Board has laid down a code of conduct for all Board members and Senior Management of the Company and it is posted on the website of the Company at <https://sskl.co.in/wp-content/uploads/2022/07/Code-of-Conduct.pdf>

All the members of the Board and the Senior Management Personnel and Designated Employees of the Company have affirmed compliance to the code of conduct, as at March 31, 2025.

The declaration from our Managing Director with regard to compliance of code of conduct by the Board of Directors and Senior Management is enclosed and forms part of this report.



Directors' Report

20. Disclosure of certain types of agreements binding listed companies

(Information disclosed under clause 5A of paragraph A of Part A of Schedule III of Listing regulations): Nil

21. Auditors Certificate on Corporate Governance

The Company has obtained certificate from P.S. Rao & Associates, Company Secretaries in practice regarding compliance with the provisions relating to Corporate Governance laid down in Part E of schedule V of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015. This certificate is attached to the Director’s Report.

22. MD and CFO Certification

The MD and the CFO have certified to the Board with regard to the financial statement and other matters as required under regulation 17(8), read with Part-B of schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY’S CODE OF CONDUCT

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended March 31, 2025.

For Sai Silks (Kalamandir) Limited

Sd/-  
Nagakanaka Durga Prasad Chalavadi  
Managing Director  
DIN: 01929166

Date: July 25, 2025





Directors' Report

MD & CFO Certification

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015

The Board of Directors  
SAI SILKS (KALAMANDIR) LIMITED  
Hyderabad.

We, Mr. Nagakanaka Durga Prasad Chalavadi, Managing Director and Mr. K.V.L.N Sarma, Chief Financial Officer of Sai Silks (Kalamandir) Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement of our Company for the financial year ended March 31, 2025 and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of our Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by our Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of our Company pertaining to financial reporting and that we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- D. We have indicated to the auditors and the Audit committee
  - I. Significant changes in internal control over financial reporting during the year;
  - II. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. that there are no Instances of significant fraud of which they have become aware and the involvement therein of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Sai Silks (Kalamandir) Limited

Sd/-  
**Nagakanaka Durga Prasad Chalavadi**  
Managing Director  
DIN:01929166

Date: July 25, 2025

Sd/-  
**K.V.L.N. Sarma**  
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

TO  
THE MEMBERS  
SAI SILKS (KALAMANDIR) LIMITED.

We have examined the compliance of conditions of Corporate Governance by SAI SILKS (KALAMANDIR) LIMITED (“the Company”), for the year ended March 31, 2025, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing regulations)” as referred to in Regulation 15(2) of the Listing regulations.

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

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

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

**For P S Rao & Associates**  
Company Secretaries

Sd/-  
**Vikas Sirohiya**  
Partner

M.No. 15116  
C.P. No: 5246  
Peer Review No. 6678/2025  
ICSI Unique Code: P2001TL078000  
UDIN: A015116G000862303

Place: Hyderabad  
Date: July 25, 2025



CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of Sai Silks (Kalamandir) Limited, having CIN: L52190TG2008PLC059968, we hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2025, none of the directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

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

For P S Rao & Associates  
Company Secretaries

Sd/-  
**Vikas Sirohiya**  
Partner  
M.No. 15116  
C.P. No: 5246  
Peer Review No. 6678/2025  
ICSI Unique Code: P2001TL078000  
UDIN: A015116G000862303

Place: Hyderabad  
Date: July 25, 2025

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

- I. Details of the listed entity
1. Corporate Identity Number (CIN) of the Listed Entity - L52190TG2008PLC059968

2. Name of the Listed Entity – SAI SILKS (KALAMANDIR) LIMITED

3. Year of incorporation - 2008

4. Registered office address – 6-3-790/8, Flat No-1, Bathina Apartments, Ameerpet, Hyderabad, Telangana 500016

5. Corporate address - 6-3-790/8, Flat No-1, Bathina Apartments, Ameerpet, Hyderabad, Telangana 500016

6. E-mail: secretarial@sskl.co.in

7. Telephone – 040 66566555

8. Website – www.sskl.co.in

9. Financial year for which reporting is being done – 01<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025

10. Name of the Stock Exchange(s) where shares are listed – BSE Ltd and NSE India Ltd

11. Paid-up Capital – Rs 30.67 Cr (Including Treasury Stock)

12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report-  
**Name: Mr. M.K.Bhaskara Teja,**  
**Ph: 04066566555**  
**Email id: secretaial@sskl.co.in.**

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). Standalone basis

II. Products/services

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

S. No.	Description of Main Activity	Description	of Business Activity	% of Turnover of the entity
1	Retail Trading of textile goods	Retail Trading of premium ethnic fashion, ethnic fashion for middle income and value-fashion	100%	

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Textile goods	6211	100%

III. Operations

16. Number of locations where stores and/or operations/offices of the entity are situated:

Location	Number of stores	Number of offices	Warehouses	Total
National	68	2	4	74
International	0	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	5 (Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and Pondicherry)
International (No. of Countries)	0



Directors' Report

- b. What is the contribution of exports as a percentage of the total turnover of the entity - Nil
- c. A brief on types of customers:

The company caters to a wide range of consumers. The products form a part of the daily and occasion-based fashion both in the ethnic Indian fashion and western fashion. The ethnic wear and value fashion are offered to a broad spectrum of age groups. Our USP is value for money, customized designs in addition to richness and pride

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	6442	3958	61%	2484	39%
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	Total employees (D + E)	6442	3958	61%	2484	39%
WORKERS						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (E)	NA	NA	NA	NA	NA
6.	Total workers (F + G)	NA	NA	NA	NA	NA

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	56	27	48%	29	52%
2.	Other than Permanent (E)	NA	NA	NA	NA	NA
3.	Total differently abled employees (D + E)	56	27	48%	29	52%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (E)	NA	NA	NA	NA	NA
6.	Total differently abled workers (F + G)	NA	NA	NA	NA	NA

19. Participation/Inclusion/Representation of women

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	0.14%
Key Management Personnel	6	0	0 %

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

(Turnover rate in current FY) previous FY)	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	11%	13.5%	9%	14%	11%	12%	17%	14%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

14. Holding, Subsidiary and Associate Companies (including joint ventures) –

Sai Silks (Kalamandir) Limited does not have Holding, Subsidiary and Associate Companies as on March 2025

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	NA	NA	NA	NA

VI. CSR Details

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

- (ii) Turnover (in Rs.) Rs.1462.01 Cr
- (iii) Net worth (in Rs.) Rs. 1131.76 Cr

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY -2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0		0	0	
Investors (other than shareholders)	NA	0	0		0	0	
Shareholders	Yes	0	0		0	0	
Employees and workers	Yes	0	0		0	0	
Customers	Yes	0	0		0	0	
Value Chain Partners	Yes	0	0		0	0	
Other (please specify)	-	0	0		0	0	

Vigil mechanism policy - <https://sskl.co.in/wp-content/uploads/2022/07/Vigil-Mechanism-Policy.pdf>



Directors' Report

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity
1	Talent Management	Risk and Opportunity	The shop floor resources are specialized and have niche skills. The product being highly specialized there is a shortage of good salespersons with good product knowledge. The ageing workforce needs a second line to sustain and grow. There is a risk of losing workforce due to competition and age. Understanding their needs and managing the employees with the right talent management strategy keeps outstanding salespersons with the organization and it is an opportunity to sell more. In addition, the back office is heavily technology dependent. The innovations ensure that increasing the top line and mitigating the risk of losses are adhered to. Losing the relevant technical and operational talent pool runs the risk of replication by the competitor and operational inefficiencies	Provide good compensation and benefit structure. Create a competitive environment. Provide transparent evaluation of talent and reward the right talent	The payroll cost both for replacement as well as talent enrichment will increase
2	Shrinkage	Risk	Losing good fabric, Garment because of poor store practices This is a risk in financial loss but it is also an opportunity to improve our innovations to control shrinkage.	Creating a double check mechanism for sensor tags. Global Counting audit every month Store Managers held accountable for stock	Additional Manpower
3	Customer Experience	Risk and Opportunity	Electronic and physical projection of the product differs but the end result is the same. Good customer experience ensures that there is impulsive buying, publicity and repeated visits.	Training on Customer Experience to Store Staff Technology adoption to seek feedback from customers and having a CAPA. Loyalty programmes to retain customers	Technology Integration cost
4	Social Conditions	Risk	The footfall into a Mall or Store are dependent on the Social Conditions. Peaceful society, festivals and other social activities improve buying but gloomy social conditions do not motivate the customers and sales persons have happy interactions and better sales.	Ensure that our Shopping centers take adequate precautions of safety and security	Maintenance Cost

SECTION B: MANAGEMENT & PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://sskl.co.in/wp-content/uploads/2024/08/BRSR-Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Truste) standards (e.g. SA 8000, ISO, BIS) adopted by your entity and mapped to each principle.	None								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any. None									
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								
Governance, leadership and oversight									
7.Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)									
We are pleased to present our Business Responsibility and Sustainability Report (BRSR) for the FY 2023-24. This report underscores our commitment to sustainable and responsible retail practices. We are dedicated to positively impacting the communities where we operate, investing in education, healthcare, and skill development programs to improve the quality of life for underprivileged sections. Additionally, we prioritize creating a safe and inclusive workplace for all our employees. Maintaining the highest standards of integrity and transparency is paramount to us, ensuring accountability and fostering trust among all our stakeholders. This report provides a detailed overview of our sustainability initiatives and future goals, aligning with the United Nations Sustainable Development Goals (SDGs). We extend our gratitude to our employees, partners, and stakeholders for their continued support as we strive to build a sustainable future.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Nagakanaka Durga Prasad Chalavadi, Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability-related issues? (Yes / No). If yes, provide details.	Mr. Nagakanaka Durga Prasad Chalavadi, Managing Director								

Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The Senior Management of the company regularly reviews the performance against various policies. The Company also shares the update of the key aspects of such reviews to the Board.																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the existing regulations as Applicable.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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



Directors' Report

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

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Essential Indicators			
Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	2	Directors and KMPs were updated on matters relating to the industry, Statutory compliances, business model, risk metrics, mitigation and management, governing regulations, information technology including cyber security, and major developments and updates on the Company, etc.	95%
Employees other than BoD and KMPs	168	We conduct the following training and programmes for our employees a. Learning Management System b. Weekly Training sessions on Store etiquette and management c. Leadership Advances Programme d. Product Knowledge on various ethnic and modern fashion wear e. Stock Auditing and shrinkage control f. Customer Service g. Vision Building	94%

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

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy. <https://sskl.co.in/wp-content/uploads/2024/08/Anti-Bribery-Policy.pdf>

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

6. Details of complaints with regard to conflict of interest

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Leadership Indicators

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

We regularly interact with our vendors to facilitate discussions on conducting business in an ethical, transparent and fair manner. Further, we also encourage our large vendors to focus on products that are economically viable and environmentally sustainable. We have introduced several articles for our customers that are made from recycled plastic / fabric / yarn. We constantly share with them industry best practices that enable them to suitably adopt policies and procedures, which lead to better overall governance, reduced environmental impact and social equity.

Total number of awareness programmes held	Topics/ Principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness program
Nil	Nil	Nil

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

Our Code of Conduct for the Board Members clarifies that Directors and Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict with the interests of the Company. Any incident of conflict, about a Board Member’s or senior management personnel’s actual or potential conflict of interest with the Company should be brought promptly to the attention of the Chairman of the Board, who will review the case and determine a proper course of action. Further, our policy mandates that Directors or senior management personnel who may be involved in any conflict or potential conflict situation shall exclude themselves from any discussion or decision in relation thereto. If any related party transaction is unavoidable, it must be fully disclosed to the board of the Company.

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

Essential Indicators

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

- Not Applicable as our company is being engaged in retail trading of textile goods only

Current	Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	NA	NA	NA



[illegible]



Directors' Report

Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	93%	NA	Yes	62%	NA	Yes
Gratuity	100%	NA	-	100%	NA	-
ESI	76.5%	NA	Yes	70%	NA	Yes
Others Please specify	Nil	Nil	Nil	Nil	NA	Nil

3. Accessibility of workplaces

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

The company stores, warehouses and offices have been equipped with elevators and hand rails to facilitate movement of differently abled people.

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

Yes, at [https://sskl.co.in/wp-content/uploads/2024/08/SSKL\\_Human-Rights-and-EOE\\_V1-final.pdf](https://sskl.co.in/wp-content/uploads/2024/08/SSKL_Human-Rights-and-EOE_V1-final.pdf)

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

Not Applicable since no employees were on parental/maternity leave.

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

	Yes/No (If Yes, then give details of the mechanism)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes, SSKL provides employees and workers with multiple avenues to voice their grievances and concerns. Apart from the Prevention of Sexual Harassment (POSH) committee and the Whistle Blower platform, employees have access to various forums such as Business HR intervention, team meetings, quarterly business updates, and sessions with the Managing Director to raise grievances and provide suggestions. The redressal mechanism employed by SSKL encompasses several key elements to ensure a fair and effective resolution. These elements include: <ul style="list-style-type: none"><li>Detailed discussion: The concerned individual engages in thorough discussions to understand the specifics and complexities of the grievance, facilitating a transparent exchange of information.</li><li>Investigation and assessment: The issue undergoes a comprehensive investigation and evaluation process, which may include gathering evidence, interviewing relevant parties, and analysing the situation from multiple perspectives to ensure an equitable assessment.</li><li>Corrective actions: Following the investigation, appropriate corrective actions are implemented. These measures are designed to address the identified issues, rectify any misconduct, and prevent recurrence of similar incidents.</li></ul> Through the implementation of this grievance redressal mechanism, SSKL underscores its commitment to fostering a supportive and inclusive work environment where employees are encouraged to voice concerns freely.
Other than Permanent Employees	

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (D)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

8. Details of training given to employees and workers:

Category	Current Financial Year (FY 2024-25)					Previous Financial Year (2023-24)				
	Total (A)	Health and Safety Measures		Skill Upgradation		Total (A)	Health and Safety Measures		Skill Upgradation	
		B	B/A	C	C/A		E	E/D	F	F/D
Male	3958	2795	78%	3337	84%	3524	2110	60%	2678	76%
Female	2484	1878	76%	2171	87%	1900	1140	60%	1577	83%
Total	6442	4673	73%	5508	86%	5424	3250	60%	4255	78%

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. (B)	B/A %	Total (C)	No. (D)	C/D %
Male	3598	2446	68%	3524	1894	54%
Female	2484	1317	53%	1900	867	46%
Total	6442	2761	51%	5424	2761	51%

10. Health and safety management system:

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

The workplace of the organization does not use high end machinery or hazardous chemicals to warrant health and safety risk. However, The Store In charge and Managers are constantly trained to monitor any risks like fire, flooding, electricity etc.,

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

The Inhouse administration team monitors the status of the Air Conditioners, Electricity Boards, Annual Maintenance Contracts to evaluate the risk factors. Based on the feedback from the internal audit committee, the modifications are made to the workplace.

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

Not Applicable (since our company is not involved in manufacturing activities).

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





## Directors' Report

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

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

### 12. Describe the measures taken by the entity to ensure a safe and healthy workplace

Yes. Our Company is committed to provide safe and healthy working conditions for all employees. We have implemented a strong process for safe and healthy working environment supported by written Standard Operating Procedures (SOP). These SOP provide guardrails within which all employees operate to ensure the complete safety of all customers, employees and assets at all our premises.

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

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

### 14. Assessments for the year:

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

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

No health and safety incidents have been reported. Therefore, no corrective action plans have been arrived at. Given the situation post Pandemic, certain preventive measures have been initiated like mandatory availability of masks, hand gloves and hand sanitizers. Limiting the number of employees per floor to maintain Social Distancing has also been initiated.

### Leadership Indicators

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

The employees are given comprehensive coverage in the ESI and PF but the organization has a humanitarian approach to such cases where we compensate the employee / survivors adequately. Employing the survivor in a suitable job within the organization on compassionate grounds is also considered based on the interest of the family.

#### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. - The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability. Business agreements with critical service providers also mandate all partners to comply with all the statutory laws, Regulations and rules made thereunder.

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

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

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

Yes, the Company has a policy where eligible employees can be offered suitable work with the Company post their retirement. This helps retiring employees and the Company to further leverage the long-term experience and skill sets of employees.

#### 5. Details on assessment of value chain partners:

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

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

Critical observations from our internal / external reviews are followed up for closure / corrections in a time bound manner.

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

#### Essential Indicators

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

The Company identifies stakeholder groups through defined internal processes which include discussions with key functional Heads and the Top Management to understand individuals, entities and groups that impact the Company or get impacted by our business operations. Using this approach the Company has identified and mapped all its key internal and external stakeholders and same are mentioned below:

- Customers
- Employees
- Shareholders
- Business Partners/ Associates
- Regulatory Authorities/ Bodies



The Company's vision envisages it to continuously investigate, identify and make available new products / categories for the customer's everyday use and at the 'best' value than anybody else. We regularly interact with several Service and Technology Companies in the areas of Sustainability (Energy Conservation, Water Conservation, Sustainable Products & Building Materials and Transporters). Over the years, this has resulted in various initiatives being put in place towards better environmental, social and governance practices.



Directors' Report

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	1,99,00,000	0	0
Key Managerial Personnel	6	49,37,812	0	0
Employees other than BoD and KMP	3958	16,500	2484	11500
Workers	NA			

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

The Internal committees are set up to review the occurrence and impact of Human Rights violations from time to time. The team constitutes key management personnel, functional heads, Human Resources and Legal Team. The team evaluates the issue objectively and advises the management on the process and mechanism to handle such situations.

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

Internal Complaints Committee (ICCs) has been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to hear and redress complaints of sexual harassment.

The Company also has a Whistle Blower Policy in place where the employees are free to report any malpractices to the Company.

The Company also has a Code of Conduct in place to ensure that issues can be addressed as and when they arise with utmost attention and detail.

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human Rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

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

The Whistle Blower Policy provides sufficient safeguards for his/her protection wherein the identity of the whistle blower is kept confidential and employee assisting the investigation is also protected to the same extent as whistle blower.

8. Do human rights requirements form part of your business agreements and contracts?

(Yes/No)

Yes, the Company ensures that it complies with the applicable laws and the same are incorporated in the business agreements and contracts.

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company has implemented mechanisms through relevant policies, internal checks & audits and reviews to avoid instances of human rights violations.
Forced / involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others, please specify	

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

No significant risks / concerns were found during the year.

Leadership Indicators

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

There were no grievances/ complaints received with respect to Human Rights, hence the need of modification of business process did not arise.

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

This aspect is being covered as part of the internal reviews and audits.

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

Yes, The company stores, warehouses and offices have been equipped with elevators and hand rails (for stairwells) to facilitate the movement of differently abled people.

4. Details on assessment of value chain partners:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	We have carried out random assessment of our vendors across merchandise and services through internal reviews to provide us assurance on continued compliance on these parameters.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Other, please specify	

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

All critical observations from our internal / external reviews are followed up for closure / corrections in a time bound manner.





## Directors' Report

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Units/ Liters) and energy intensity, in the following format:**

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total electricity consumption (A)	1,84,87,712.6 units	1,75,03,394 units
Energy consumption through other sources (C)	95,467 Liters	80,903 Litres
Energy intensity per rupee of turnover	0	0
Total energy consumption (A+B+C)	1,85,83,179	1,75,84,297
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	22,38,49,686	22,82,21,846.6
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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

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

Not applicable

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

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	56,57,500	5,343.1
(ii) Groundwater	2,75,23,325	5,475
(iii) Third party water	48,49,328	5,675
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,80,30,153	16,493.1
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)	64,51,548	51,75,776
Water intensity (optional) – the relevant metric may be selected by the entity		
Energy intensity (optional) – the relevant metric may be selected by the entity		

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

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.** Not applicable**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:** Not applicable

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
NOx	NA	NA	NA
SOx	NA	NA	NA
Particulate matter (PM)	NA	NA	NA
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

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

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

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	NA	NA
Total Scope 1 and Scope 2 emissions per rupee of turnover		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

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

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

No

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

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic & Paper waste (A)	568.751 MT	139MT
E-waste (B)	1.246MT	0.4MT
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B + C + D + E + F + G + H)	569.997	139.04
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		



Directors' Report

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

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

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

Waste Management is one of the most critical processes that we have established in the organisation. We have a space to keep the cartons and plastic scrap. This is segregated at the store level. Our company do not dealt with hazardous and toxic chemicals in our stores and warehouses

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not applicable.

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

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

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

The Company is adheres with the applicable environmental law / regulations / guidelines in India as applicable to the extent from time to time. There are no non-compliances has been made by the company under the above specified laws.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>From renewable sources</b>		
Total electricity consumption (A)	1,84,87,712.6	17,503,394 units
Total fuel consumption (B)	95,467	80,903 Litres
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	1,85,83,179	1,75,84,297
<b>From non-renewable sources</b>		
Total electricity consumption (D)	0	
Total fuel consumption (E)	0	
Energy consumption through other sources (F)	0	
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	0	

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

2. Provide the following details related to water discharged.

Water consumption at our premises is primarily for drinking, personal hygiene and general cleaning purposes. Excess waste water is discharged through local sewage systems

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

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

No.



Directors' Report

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

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

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Water consumption at our premises is primarily for drinking, personal hygiene and general cleaning purposes. Excess waste water is discharged through local sewage systems.

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	-	-
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	-	-
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment		
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

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

4. Please provide details of total Scope 3 emissions & its intensity, in the following format: Not applicable

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

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

No.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. Not applicable

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

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. No

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

We regularly interact with our vendors to facilitate discussions on integrating environmentally friendly measures in their business processes. Further, we also encourage our large vendors to focus on products that are economically viable and environmentally sustainable.

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

For select critical vendors we undertake internal reviews.

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

a. Number of affiliations with trade and industry chambers/ associations.

c. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	RETAILERS ASSOCIATION OF INDIA (RAI)	National

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

Name of the Authority	Brief of the Case	Corrective Action taken
No Issues Reported	No Issues Reported	No Issues Reported

Leadership Indicators

Details of public policy positions advocated by the entity

S. No	Public Policy Advocated	Method resorted for Advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board (Annually/ Half yearly / Quarterly / Others – please specify)	Web Link, if available
NIL	NIL	NIL	NIL	NIL	NIL

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

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

During the Financial year, the Company has not undertaken any project which would require Social Impact Assessments (SIA).



Directors' Report

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

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

We have provided a platform through our website and at stores where all stakeholders can directly share any feedback. This feedback can be shared anonymously and is accessed directly by a small team at the Corporate Office. Key points / issues / suggestions are directly shared with the Management Team to further direct appropriate changes in line with our culture and values

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers: our company does not involve in manufacturing activities.

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directly sourced from MSMEs/ small producers	-	-
Sourced directly from within the district and neighbouring districts	-	-

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not Applicable.

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

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)
- (b) From which marginalized /vulnerable groups do you procure?
- (c) What percentage of total procurement (by value) does it constitute?

Our endeavour is to nurture local products and local businesses so that they too can compete with minimal costs to launch their products. Local suppliers/ vendors are evaluated based on the quality parameters set by the Company. All merchandise vendors can walk-in on a designated day at our Corporate Office to meet our merchandise team. This allows an equal opportunity to all vendors to showcase their product and where feasible sell their products through our stores. Our procurement principles for introducing new vendors / products equally apply to marginalized and vulnerable groups.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Nil

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Nil

6. Details of beneficiaries of CSR Projects:

Details of the above is available in the Annexure titled Annual Report on Corporate Social Responsibility (CSR) Activities

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

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

Customer satisfaction is one of the key objectives of our business operations. Our store personnel interact with customers frequently to understand their experience and take feedback on our services. This helps us to improve our service quality and enhance customer satisfaction. We also encourage our customers to share their valuable feedback with us and have made available several channels which they can use to reach us.

Some of those are:

- a. In charges at each store
- b. Feedback section of our corporate website
- c. Central customer care helpline number
- d. E-mail
- e. Google and Facebook reviews

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	Nil
Recycling and/or safe disposal	Nil

3. Number of consumer complaints in respect of the following

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0			0	0
Advertising	0	0			0	0
Cyber-security	0	0			0	0
Delivery of essential Services	0	0			0	0
Restrictive Trade Practices	0	0			0	0
Unfair Trade Practices	0	0			0	0
Other	0	0			0	0

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

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

Yes, the Company has a policy on cyber security and risks related to data privacy

<https://sskl.co.in/wp-content/uploads/2024/08/Cyber-security-data-privacy-policyV1-final.pdf>



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

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**  
Details of all our services is available on our website: [www.sskl.co.in](http://www.sskl.co.in)
2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**  
SSKL is in the business retailing products to customers through a network of stores across 4 states. Majority of the products are procured from reputed third-party vendor/ manufacturers/ distributors which are directly sold to the customer. We constantly engage with our entire vendor ecosystem. and we seek to ensure that all our vendors adhere to appropriate labeling indicating content, safety, usage and handling and any other statutory information with respect to the products which we sell. We have a formal mechanism to inform customers on usage of services offered. Continuous and contextual communication across the customer lifecycle through - company website, communication boards at all our stores and social media page have helped us to educate and create awareness amongst our customers and society at large.
3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**  
We have the ability to inform our customers of any risk of disruption / discontinuation of services through our website, social media page and notice / communication boards at all our stores.
4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**  
SSKL is in the business retailing products to customers through a network of 68 stores across 5 states. Majority of the products are procured from reputed third party vendor/ manufacturers/ distributors. We constantly engage with our entire vendor ecosystem and we seek to ensure that all our vendors adhere to appropriate labeling indicating content, safety, usage and handling and any other statutory information with respect to the products which we sell. Customer satisfaction is one of the key objectives of our business operations. Our store personnel interact with customers frequently to understand their experience and take feedback on our services. This helps us to improve our service quality and enhance customer satisfaction. We also encourage our customers to share their valuable feedback with us and have made available several channels which they can use to reach us.  
  
Some of those are:  
a. In charges at each store  
c. Central customer care helpline number  
d. E-mail  
e. Google and Facebook reviews
5. **Provide the following information relating to data breaches:**  
a. Number of instances of data breaches along-with impact: Nil  
b. Percentage of data breaches involving personally identifiable information of customers: NIL

VIGIL MECHANISM / WHISTLE BLOWER POLICY

**Scope and purpose:**  
The purpose of **Vigil Mechanism / Whistle Blower Policy** is to define the Company's policy on reporting irregularities and for submitting complaints regarding questionable accounting, internal accounting controls and auditing practices, to provide employees with procedures on reporting such irregularities and complaints, including confidential reporting, and to establish procedures for the receipt, retention and remedying of such irregularities and complaints.  
  
This policy applies to all employees of the Company.

Roles and Responsibilities

Role	Responsibility
Audit Committee	Review, Investigate and Determine Course of Action
Nodal Officer	Review and Advise
Any Employee	Report irregularities and accounting complaints

How & Where to Report

You must report all suspected violations to (i) your immediate supervisor; (ii) the nodal officer, i.e., the Chairman of Audit Committee; at or (iii) anonymously, by sending an email to: [secretarial@sskl.co.in](mailto:secretarial@sskl.co.in)  
  
If you have reason to believe that your immediate supervisor or the Company Secretary is involved in the suspected violation, your report may be made to the Chairman of the Audit Committee at the registered office of the Company.

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Post reporting Investigation

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance

with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

Zero - Retaliation policy

No one shall take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

Modification

The Audit Committee or the Board of Directors of your Company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with national, state or local regulations and / or accommodate organizational changes within the Company.

Please sign the acknowledgment form below and return it to the Company Secretary. This will let the Company know that you have received the Policy and are aware of the Company's commitment to a work environment free of retaliation for reporting violations of any Company policies or any applicable laws.

For and on behalf of the Board of Directors

Sd/- <b>Nagakanaka Durga Prasad Chalavadi</b> Managing Director DIN:01929166	Sd/- <b>Kalyan Srinivas Annam</b> Whole Time Director DIN:02428313
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Annexure – X

POLICY ON APPOINTMENT OF DIRECTORS & BOARD DIVERSITY

1. Objective & Scope

The objective of this policy is to lay down the criteria for appointment of Directors on the Board of Directors (“Board”) of Sai Silks (Kalamandir) Limited (“Company”) and the organization’s approach to Board Diversity. This policy is to be read in conjunction with the Corporate Governance guidelines and Remuneration policy of the Company, as approved and amended from time to time.

The policy applies only to the appointment of Directors and not to any other employees.

2. Appointment of Directors

The Board, on the recommendations of the Nomination & Remuneration Committee, is responsible for selection and appointment of Directors on the Board of the Company and is subject to approval of Shareholders, wherever applicable.

The appointment of all Directors is subject to the articles of association of the Company, provisions of the Companies Act, 2013, the SEBI Listing Regulations, including any modifications thereto from time to time.

The re-appointments of Directors on the Board are also subject to the evaluation of the Director basis the performance of the concerned Director in the previous term.

3. Board Diversity

All appointments to the Board will continue to be made on merit. However, the Company believes that establishing and maintaining diversity of the Board is one of the key aspects of the selection and appointment of Board members.

The Company believes that, Board diversity basis the gender, race, age will help build diversity of thought and will set the tone at the top. A mix of individuals representing different geographies, culture, industry experience, qualification and skill set will bring in different perspectives and help the organization grow.

It is always the endeavor of the organization to maintain Board diversity while retaining its philosophy of selection and appointment of board member on the basis of merit.

The Board of Directors of the Company shall at all times have an optimum combination of executive and non-executive directors and independent Directors.

4. Criteria for Selection of Independent Directors and Key Skills, Expertise, and Core Competencies of the Board.

The Board of the Company comprises of eminent personalities and leaders in their respective fields. These Directors are nominated based on well-defined selection criteria.

The Board Governance, Nomination and Remuneration Committee:

- a. considers, inter alia, key qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment as Independent Director.
- b. In case of appointment of Independent Directors, satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively.

In the opinion of the Board and the Board Governance, Nomination and Remuneration Committee, the following is a list of core skills/expertise/competencies required in the context of the Company’s business and which are available with the Board:

The following is only an indicative list all Board members need not possess all skill sets.

Wide management and leadership experience	Strong management and leadership experience, including in areas of business development, strategic planning and mergers and acquisitions, ideally with major public companies with successful multinational operations in technology, manufacturing, banking, investments and finance, international business, scientific research and development, senior level government experience and academic administration.
Information Technology	Expertise or experience in information technology business, technology consulting and operations, emerging areas of technology such as digital, cloud and cyber security, intellectual property in information technology domain, and knowledge of technology trends.
Diversity	Diversity of thought, experience, knowledge, perspective, gender and culture brought to the Board by individual members. Varied mix of strategic perspectives, geographical focus with knowledge and understanding of key geographies.
Functional and managerial experience	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
Personal values	Personal characteristics matching the Company’s values, such as integrity, accountability, and high performance standards.
Corporate governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders’ interests and Company’s responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates. Experience in boards and committees of other large companies.

5. Review of the Policy

The Board of Directors is responsible for review of the policy from time to time.

For and on behalf of the Board of Directors

Sd/-  
**Ravindra Vikram Mamidipudi**  
Chairman  
DIN:00008241  
Place: Hyderabad  
Date: July 25, 2025





Annexure – XI

REMUNERATION POLICY

Remuneration Policy for Directors, Key Managerial Personnel, and the Senior Management employees

1. Introduction:

Your Company recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and the Senior Management employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration 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.

2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 “Director” means a director appointed to the Board of the Company.

3.2 “Key Managerial Personnel” means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3 “Nomination and Remuneration Committee” or NR Committee means the committee constituted by Board of Directors your Company in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Commission
- (iv) Retiral benefits
- (v) Annual Performance Bonus

4.2 Remuneration to Non-Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders, if any.

4.3 Remuneration to other employees

Employees may be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience, and prevailing remuneration levels for equivalent jobs.

For and on behalf of the Board of Directors

Sd/-  
**Ravindra Vikram Mamidipudi**  
Chairman  
DIN:00008241

Place: Hyderabad  
Date: July 25, 2025





## Annexure – XII

### DIVIDEND DISTRIBUTION POLICY

#### INTRODUCTION

The Securities Exchange Board of India (SEBI) on May 5<sup>th</sup>, 2021 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 (Regulations). Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top One Thousand listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Regulation 43A of the Listing Regulations makes it mandatory for the top One Thousand listed companies based on their market capitalization calculated as on March 31 of every financial year to formulate Dividend Distribution Policy.

Sai Silks (Kalamandir) Limited (the “Company”) has formulated Dividend Distribution Policy on Voluntary Basis, the Company has approved and adopted this Dividend Distribution Policy (the “Policy”) at its Board meeting held on 04<sup>th</sup> June 2022, being the effective date of the Policy.

#### OBJECTIVE

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business or used for acquisitions, expansion, modernization or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these needs.

The objective of this policy is to ensure a regular dividend income for the shareholders and long-term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amounts of profits retained in the business for various purposes.

The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans.

#### DEFINITIONS

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

#### PARAMETERS/FACTORS TO BE CONSIDERED BEFORE DECLARING DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors:

#### 1. FINANCIAL PARAMETERS AND INTERNAL FACTORS:

The financial parameters and internal factors which would be considered while declaration of dividend by the Board are as follows:

- i) Operating cash flow of the Company
- ii) Profit earned during the year
- iii) Profit available for distribution
- iv) Earnings Per Share (EPS)
- v) Working capital requirements
- vi) Capital expenditure requirements
- vii) Business expansion and growth
- viii) Likelihood of crystallization of contingent liabilities, if any
- ix) Additional investment in subsidiaries and associates of the company
- x) Up gradation of technology and infrastructure
- xi) Creation of contingency fund
- xii) Acquisition of brands and business
- xiii) Cost of Borrowing
- xiv) Past dividend payout ratio /trends

#### 2. EXTERNAL FACTORS

Certain external factors may impact the dividend payout for any financial year of the Company. Some of the external factors are hereunder:

- i) Economic Environment
- ii) Dividend payout ratios across Industries.
- iii) Statutory provisions and guidelines
- iv) Capital Markets
- v) Inflation rate
- vi) Industry outlook for future years
- vii) Taxation

#### PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company presently has only 1 (one) class of shares, i.e. Equity Shares. Hence, the parameters which are required to be adopted for various classes of shares do not apply to the Company. This Policy is subject to review and the Board shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

#### CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board:

- i. In the event of a growth opportunity where the Company may be required to allocate a significant amount of capital.
- ii. In the event of higher working capital requirements for business operations or otherwise.
- iii. When Company's liquidity is jeopardized for any reason, impairing its ability to pay the dividend.
- iv. In the event of loss or inadequacy of profits.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then on going or planned business expansion or other factors which may be considered by the Board.

The Company will take a decision on the dividend distribution keeping all external and internal factors in view and duly adopting a judicious balance between directly rewarding the shareholders through dividend declaration on one hand and increasing shareholder's wealth in future through appropriate retention of projects and its realization for sustainable growth, on the other.

#### HOW THE RETAINED EARNINGS WILL BE UTILISED

The Company shall endeavor to utilize the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital;
- ii. Organic and/or inorganic growth;
- iii. Investment in new business(es) and/or additional investment in existing business(es);
- iv. Declaration of dividend;
- v. Capitalization;
- vi. Buy back of shares;
- vii. General corporate purposes, including contingencies;
- viii. Such other criteria's as the Board may deem fit from time to time; or
- ix. Any other usage as permitted under applicable laws / regulations.

#### CONFLICT IN POLICY

In the event of a conflict between this policy and the statutory provisions, the statutory provisions shall prevail.

#### MODIFICATION OF THE POLICY

The Board is authorized to change or amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Act, the Regulations, or any other applicable law.

The modifications, if any, made to the policy shall be disclosed on the website and in the Annual Report.

#### DISCLOSURES

The Company shall make appropriate disclosures as required under the Listing Regulations and the Companies Act, 2013.

The Policy shall be disclosed in the Company's Annual Report and on the website <https://sskl.co.in/> of the Company.

In case, the Company proposes to declare dividend on the basis of the parameters in addition to those as specified in this Policy and/or proposes to change any of the parameters, the Company shall disclose such changes along with the rationale in its Annual Report and on its website.

#### REVIEW OF POLICY:

The Policy may be amended, as and when deemed fit. The Board of Directors shall have the right to modify, amend or change any or all clauses of this Policy in accordance with the provisions of the Applicable laws/ Acts /Regulations or otherwise.

In case of any amendment(s), clarification(s), circular(s) etc. issued under any Applicable laws/ Regulations, which is not consistent with any of the provisions of this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall be deemed to be amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

#### AMENDMENTS TO THE POLICY

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case of any amendment(s), clarification(s), circular(s) etc., issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendments, clarification(s), circular(s) etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

#### DISCLAIMER

This policy shall not be construed as a solicitation for investments in the Company's securities and shall neither act as an assurance of guaranteed returns (in any form), on investments in the Company's securities.



# Independent Auditor's Report

To  
The Members  
Sai Silks (Kalamandir) Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Sai Silks (Kalamandir) Limited (hereinafter referred to as “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 and the Cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “financial statements”).

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

### Basis for Opinion

We conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit

of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl. No	Key Audit Matter	How our audit addressed the key audit matter
1	<b>Inventories valuation and existence:</b> (Refer Note 2(o) and 8 to the financial statements) The Company has Inventories of Rs. 777.82 Crores as at March 31, 2025 as detailed in Notes 8 to the financial statements. Inventories valuation and existence has been determined to be a key audit matter as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Furthermore, the assessment and application of inventories provisions are subject to significant management judgment.	<b>Our procedures included, but was not limited to the following:</b> <ul style="list-style-type: none"><li>• Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to inventory valuation and existence.</li><li>• Observed the physical verification of inventories count at the financial year end and assessed the adequacy of controls over the existence of inventories.</li><li>• Obtained assurance over the appropriateness of management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of goods.</li><li>• Evaluated management judgment with regards to the application of provisions to the inventories.</li></ul> <b>Our Conclusion:</b> Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect of inventories valuation and existence.

### Emphasis of Matter

We draw your attention to the followings forming part of the financial statements without modifying our opinion in respect of:

- Note No: 37(a)(5), Search and seizure of operations in the premises was conducted in the month of May 2023, by income tax department under section 132 of Income Tax Act,1961. Information and documents submitted to income tax department as per notices served from time to time.

Consequent to Scrutiny proceedings, the Income Tax Department has determined the total liability for an amount of Rs. 27.07 Crores (which includes an interest of Rs. 8.35 Cr). Regarding this the company has made a provision of Rs. 6.42 Crores during the FY 2023-24 itself. Therefore, the Company has made a provision for the balance amount during the FY 2024-25. The same were paid in the month of April,2025 and thereby the liability on the company upon search proceedings were concluded.

- Note no. 38,39 of Notes forming part of accounts for the period ended 31<sup>st</sup> March 2025 which describes balance of trade receivables and trade payables are subject to confirmation/reconciliation and consequential adjustment, if any.

Our opinion is not modified in respect of these matters.

### Information Other than the Financial Statements and Auditor’s Report thereon

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the financial statements and our auditor’s report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor’s Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 those documents including Annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

### Responsibilities of Management and those charged with governance for the Financial Statements:

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

### Auditor’s Responsibility 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 SA’s, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the





## Independent Auditor's Report

circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that;
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's

internal financial control with reference to the financial statements.

- g) 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 according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 37 to the financial statements
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

- 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 form or on behalf of the Ultimate Beneficiaries; and

- Provide any guarantee, security or the like form or on behalf of the Ultimate Beneficiaries; and

- iii. Based on such 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 (d) (i) and (d)(ii) contain any material mis-statement.

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

- f. The final dividend proposed during the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable





Independent Auditor's Report

2. 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 B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For Sagar & Associates**  
Chartered Accountants  
Firm’s Registration No: 003510S

Sd/-  
**CA. D. Manohar**  
Partner  
Membership No.029644  
UDIN: 25029644BMIBVR5942

Place: Hyderabad  
Date: 16.05.2025

Annexure-A  
to the Independent Auditors’ Report

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sai Silks (Kalamandir) Limited of even date)**

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

We have audited the internal financial controls over financial reporting of Sai Silks (Kalamandir) Limited (“the Company”) as of March 31<sup>st</sup>, 2025 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, 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 with reference to financial statements:**

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

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.



Annexure-A

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting 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.

**For Sagar & Associates**  
Chartered Accountants  
Firm's Registration No: 003510S  
  
Sd/-  
**CA. D. Manohar**  
Partner  
Membership No.029644  
UDIN: 25029644BMIBVR5942

Place: Hyderabad  
Date: 16.05.2025

Annexure-B  
to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sai Silks (Kalamandir) Limited of even date)

- i. (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including details of Right of Use Assets covered under Ind AS 116 "Leases".  
(B) The Company has generally maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and equipment by which all the Property, Plant and equipment are physically verified by the management. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the company and the nature of fixed assets. In accordance with this program, certain Property, Plant and equipment were verified during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provisions of the Clause 3 (i) (d) of the Order are not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by

- management were appropriate. No material discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company of the respective quarters.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or 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.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company do not have any subsidiaries, joint ventures and associates. Accordingly, no balance outstanding as on 31<sup>st</sup> March 2025.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any advances in the nature of loans or security to any other entity during the year. Accordingly, clause 3(iii) (b) to (f) of the order is not applicable.
- (iv) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits in accordance with the provisions of the Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, clause 3(v) of the order is not applicable.





## Annexure-B

- (vi) According to the information and explanations given to us, Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products traded/dealt by it (and or services provided by it). Accordingly, provisions of sub-section (1) of section 148 of the Companies Act, 2013 not applicable.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the records the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Goods and Services Tax ('GST'), provident fund Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanation given to us, no undisputed amounts payable in respect of GST, provident fund, Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of GST, provident fund, employees State Insurance, Income- tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on accounts of disputes.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the Tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, clause 3 (ix) (a) of the order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that funds have been raised on short- term basis, prima facie, not been used during the year for long term purposes by the Company.
- (e) The company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix) (e) of the order is not applicable.
- (f) The company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix) (f) of the order is not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money during the year by way of initial public offer. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully of partly convertible debentures during the year Accordingly, Clause 3(x) (b) of the order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in standards on auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on examination of the books and records of the Company and according to the information and explanations given to us, no whistle Blower complaints were received by the company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company, Accordingly, Clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports issued to the company during the year and covering the period upto March 31, 2025.
- (xv) In our opinion and according to the information and explanations given us, the Company has not entered in to any non-cash transactions with its directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, Clause 3(xvi) (a) of the order is not applicable.
- (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, Clause 3(xvi) (b) of the order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, Clause 3(xvi) (c) of the order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any Core Investment Company, accordingly, the requirements of Clause 3(xvi) (d) are not applicable.
- (xvii) The company has not incurred cash losses in the current and in the immediately preceding financial year. Accordingly, provisions of Clause 3 (xvii) of the Order are not applicable.
- (xviii) There has been no resignation of the statutory auditors during the year, accordingly, Clause 3(xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the Balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, the Company has spent the amount required as per Section 135 (5) of the Companies Act, 2013 and there is no Unspent CSR amount for the year requiring a transfer to a fund specifies in Schedule VII to the Companies Act or special account in compliance with the provisions of sub-section (6) of Sec 135 of the said Act.
- Accordingly, Clauses 3(xx)(a) and 3(xx)(b) are not applicable to the Company.
- (xxi) The Company has no subsidiaries as on 31<sup>st</sup> March 2025. As such Clause 3(xxi) of the order is not applicable.

**For Sagar & Associates**  
Chartered Accountants  
Firm's Registration No: 003510S

Sd/-  
**CA. D. Manohar**  
Partner  
Membership No.029644  
UDIN: 25029644BMIBVR5942

Place: Hyderabad  
Date: 16.05.2025

Balance Sheet

as at March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	3	251.31	222.00
(b) Capital work-in-progress	3	0.18	2.27
(c) Other Intangible assets	4	1.19	3.32
(d) Right-of-use assets	5(a)	212.75	188.69
(e) Financial assets			
(i) Other financial assets	6	33.15	31.83
(f) Other non-current assets	7	16.98	18.45
		<b>515.56</b>	<b>466.56</b>
<b>2 Current assets</b>			
(a) Inventories	8	777.82	723.22
(b) Financial assets			
(i) Trade receivables	9	2.51	3.31
(ii) Cash and cash equivalents	10	85.30	44.27
(iii) Bank balances other than (ii) above	11	209.41	357.37
(iv) Loans	12	25.74	20.69
(v) Other financial assets	13	4.27	3.95
(c) Other current assets	14	20.04	22.27
		<b>1,125.09</b>	<b>1,175.08</b>
<b>Total Assets</b>		<b>1,640.65</b>	<b>1,641.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	15	29.47	29.47
(b) Other equity	16	1,102.30	1,033.47
		<b>1,131.77</b>	<b>1,062.94</b>
<b>2 Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	17.64	22.62
(ii) Lease liabilities	5(b)	221.42	192.29
(iii) Other financial liabilities	18	1.96	2.59
(b) Provisions	19	7.73	5.93
(c) Deferred tax liabilities (Net)	20	8.81	10.22
		<b>257.56</b>	<b>233.65</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	148.90	235.13
(ii) Lease liabilities	5(c)	17.06	14.19
(iii) Trade payables	22		
- Due to micro and small enterprises		-	-
- Others		26.58	59.22
(iv) Other financial liabilities	23	33.50	29.13
(b) Other current liabilities	24	4.62	6.28
(c) Provisions	25	0.95	0.72
(d) Current tax liabilities (Net)	26	19.71	0.38
		<b>251.32</b>	<b>345.05</b>
<b>Total equity and liabilities</b>		<b>1,640.65</b>	<b>1,641.64</b>
Corporate information and Material Accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements

As per our audit report of even date      For and on behalf of the board

**For SAGAR & ASSOCIATES**  
Chartered Accountants

Sd/-  
**CA. D. Manohar**  
Partner  
Membership No. 029644  
F. No. 003510S

Place: Hyderabad  
Date: 16<sup>th</sup> May, 2025

Sd/-  
**Ch.N.K.D.Prasad**  
Managing Director  
DIN : 01929166

Sd/-  
**K.V.L.N. Sarma**  
Chief Financial Officer

Sd/-  
**Annam Kalyan Srinivas**  
Whole Time Director  
DIN : 02428313

Sd/-  
**M K Bhaskara Teja**  
Company Secretary & Compliance Offer

Statement of Profit and loss

for the period ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>INCOME</b>			
I Revenue from operations	27	1,462.01	1,373.55
II Other income	28	24.07	23.48
III <b>Total Income (I+II)</b>		<b>1,486.08</b>	<b>1,397.03</b>
<b>IV EXPENSES</b>			
(a) Purchases of stock-in-trade	29	905.54	848.56
(b) Changes in inventories	30	(54.40)	(33.89)
(c) Employee benefit expense	31	198.14	164.63
(d) Finance costs	32	40.28	52.87
(e) Depreciation and amortization expense	33	52.70	47.91
(f) Other expenses	34	201.10	182.27
<b>Total expenses (IV)</b>		<b>1,343.36</b>	<b>1,262.35</b>
V <b>Profit before exceptional items and tax (III-IV)</b>		<b>142.72</b>	<b>134.68</b>
VI Exceptional Items		-	-
VII <b>Profit before tax (V-VI)</b>		<b>142.72</b>	<b>134.68</b>
VIII Tax expense:		<b>57.33</b>	<b>33.81</b>
(a) Current Tax		37.88	36.29
(b) Deferred Tax	20	(1.42)	(1.29)
(c) Short/ (Excess) provision of earlier years		20.87	(1.19)
IX <b>Profit for the year (VII-VIII)</b>		<b>85.39</b>	<b>100.87</b>
X <b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit plans	43(f)	0.01	0.11
b) Income tax relating to Items that will not be reclassified to profit or loss	20	(0.00)	(0.03)
<b>Other comprehensive income for the year, net of tax</b>		<b>0.01</b>	<b>0.08</b>
XI <b>Total comprehensive income for the year (IX+X)</b>		<b>85.40</b>	<b>100.95</b>
XII Earnings per equity share (Ref Note no. 35)	35		
(a) Basic earnings per share of ₹ 2/- each		5.80	7.51
(b) Diluted earnings per share of ₹ 2/- each		5.80	7.51
Corporate information and Material Accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements

As per our audit report of even date      For and on behalf of the board

**For SAGAR & ASSOCIATES**  
Chartered Accountants

Sd/-  
**CA. D. Manohar**  
Partner  
Membership No. 029644  
F. No. 003510S

Place: Hyderabad  
Date: 16<sup>th</sup> May, 2025

Sd/-  
**Ch.N.K.D.Prasad**  
Managing Director  
DIN : 01929166

Sd/-  
**K.V.L.N. Sarma**  
Chief Financial Officer

Sd/-  
**Annam Kalyan Srinivas**  
Whole Time Director  
DIN : 02428313

Sd/-  
**M K Bhaskara Teja**  
Company Secretary & Compliance Offer



Statement of Cash flows

for the period ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

	As at March 31, 2025	As at March 31, 2024
<b>A) Cash Flows from Operating Activities</b>		
Net profit before tax and exceptional items	142.72	134.68
Adjustments for :		
Amortisation of Right to use asset	25.20	24.11
Unwinding of discount on security deposits (net)	20.33	16.72
Actuarial gain / loss	0.01	0.11
Depreciation on property, plant and equipment	25.37	21.66
Amortisation on intangible assets	2.13	2.14
Unrealized foreign exchange (gain)/ loss	0.05	0.03
(Profit)/ Loss on sale of Property, Plant and Equipment	(0.07)	(0.02)
Other Income	(4.78)	(5.09)
Interest expense	39.96	51.83
Interest income	(18.20)	(16.56)
Operating profit before working capital changes	<b>232.72</b>	<b>229.61</b>
Adjustments for working capital changes in :		
Inventories	(54.60)	(33.47)
Trade Receivables	0.79	(0.42)
Other current financial and non financial asset	(3.13)	15.48
Trade payables	(32.64)	(170.80)
Other current liabilities	(1.66)	2.47
Other financial liabilities	4.97	(3.28)
Other financial and non-financial non-current assets	(1.66)	(15.48)
Long-term provisions	1.81	1.29
Other non-current financial liabilities	(0.63)	(0.11)
Short term provisions	0.23	0.18
<b>Cash generated from operations</b>	<b>146.20</b>	<b>25.47</b>
Income tax paid	(39.42)	(46.93)
Cash Flow Before Exceptional items	<b>106.78</b>	<b>(21.46)</b>
Extra Ordinary Items	-	-
<b>Net Cash generated from/(used in) operating activities</b>	<b>106.78</b>	<b>(21.46)</b>
<b>B) Cash flows from Investing Activities</b>		
Sale/ (Purchase) of Property, Plant and Equipment/CWIP (incl. capital advances)	(52.53)	(41.20)
(Increase)/ Decrease in Deposits	147.96	(312.28)
Interest income	18.20	16.56
Other income	4.78	5.09
<b>Net Cash generated from/(used in) Investing Activities</b>	<b>118.41</b>	<b>(331.83)</b>
<b>C) Cash flows from Financing Activities</b>		
Proceeds from issue of Share Capital/ Share Application Money	(1.84)	564.66
Proceeds/ (repayment) from or of Long-term borrowings	(4.98)	(42.76)
Increase/ (Decrease) in Short-term borrowings	(86.23)	(44.99)
Increase/ (Decrease) in Payable to IPO Exp / Selling Share Holders	(0.61)	0.60
Dividends Paid	(14.73)	
Principal payment of lease liability	(35.77)	(32.71)
Interest paid and effect of foreign exchange	(40.00)	(51.85)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(184.16)</b>	<b>392.95</b>
<b>Net change in cash and cash equivalents (A + B + C)</b>	<b>41.03</b>	<b>39.66</b>
Cash and Cash equivalents at the beginning of the year	44.27	4.61
<b>Cash and Cash equivalents at the end of the year (refer note 10)</b>	<b>85.30</b>	<b>44.27</b>

The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For and on behalf of the board

For SAGAR & ASSOCIATES

Chartered Accountants

Sd/-

CA. D. Manohar

Partner

Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 16<sup>th</sup> May, 2025

Sd/-

Ch.N.K.D.Prasad

Managing Director

DIN : 01929166

Sd/-

K.V.L.N. Sarma

Chief Financial Officer

Sd/-

Annam Kalyan Srinivas

Whole Time Director

DIN : 02428313

Sd/-

M K Bhaskara Teja

Company Secretary & Compliance Offer

Statement of changes in equity

(All amounts are in ₹ Crores, except otherwise stated)

a. Equity share capital

Particulars	Notes	Amount
Balance as at March 31, 2023 (Incl. Treasury Stock)		<b>25.26</b>
Changes in equity share capital due to prior period errors		-
Restated balance as at April 01, 2023		-
Changes in equity share capital during the period		5.41
Treasury Stock*		(1.20)
<b>Balance as at March 31, 2024</b>	<b>15</b>	<b>29.47</b>
Balance as at March 31, 2024 (Incl. Treasury Stock)		<b>30.67</b>
Changes in equity share capital due to prior period errors		-
Restated balance as at April 01, 2024		-
Changes in equity share capital during the period		-
Treasury Stock*		(1.20)
<b>Balance as at March 31, 2025</b>	<b>15</b>	<b>29.47</b>

b. Other equity

Particulars	Notes	Reserves and surplus		Total Equity
		Securities premium	Retained Earnings	
Balance as at March 31, 2023	16	<b>34.36</b>	<b>338.91</b>	<b>373.27</b>
Profit for the year (Net)		-	100.87	100.87
Issue of equity shares		594.59	-	594.59
Other comprehensive income for the year		-	0.08	0.08
Provision for IPO Expenses		(35.34)	-	(35.34)
Treasury Stock*		-	-	-
<b>Balance as at March 31, 2024</b>	<b>16</b>	<b>593.61</b>	<b>439.86</b>	<b>1,033.47</b>
Profit for the year (Net)		-	85.39	85.39
Issue of equity shares		-	-	-
Other comprehensive income for the year		-	0.01	0.01
Provision for IPO Expenses		(1.84)	-	(1.84)
Dividend (Ref Note 16(b))		-	(14.73)	(14.73)
Treasury Stock*		-	-	-
<b>Balance as at March 31, 2025</b>	<b>16</b>	<b>591.77</b>	<b>510.53</b>	<b>1,102.30</b>

\* Refer to point no.(w) of Note no.2 (Summary of Material Accounting policies)

The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For and on behalf of the board

For SAGAR & ASSOCIATES

Chartered Accountants

Sd/-

CA. D. Manohar

Partner

Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 16<sup>th</sup> May, 2025

Sd/-

Ch.N.K.D.Prasad

Managing Director

DIN : 01929166

Sd/-

K.V.L.N. Sarma

Chief Financial Officer

Sd/-

Annam Kalyan Srinivas

Whole Time Director

DIN : 02428313

Sd/-

M K Bhaskara Teja

Company Secretary & Compliance Offer



# Material Accounting policies

(All amounts are in ₹ Crores, except otherwise stated)

## Note 1: Corporate information

M/s Sai Silks (Kalamandir) Limited ("The Company") was incorporated under the Companies Act, 1956 in Hyderabad on 03-Jul-2008, presently the CIN is L52190TG2008PLC059968. The Company is engaged in the business of buying and selling of textile and textile articles as a Retailer in the name and style of "Kalamandir", "Varamahalakshmi", "Mandir" and "KLM Fashions" in the state of Telangana, Andhra Pradesh, Karnataka, Tamil Nadu and Pondicherry.

## Note 2: Summary of Material Accounting policies

This note provides a list of the Material Accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis for preparation

The financial statements presented herein reflect the company's result of operations, assets and liabilities, statement of changes in equity and cash flows as at and for the period ended March 31, 2025.

The financial statements of the company have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. The accounting policies followed in the preparation of the financial statements are consistent with those followed in the preparation of Financial statements as at and for the year ended March 31, 2024.

### (b) Statement of Compliance

These financial statement of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

### (c) Use of estimates and judgement

The preparation of financial statement in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the

reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statement. The actual outcome may diverge from these estimates.

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

### (i) 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 re-assessment may result in change in depreciation expense in future periods.

### (ii) Fair value of financial assets and liabilities and investments:

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

### (iii) Provisions and contingent liabilities :

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

**Contingent liabilities:** Contingent liabilities are not recognised but are disclosed in notes to accounts.

### (d) Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statement are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

### (e) Revenue Recognition

**a) Sale of goods:** Revenue from the sale of goods is recognized at the point in time when control over the goods sold is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, net of discounts, variable considerations, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

**b) Interest income:** 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, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset of that asset's net carrying amount on initial recognition.

**c) Service Income:** Service income is recognized on rendering of services based on the agreements / arrangements with the concerned parties.

### (f) Leases

The Company's lease asset classes consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019 (standard effective date). The Company recognises a right-of-use asset and a lease liability at the later of lease commencement date or April 01,

2019. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is premeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is premeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term (Non Cancellable) of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

### (g) Foreign currencies

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge, if any.

### (h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those





## Material Accounting policies

(All amounts are in ₹ Crores, except otherwise stated)

assets, until such time the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### (i) Employee benefits

**Leave Encashment :** Compensatory absence which accrue to the employees which are expected to be availed or encashed within twelve months after the end of the period in which the employees render the related service are short-term in nature. These compensatory absences require measurement on an actual basis and not on actuarial basis.

**Defined contribution plan :** The company makes defined contribution to Provident Fund and Employee State Insurance which are recognized in the statement of Profit and Loss on accrual basis.

**Defined benefit plan :** The company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method done by an independent actuary as on the Balance sheet date.

Actuarial losses and gains are recognized in Other Comprehensive Income (OCI) and are not reclassified to the statement of profit and loss in any subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service costs.

### (j) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

**a) Current tax:** Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

**b) Minimum Alternate Tax (MAT) :** paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

**c) Deferred tax:** Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on

temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### (k) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is carried at historical cost.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/ acquisition cost, 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, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in the case of fixtures at stores, has been provided based on the lease period of the respective premises. The estimated useful life of the tangible assets and the useful life are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Any leasehold improvements is depreciated over the lease term.

### (l) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised. The depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

### (m) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of

maintenance expenditures required to obtain the expected future cash flows from the asset. Estimated useful lives of the intangible assets is 10 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### (n) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

### (o) Inventories

Inventories (including stock-in-transit) are stated at lower of cost or net realizable value. Cost is determined on the procurement cost basis. Due to a large number and diverse nature of inventory items, cost is estimated as near as possible for each stock keeping unit including freight and applicable taxes, etc.

Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

No valuation is done for damaged stock since its realizable value, if any, is negligible.



## Material Accounting policies

(All amounts are in ₹ Crores, except otherwise stated)

### (p) Provisions and contingencies

**Provisions:** A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

**Contingent liabilities:** Contingent liabilities are not recognised but are disclosed in notes to accounts.

### (q) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

a) **Non-derivative Financial assets:** All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Financial assets at amortised cost**

A financial asset is measured at amortised cost if both of the following conditions are met:

- 1) the financial asset is held within a business model whose objective is to hold financial

assets in order to collect contractual cash flows and

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

**Effective interest method:**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is that which exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item."

- b) **Derecognition of financial assets:** A financial asset is derecognised only when the Company:

- has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

- c) **Foreign exchange gains and losses:** The fair value of financial assets denominated

in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss.

- d) **Financial liabilities:** All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL - Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/ Other expenses' line item.

### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange

component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

### (r) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the Managing director. The Company is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

### (s) Cash and cash equivalents

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

### (t) Earnings per share (EPS)

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit or loss attributable to ordinary equity holders by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

### (u) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of





## Material Accounting policies

classification of its assets and liabilities as current and non-current.

### (v) Capital work-in-progress

Capital work in progress includes, cost of assets not yet commissioned, and incidental expenses during the construction period. Certain directly attributable pre-operative expenses during construction period are included under Capital Work in Progress. These expenses are allocated to the cost of Fixed Assets when the same are ready for intended use.

### (w) Note on ESOP Trust

The company has created "SSKL EmployeesTrust" for providing share based payments to its employees. The company uses SSKL EmployeesTrust as a vehicle for distributing shares to employees under the employee remuneration schemes.

For the said purpose, the ESOP Trust borrowed funds from the Company and paid the same towards acquisition of shares of the Company for allocating the same to the eligible employees.

Own Equity instruments that are acquired (Treasury Shares) are recognised at Cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the Carrying amount and the consideration, if reissued / sold is recognised in Other Equity.

As the ESOP Trust carries out activities for the benefit of the employees of the Company, for appropriate presentation of the activity of the ESOP trust in the Financial Statements of the company, the Company has adopted the accounting policy to consolidate the ESOP Trust in the Financial Statements by treating the Trust as its extension.

Consequently, in the Financial Statements of the Company, the loan given to ESOP Trust is eliminated and the equity shares that are allotted to ESOP Trust (Treasury shares) are recognised at cost and disclosed as deduction from Equity.

Further, for the purpose of computation of Weighted Average Number of Equity shares outstanding for calculating Earnings per share, the weighted average number of Treasury shares outstanding are reduced from the number of shares at the end of the year.

### (x) Basis for Accounting of invoices / Debit notes / Credit Notes towards procurement Goods / Services

We account the invoices / Debit notes / Credit Notes only after acceptance of the received goods / services related to that respective invoices / Debit notes / Credit Notes. And these goods become forming part of our inventory only after completion of accounting of respective invoices / Debit notes / Credit Notes.

(All amounts are in ₹ Crores, except otherwise stated)

## Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

### Note No. 3 Property, Plant and Equipment

Description of Asset	Buildings & Civil structures	Plant and Equipment	Furniture and Fixtures	Vehicles	Computers	Total	Capital Work-In-Progress
<b>Gross Carrying Amount</b>							
As at 1 April, 2023	55.38	41.24	161.79	12.73	7.48	278.62	(0.00)
Additions	10.35	3.42	19.38	2.52	3.29	38.96	2.27
Disposals/adjustments	-	-	-	(0.16)	-	(0.16)	-
<b>Closing Gross Carrying Amount (A)</b>	<b>65.73</b>	<b>44.66</b>	<b>181.177</b>	<b>15.09</b>	<b>10.77</b>	<b>317.42</b>	<b>2.27</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening accumulated depreciation	3.16	10.79	50.72	4.14	5.10	73.91	-
Depreciation charge for the year	0.93	2.74	14.56	1.79	1.64	21.66	-
Disposals/adjustments/Impairment	-	-	-	(0.15)	-	(0.15)	-
Closing Accumulated Depreciation and Impairment as at March 31, 2024 (B)	4.09	13.53	65.285	5.78	6.74	95.42	-
<b>Net Carrying Amount as at March 31, 2024 (A-B)</b>	<b>61.64</b>	<b>31.13</b>	<b>115.89</b>	<b>9.31</b>	<b>4.03</b>	<b>222.00</b>	<b>2.27</b>
<b>Description of Asset</b>	<b>Buildings &amp; Civil structures</b>	<b>Plant and Equipment</b>	<b>Furniture and Fixtures</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Total</b>	<b>Capital Work-In-Progress</b>
<b>Gross Carrying Amount</b>							
As at 1 April, 2024	65.73	44.66	181.177	15.09	10.77	317.42	2.27
Additions	14.32	4.45	26.47	8.02	1.58	54.84	-
Disposals/adjustments	-	-	-	(0.78)	-	(0.78)	(2.09)
<b>Closing Gross Carrying Amount (A)</b>	<b>80.05</b>	<b>49.11</b>	<b>207.64</b>	<b>22.32</b>	<b>12.35</b>	<b>371.48</b>	<b>0.18</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening accumulated depreciation	4.086	13.53	65.29	5.78	6.74	95.43	-
Depreciation charge for the year	1.15	2.96	17.19	2.12	1.95	25.37	-
Disposals/adjustments/Impairment	-	-	-	(0.63)	-	(0.63)	-
<b>Closing Accumulated Depreciation and Impairment as at March 31, 2025 (B)</b>	<b>5.23</b>	<b>16.49</b>	<b>82.48</b>	<b>7.275</b>	<b>8.69</b>	<b>120.17</b>	<b>-</b>
<b>Net Carrying Amount as at March 31, 2025 (A-B)</b>	<b>74.82</b>	<b>32.62</b>	<b>125.16</b>	<b>15.05</b>	<b>3.66</b>	<b>251.31</b>	<b>0.18</b>

#### (i) Property, plant and equipment mortgaged as security

Refer to note 41 for information on property, plant and equipment mortgaged as security by the company.

#### (ii) Contractual obligations

Refer to note 37(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

#### (iii) Capital work-in-progress

The ageing of Capital work-in progress is provided in Note 40.

#### (iv) Ind AS 101 - Deemed Cost exemption

As per para D7AA of Ind AS 101, the company has adopted to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS's (01 April 2019), measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### (v) Refer Note No. 40 regarding the CWIP ageing schedule.



Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 4 Other Intangible assets

Description of Asset	Software	Brands	Total
<b>Gross Carrying Amount</b>			
As at 1 April, 2023	0.68	15.71	16.39
Additions	-	-	-
Disposals/adjustments	-	-	-
<b>Closing Gross Carrying Amount (A)</b>	<b>0.68</b>	<b>15.71</b>	<b>16.39</b>
<b>Accumulated Depreciation and Impairment</b>			
Opening accumulated depreciation	0.48	10.44	10.92
Depreciation charge for the year	0.05	2.09	2.14
Disposals/adjustments/Impairment	-	-	-
Closing Accumulated Depreciation and Impairment as at March 31, 2024 (B)	0.53	12.538	13.07
<b>Net Carrying Amount as at March 31, 2024 (A-B)</b>	<b>0.15</b>	<b>3.17</b>	<b>3.32</b>
<b>Description of Asset</b>	<b>Software</b>	<b>Brands</b>	<b>Total</b>
<b>Gross Carrying Amount</b>			
As at 1 April, 2024	0.68	15.71	16.39
Additions	-	-	-
Disposals/adjustments	-	-	-
<b>Closing Gross Carrying Amount (A)</b>	<b>0.68</b>	<b>15.71</b>	<b>16.39</b>
<b>Accumulated Depreciation and Impairment</b>			
Opening accumulated depreciation	0.53	12.54	13.07
Depreciation charge for the year	0.05	2.088	2.13
Disposals/adjustments/Impairment	-	-	-
<b>Closing Accumulated Depreciation and Impairment as at March 31, 2025 (B)</b>	<b>0.58</b>	<b>14.63</b>	<b>15.20</b>
<b>Net Carrying Amount as at March 31, 2025 (A-B)</b>	<b>0.10</b>	<b>1.08</b>	<b>1.19</b>

Note No. 5 Leases

The Company has adopted Ind AS 116 ‘Leases’ with the date of initial application being 01-Apr-2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has used simplified transition approach under Ind AS 116.

(a) Right-of-use assets

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	188.69	169.29
Transition to Ind AS 116	-	-
Additions during the year / period	49.26	41.50
Impact on lease termination	-	-
Impact on lease modification	-	2.01
Amortised during the year / period	(25.20)	(24.11)
<b>Total</b>	<b>212.75</b>	<b>188.69</b>

(All amounts are in ₹ Crores, except otherwise stated)

(b) Lease liabilities

The following are the movement in lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	206.48	180.42
Additions	46.42	39.10
Modifications	-	1.14
Deletions	-	-
Interest	21.36	18.53
Lease payments	(35.78)	(32.71)
<b>Closing balance</b>	<b>238.48</b>	<b>206.48</b>
Non-current lease liabilities	221.42	192.29

(c) Current lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	17.06	14.19
<b>Total</b>	<b>17.06</b>	<b>14.19</b>

\* Please refer note no. 36 for other additional disclosures relating to leases

Note No. 6 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Rental deposits - at amortised cost - refer note (1) below	33.15	31.83
<b>Total</b>	<b>33.15</b>	<b>31.83</b>

- (1) The company has paid an amount of ₹ 3.00 crores as interest free refundable security deposit for opening a new store at Chennai on lease. However, the parties failed to hand over the physical possession. Complaint was filed with Central Crime Station (CCS), Hyderabad PS vide FIR No. 219/2019. Upon investigation, charge sheet was filed and requested the bank to freeze the account of the defaulting party, where significant amount was parked. Management is confident of recovering the total deposit amount. Hence no provision has been made in this regard.

Note No. 7 Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Advances for purchase of property, plant and equipment	14.42	15.93
(b) Deposits with govt. authorities	2.51	2.47
(c) Other deposits	0.05	0.05
<b>Total</b>	<b>16.98</b>	<b>18.45</b>

Note No. 8 Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Stock in trade	777.44	723.04
(b) Packing material and others	0.38	0.18
<b>Total</b>	<b>777.82</b>	<b>723.22</b>

Inventories are hypothecated as security against current borrowings, details of which have been disclosed in Note 41.

For mode of valuation of inventories refer Note 2(o) of Accounting Policies.





Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 9 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good - Unsecured	2.51	3.31
<b>Total</b>	<b>2.51</b>	<b>3.31</b>

Trade receivables are hypothecated as Security for part of Cash Credit facilities (refer note 41) and ageing of trade receivables is provided in Note 38.

The Company generally operates on a cash and carry model, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

Note No. 10 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balance with banks		
-In Current Accounts	71.52	30.47
-In Deposit Accounts (with maturity of less than 3 months)	-	-
(b) Cash on hand	4.81	7.81
(c) Others - Card Swiping receivables	8.97	5.99
<b>Total</b>	<b>85.30</b>	<b>44.27</b>

Note No. 11 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposits (includes FDs held as margin money against borrowings as specified in Note no.41) (maturity of less than 12 months from the balance sheet date)^	209.40	357.37
Unpaid Dividend Account	0.01	-
<b>Total</b>	<b>209.41</b>	<b>357.37</b>

^ Other bank deposits represents, fixed deposit with banks with original maturity of more than 3 months.

Note No. 12 Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Employee loans - at amortised cost	25.74	20.69
<b>Total</b>	<b>25.74</b>	<b>20.69</b>
<b>Break-up of security details</b>		
Loans considered good – unsecured	25.74	20.69

Note No. 13 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
[Unsecured, considered good]		
Interest accrued on FDs	1.14	0.44
Others		
- Deposits given to BSE	3.00	3.00
- TDS Refund Due	0.13	0.51
<b>Total</b>	<b>4.27</b>	<b>3.95</b>

Note No. 14 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(a) Balances with statutory authorities</b>		
- Other taxes	7.27	6.74
<b>(b) Others</b>		
- Advances to Suppliers	11.05	14.13
- Prepaid Expenses	1.72	1.40
<b>Total</b>	<b>20.04</b>	<b>22.27</b>

Note No. 15 Equity share capital

(i) Authorised equity share capital

Particulars	Number of Shares	Amount
As at 31 <sup>st</sup> Mar, 2023 @ Face Value of 2/- each	21,00,00,000	42.00
Movement during the year	-	-
<b>As at 31<sup>st</sup> March, 2024 @ Face Value of 2/- each</b>	<b>21,00,00,000</b>	<b>42.00</b>
As at 31 <sup>st</sup> March, 2024 @ Face Value of 2/- each	21,00,00,000	42.00
Movement during the year	-	-
<b>As at 31<sup>st</sup> March, 2025 @ Face Value of 2/- each</b>	<b>21,00,00,000</b>	<b>42.00</b>

(ii) Movement in paid-up equity share capital

Particulars	Number of Shares	Amount
As at 31 <sup>st</sup> March, 2023 @ Face Value of 2/- each (Incl. Treasury Stock)	12,63,39,085	25.26
Movement during the year @ Face Value of 2/- each	2,70,27,027	5.41
Treasury Stock*	(60,16,145)	(1.20)
<b>As at 31<sup>st</sup> March, 2024 @ Face Value of 2/- each</b>	<b>14,73,49,967</b>	<b>29.47</b>
As at 31 <sup>st</sup> March, 2024 @ Face Value of 2/- each (Incl. Treasury Stock)	15,33,66,112	30.67
Movement during the year @ Face Value of 2/- each	-	-
Treasury Stock*	(60,16,145)	(1.20)
<b>As at 31<sup>st</sup> March, 2025 @ Face Value of 2/- each</b>	<b>14,73,49,967</b>	<b>29.47</b>

Terms and Rights attached to Equity Shares

The Company has one class of equity shares having a par value of ₹. 2/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

\* Refer to point no.(w) of Note no.2 (Summary of Material Accounting policies)

(iii) Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	For the period ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
Nagakanaka Durga Prasad Chalavadi	5,05,66,160	32.97	5,05,66,160	32.97
SSKL Family Trust	2,47,53,774	16.14	2,46,53,850	16.08
Annam Kalyan Srinivas	87,50,000	5.71	87,50,000	5.71



Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

(iv) Shares held by promoters

Name of the Shareholder	% Share holding		
	As at March 31, 2025	As at March 31, 2024	% Change during the year
Nagakanaka Durga Prasad Chalavadi	32.97	32.97	-
Chalavadi Jhansi Rani	2.28	2.28	-

(v) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Nil

Note No. 16 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Securities premium (refer movement below)	591.77	593.61
(b) Retained Earnings including OCI (refer movement below)	510.53	439.86
	1,102.30	1,033.47

(a) Securities premium

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	593.61	34.36
Additions	-	594.59
Provision for IPO Expenses	(1.84)	(35.34)
Closing Balance	591.77	593.61

(b) Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	439.86	338.91
Ind AS adjustments		
Balance after above Ind AS adjustments	439.86	338.91
Add: Net profit for the year	85.39	100.87
Less: Dividend*	(14.73)	-
	510.52	439.78
OCI on Gratuity and Leave Encashment	0.01	0.11
Deferred Tax on OCI portion	(0.00)	(0.03)
Closing Balance	510.53	439.86

\* During the FY 2024-25, the Company has declared and paid the final dividend of ₹ 1.00 (50 % of face value) per equity share of ₹ 2/- face value for the financial year ended 31<sup>st</sup> March, 2024.

Note No. 17 Financial liabilities non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured - Long Term Loans from banks		
(a) Term loans from banks *	10.71	17.76
(b) Vehicle loans from banks #	6.93	3.48
Un secured - Long Term Loans from NBFCs ^	-	1.38
Total	17.64	22.62

\* Term Loans from Banks are secured by first charge on fixed assets of the company both present and future (For details Refer Note No 41)

# Vehicles loans are secured by hypothecation of vehicles financed by respective banks. (For details Refer Note No 41)

^ For details Refer Note No 41

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 18 Non-current other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Security deposits - at amortised cost	1.96	2.59
	1.96	2.59

Note No. 19 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits (refer note 43)	7.73	5.93
Total	7.73	5.93

Note No. 20 Deferred tax liabilities (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
The balance comprises temporary differences attributable to:		
Deferred tax liabilities - Opening	10.22	11.48
Impact in the current year	(1.41)	(1.26)
Total	8.81	10.22

As at March 31, 2025

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	11.90	(0.90)	-	11.00
Other Adjustments	(1.68)	(0.52)	0.01	(2.19)
Total	10.22	(1.42)	0.01	8.81

As at March 31, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	12.79	(0.89)	-	11.90
Other Adjustments	(1.31)	(0.40)	0.03	(1.68)
Total	11.48	(1.29)	0.03	10.22

Note No. 21 Financial liabilities current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Secured (refer note 41)		
(i) Loans repayable on demand from banks	137.05	218.05
(ii) Current maturities for long term debt	7.51	7.48
(iii) Current maturities of vehicle loans	2.94	2.06
(b) Unsecured (refer note 41)		
(i) From related parties	-	-
(ii) From Others	-	-
(iii) Current maturities for long term debt*	1.40	7.54
Total	148.90	235.13

\* Loans availed from NBFCs (for further details refer note no. 41)



Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 22 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables to third parties		
-Due to micro and small enterprises	-	-
- Others	26.58	59.22
<b>Total</b>	<b>26.58</b>	<b>59.22</b>
<b>*Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
(a) Principal amount remaining unpaid to any supplier as at year end	-	-
(b) Interest due on above and remaining unpaid as at year end	-	-
(c) Principal/interest amount paid beyond the appointed day during the year	-	-
(d) Interest paid on payments made beyond the appointed day during the year u/s 16 of MSMED Act, 2006	-	-
(e) Interest due and Payable on payments made beyond the appointed day during the year other than MSMED Act, 2006	-	-
(f) Interest remaining due and payable for the period of delay in earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

Refer Note No. 39 regarding Trade payables Ageing Schedule.

Note No. 23 Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Interest accrued on loans	-	-
(b) Employee benefits payable	14.25	12.42
(c) Capital Creditors	1.83	3.04
(d) Outstanding expenses	17.41	13.07
(e) Unclaimed Dividends	0.01	-
(f) Payable to Selling Share Holders	0.00	0.60
<b>Total</b>	<b>33.50</b>	<b>29.13</b>

Note No. 24 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Statutory dues payable	2.60	4.52
(b) Advances received from customers	2.02	1.76
<b>Total</b>	<b>4.62</b>	<b>6.28</b>

Note No. 25 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits (refer note 43)	0.95	0.72
<b>Total</b>	<b>0.95</b>	<b>0.72</b>

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 26 Current tax liabilities (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax liabilities	19.71	0.38
<b>Total</b>	<b>19.71</b>	<b>0.38</b>

Note No. 27 Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products		
- through showrooms	1,443.62	1,354.51
- through online channel	18.39	19.04
<b>Total</b>	<b>1,462.01</b>	<b>1,373.55</b>

Company adopted Ind AS 115 “Revenue from Contracts with Customers”. Refer note 2(e) for the accounting policies followed pursuant to adoption of Ind AS 115. The adoption of Ind AS 115 did not have any material impact.

Note No. 28 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest Income		
- on fixed deposits	18.20	16.56
(b) Profit / (Loss) on Sale of Fixed Assets	0.07	0.02
(c) Interest unwinding on rental deposits	1.02	1.81
(d) Other non-operating income*	4.78	5.09
<b>Total</b>	<b>24.07</b>	<b>23.48</b>

\* It includes subletting income

Note No. 29 Purchases of stock-in-trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Purchases of Stock in trade	900.64	843.88
(b) Other Direct Expenses	4.90	4.68
<b>Total</b>	<b>905.54</b>	<b>848.56</b>

Note No. 30 Changes in inventories

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Changes in inventories		
Stock at the end of the year		
Stock in trade	777.44	723.04
Stock at the beginning of the year		
Stock in trade	723.04	689.15
<b>Total changes in inventories</b>	<b>(54.40)</b>	<b>(33.89)</b>



Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 31 Employee benefit expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Salaries and Wages (refer note 43)	172.37	142.64
(b) Director's remuneration (refer note 45)	7.38	7.38
(c) Staff Bonus	7.64	6.46
(d) Staff Welfare Expenses	4.89	3.39
(e) Contribution to Provident Fund & ESI (refer note 43)	3.81	3.17
(f) Gratuity (refer note 43)	2.05	1.59
<b>Total</b>	<b>198.14</b>	<b>164.63</b>

Note No. 32 Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest on borrowings	17.12	30.52
(b) Interest on others	1.52	2.81
(c) Interest on lease rental discounting (refer note 36)	21.36	18.53
<b>Other Borrowing Costs</b>		
(d) Foreign Exchange (gain) / loss, net *	(0.05)	(0.03)
(e) Processing Charges	0.33	1.04
<b>Total</b>	<b>40.28</b>	<b>52.87</b>

\*Forex (Gain) / Loss is arrived by year-ending valuation of advances made in foreign currency as per Ind AS 21

Note No. 33 Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Depreciation of Property, Plant and Equipment (refer note 3)	25.37	21.66
(b) Amortisation of Intangible Assets (refer note 4)	2.13	2.14
(c) Amortisation of right-of-use assets (refer note 5)	25.20	24.11
<b>Total</b>	<b>52.70</b>	<b>47.91</b>

Note No. 34 Other expenses^

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Rent (refer note 36)	31.97	26.37
(b) Insurance	1.20	1.25
(c) Professional Charges	14.36	10.42
(d) Facility maintenance expenses	56.25	54.36
(e) Business promotion expenses	72.46	63.73
(f) Other expenses	21.94	24.224
(g) Audit Fee		
-for audit	0.28	0.24
-for tax audit	0.09	0.08
(h) CSR Expenditure (refer note below)	2.55	1.60
<b>Total</b>	<b>201.10</b>	<b>182.27</b>

^ Refer note no. 34A for detailed breakup of Other Expenses

(All amounts are in ₹ Crores, except otherwise stated)

\*Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amount required to be spent as per Section 135 of the Act	2.34	1.52
Amount spent during the year on		
(i) Construction/acquisition of an asset		-
(ii) On purposes other than (i) above		
- For Current Year	2.55	1.60
- For Previous Years		-
Amount unspent		-

Note no. 34A Other Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Administration Expenses</b>		
<b>(a) Rent (refer note 36)</b>		
Rent	31.79	26.19
Rent cum Commission	0.18	0.18
	<b>31.97</b>	<b>26.37</b>
<b>(b) Insurance</b>		
Insurance	1.20	1.25
<b>(c) Professional Charges</b>		
Professional Charges	14.36	10.42
<b>(d) Facility maintenance expenses</b>		
Security Charges	2.37	2.30
Electricity Charges	23.46	22.87
Generator maintenance	1.96	0.79
Office & Stores Maintenance	13.99	12.53
Alteration, Rolling & Polishing Charges	0.92	1.19
Repairs & Maintenance		
Computers & Softwares	2.27	0.74
Plant & Machinery	3.24	4.22
Building	3.54	4.60
Furniture & Fixtures	4.33	5.01
Others	0.17	0.11
	<b>56.25</b>	<b>54.36</b>
<b>(e) Business promotion expenses</b>		
Advertisement	36.62	24.95
Business Promotion	26.46	28.40
Packing Material	9.38	10.38
	<b>72.46</b>	<b>63.73</b>
<b>(f) Other expenses</b>		
Printing, Postage & Stationery	1.58	1.48
Telephone & Internet Charges	0.71	0.63
Travelling Expenses	4.57	3.99
Computer Software Maintenance	0.83	0.82
Conveyance	4.26	5.52
Festival & Functional Expenses	1.28	0.98





Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Directors Sitting Fee	0.14	0.25
Professional Tax	0.00	0.02
Vehicle Maintenance	0.75	0.61
Subscription	0.02	0.01
Rates & Taxes	1.19	2.25
Donations (Not eligible as CSR)	0.05	0.46
Bank Charges (Incl Cash Pickup & CC Swiping Charges)	6.56	7.20
	21.94	24.22
(g) Audit Fee		
Audit Fee	0.38	0.33
(h) CSR Expenditure		
CSR Expenditure	2.55	1.60

Note No. 35 Earnings per equity share (Ref Note no. 35)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit after tax	85.39	100.87
Add / Less: Dividend tax	-	-
Profit after tax attributable for equity share holders	85.39	100.87
Number of equity shares (nos.)	14,73,49,967	14,73,49,967
Weighted average number of equity shares (nos.) - (Share split done on May 18, 2022)	14,73,49,967	13,42,79,520
Face value of equity share (in ₹ rupees)	₹ 2.00	₹ 2.00
Earnings per share (in ₹ rupees)		
Basic	5.80	7.51
Diluted	5.80	7.51

Note No. 36 Right-of-use assets and Lease liabilities

The Company has adopted Ind AS 116 ‘Leases’ with the date of initial application being 01-Apr-2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has used simplified transition approach under Ind AS 116.

(a) Right-of-use assets

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	188.69	169.29
Add: Addition during the year	49.26	41.50
Less: Impact on lease termination	-	-
Less: Impact on lease modification	-	2.01
Less: Amortised during the year	(25.20)	(24.11)
Total	212.75	188.69

(b) Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	206.48	180.42
Additions	46.42	39.10
Modifications	-	1.14
Deletions	-	-
Interest	21.36	18.53
Lease payments	(35.78)	(32.71)
Closing balance	238.48	206.48

(All amounts are in ₹ Crores, except otherwise stated)

(i) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases

Particulars	As at March 31, 2025	As at March 31, 2024
Depreciation charge of right-of-use assets (refer note 33)	25.20	24.11
Interest expense (included in finance costs) (refer note 32)	21.36	18.53
Interest unwinding on rental deposits (refer note 28)	(1.02)	(1.81)
Expense relating to short-term leases (refer note 34)	31.97	26.37

(ii) Contractual maturities of lease liabilities on an undiscounted basis

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Balance as at				
Mar 31, 2024	34.02	151.40	161.81	347.23
Mar 31, 2025	39.82	173.08	190.42	403.31

(iii) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company’s operations. The majority of termination options held are exercisable only by the company and not by the respective lessor. In case the company wishes to extend the lease, the same can be done on mutually agreeable basis with the lessor.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated). Also the company has used the discounting rate as 10% (the borrowing rate from the banks) for the purpose of arriving at present value.

For leases of retail stores, the following factors are normally the most relevant

- (a) If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not to terminate).
  - (b) Most extension options in retail leases have been included in the lease liability, because the company only has the right to extend the lease (only with the approval of the lessor) and has incurred lease hold improvements in them.
  - (c) The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.
  - (d) If there are significant penalty payments to terminate (or not to extend), the company is typically reasonably certain to extend (or not to terminate).
- (iv) The company is operating through 68 showrooms & 5 warehouses spread across the southern part of India and on evaluation of those rental agreements, 46 showrooms & 4 warehouses have come under the purview of Ind AS 116 and impact of the same has been provided in the financials (refer note 5). As per the terms and conditions stipulated in the lease deeds/agreements of the remaining 22 showrooms, the termination option is available with both lessor and lessee leading to the same being treated as short term and the impact appears in the rental expenses (refer note 34).



## Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

**Note No. 37 Contingent liabilities and commitments****(a) Contingent liabilities**

- The company has filed Rectification u/s 154 in relation to the below.

Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax		
AY 2009-10	-	0.06
AY 2010-11	-	0.02
AY 2012-13	0.06	0.17
AY 2016-17	0.89	0.89
	0.95	1.14

- One of our lessors namely M/s. Profit shoe company private limited (who is the lessor of our showroom at Rajahmundry) had increased the rent abnormally, which is in deviation to the rent escalation clause as mentioned in the agreement and we disagreed. So, he filed a suit for vacation of the premises and we filed counter against it. The matter is pending before the Addl. District Judge, Rajahmundry with case no. 75 of 2024.
- The company received a notice from Greater Hyderabad Municipal Corporation (GHMC) pursuant to a written complaint by residents alleging noise and traffic nuisance resulting from presence of our stores. The company filed response to such notice by providing clarifications and requesting relief in the matter. Consequently, a petition was preferred before the High Court of Telangana by the complainants to direct GHMC to stop the alleged activity against which an interim injunction was obtained by our company. Thereafter another contempt petition was filed by the complainants against the company and the matter is still pending.
- A legal notice dated August 16, 2022 was received by the company and its directors, alleging that the company is playing various sound recordings, copyrights of which vests with Phonographic performance limited without an appropriate copyright license and paying a sum of ₹ 5 Crores as damages. The company filed a reply to the above notice stating that the complainant does not have a statutory right to raise the demands given in the notice. Consequently, a commercial suit was filed vide suit no.37964 of 2022 along with an interim application no.37970 of 2022, dated December 5, 2022 before the Hon'ble Bombay High court praying for an order of injunction restraining the company to use the above mentioned intellectual property. Consequently, the company made a statement before the Court that none of the Sound recordings for which the complainant claims to have copyright shall be played in the malls and stores run by the Company which was taken on record by the Court on December 19, 2022. The matter is currently pending before the Court.
- Search and seizure operations under section 132 of the Income tax act: Search and seizure of operations in the premises was conducted in the month of May 2023, by income tax department under section 132 of Income Tax Act,1961. Information and documents submitted to income tax department as per notices served from time to time.

Consequent to Scrutiny proceedings, the Income Tax Department has determined the total liability for an amount of ₹ 27.07 Crores (which includes an interest of ₹ 8.35 Cr). Regarding this the company has made a provision of ₹ 6.42 Crores during the FY 2023-24 itself. Therefore, the Company has made a provision for the balance amount during the FY 2024-25. The same were paid in the month of April,2025 and thereby the liability on the company upon search proceedings were concluded.

(All amounts are in ₹ Crores, except otherwise stated)

**(b) Commitments**

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	4.62	3.35
Estimated amount of contracts remaining to be executed on account of other purchase commitments	-	-
Net Capital Commitments	4.62	3.35
<b>Total (a) + (b)</b>	<b>5.57</b>	<b>4.49</b>

Note: As disclosed in the Prospectus, The Company is intended to open 30 new stores (Around 1,42,500 sq. ft.) & 2 ware houses in the span of 2 years with an amount of ₹ 125 crores & 25 crores respectively. Out of which 14 stores (with an extent of 1 lac + sq. ft.) were opened till 31<sup>st</sup> March,2025 and spent an amount of ₹ 65.60 crores by 31<sup>st</sup> March, 2025.

**Note No. 38 Trade Receivables Ageing Schedule**

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Undisputed Trade receivables – considered good		
Less than 6 Months	1.85	2.99
6 Months - 1 Year	0.52	0.32
1-2 Years	0.14	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>2.51</b>	<b>3.31</b>

**Note No. 39 Trade payables Ageing Schedule**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) MSME</b>		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>(ii) Others</b>		
Less than 1 year	26.58	59.21
1-2 years	0.00	0.01
2-3 years	0.00	-
More than 3 years	-	-
<b>Total</b>	<b>26.58</b>	<b>59.22</b>

**Note No. 40 CWIP ageing schedule**

Particulars	As at March 31, 2025	As at March 31, 2024
Projects in progress		
Less than 1 year	0.18	2.27
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>0.18</b>	<b>2.27</b>





Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 41

(a) For the period ended March 31, 2025

1.0 A. Nature of Security and terms of repayment for term loans from banks:

SI No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	Canara Bank Term Loan	Showcases, Furniture and Fixtures and other fixed assets of 6 showrooms - Exclusive First charge by way of hypothecation	1. Paripassu II Charge on Stock & Book Debts. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	Repayable in 14 Ballooning Quarterly instalments commencing from Q1 FY 2023-24. The quarterly instalment of each financial year is as follows : FY 2023-24 : ₹ 1.25 Crores Per quarter FY 2024-25 and FY 2025-26 : ₹ 1.50 Per quarter FY 2026-27 : Two quarterly instalments of ₹ 1.235 Crores each	1 year MCLR + 2.20%
2	Canara Bank Housing Loan - 1	Mortgage of Flat / Houses to be purchased out of loan proceeds. Margin Up to 10%	Nil	Repayable in 180 EMIs	RLLR + 0.1%
3	Canara Bank Housing Loan - 2	EMT / MODTD of Residential Houses / Flats undivided share purchased with this loan in the name of the company for using as staff quarters. Margin is 13.04%	Nil	Repayable in 180 Monthly principal instalments (₹ 10,55,556/-) commencing from November 2022;	1 year MCLR + 1.30%

1.0 B. Nature and terms of repayment for loans availed from NBFCs:

SI No.	Lender	Security	Terms of Payment	Int. Rate Per Annum	Guarantee
1	Tata Capital Financial Services Limited	Collateral security with a Fixed Deposit of ₹ 1.00 Cr	Term loan Repayable in 24 EMIs of ₹ 47,54,182/- starting from Jun-2023	LTLR less 8.55 %	Personal Guarantee from Durgarao D K Chalavadi, Kalyan Srinivas Annam, Naga Kanaka Durga Prasad Chalavadi

1.1 Nature of Security and terms of repayment for working capital limits from banks:

SI No.	Lender	Primary Security	Other Contractual Comforts	Terms of Payment	Int. Rate
1	ICICI Bank (CC and WCDL)	1 <sup>st</sup> Pari-passu Charge on entire current assets of the company. 2 <sup>nd</sup> Pari-passu Charge on Unencumbered movable fixed Assets of the company	Personal Guarantee of M/s. NAGA KANAKA DURGA PRASAD CHALAVADI	On demand DP Margins : Inventory -25% Debtors - 25% (Cover period is 90 Days) Sundry Creditors to be reduced for the purpose of drawing power calculation	on CC limit: 6 Months MCLR + 0.10% on WCDL Limit: Repo Rate + Spread (As decided on the date of availment)
2	Yes Bank (CC and WCDL)	1 <sup>st</sup> Pari-passu Charge on entire current assets of the company. 2 <sup>nd</sup> Pari-passu Charge on all movable fixed Assets of the company (excluding Vehicles)	Personal Guarantee of M/s. NAGA KANAKA DURGA PRASAD CHALAVADI"	On demand DP Margins : Inventory -25% Debtors - 25% (Cover period is 120 Days) Sundry Creditors to be reduced for the purpose of drawing power calculation	on CC limit: Overnight MCLR+0.05% on WCDL Limit: As decided on the date of disbursement

(All amounts are in ₹ Crores, except otherwise stated)

1.2 Schedule of Collateral property with the above Banks (Which are under the process of discontinuance)

SI No.	Type	Belonging To	Address	Offered to
1	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-2, Ramky Pearls in Sy no.143,144,145,146 ,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajgiri Dist., Hyd.,TG	CANARA Bank
2	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-13, Ramky Pearls in Sy no.143,144,14 5,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajgiri Dist., Hyd.,TG	CANARA Bank
3	Flat.1 (Admeasuring 2,500 Sq. ft.)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.1, Ground Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
4	Flat.8 (Admeasuring 1,450 Sq. ft.)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.8, 2 <sup>nd</sup> Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
5	Land and Building (Admeasuring 268.53 Sq.Yds) G + 1 Floors built-up area of 1,840 Sq. ft.	Ch.N.K.D.Prasad (MD)	H no. 6-3-841/E/1, Ameerpet, Hyderabad	CANARA Bank
6	Land and Building (Admeasuring 288.88 Sq.Yds) A.C sheet room of 275 sq. ft.	Ch.N.K.D.Prasad (MD)	H no. 33-10-17, Mogalrajpuram, Seetharampuram, Srinivasarao Street, Vijayawada	CANARA Bank

1.3 Personal Guarantees of the following persons (Which are under the process of discontinuance):

SI No.	Particulars	Offered to
1	Mr. Nagakanaka Durga Prasad Chalavadi S/o C. Krishna Murthy	Canara Bank
2	Mr. Annam Kalyan Srinivas S/o A Chandra Sekhar	Canara Bank
3	Mr. Chalavadi DK Durga Rao S/o C Krishna Murthy	Canara Bank
4	Mr. Annam Venkata Rajesh S/o A Chandra Sekhar	Canara Bank
5	Mr. Annam Subhash Chandra Mohan S/o A, Chandra Sekhar	Canara Bank
Corporate Guarantor		
1	M/s. Sai Readymade (Partnership Firm)	CANARA Bank

1.4 Nature of Security and terms of repayment for vehicle loans from banks:

SI No.	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
1	HDFC Vehicle Loan - 112686183	Vellfire	Repayable in 60 monthly installments of ₹1,93,309/- each commencing from Oct'2020.	7.75%
2	Canara Bank Vehicle Loan - 4929603000020	Hyundai Creta	Repayable in 84 monthly installments of ₹ 24,646/- each commencing from Sep'2020.	7.85%
3	Canara Bank Vehicle Loan - 4929603000022	Skoda	Repayable in 78 monthly installments of ₹ 52,506/- each commencing from Sep'2020.	7.85%
4	Canara Bank Vehicle Loan - 4929603000024	Innova	Repayable in 81 monthly installments of ₹ 33,205/- each commencing from Sep'2020.	7.50%
5	HDFC Vehicle Loan - 123507760	Toyota Vellfire	Repayable in 60 monthly installments of ₹1,83,062/- each commencing from Nov'2021.	7.10%
6	HDFC BANK Vehicle Loan - 126956703	Innova	Repayable in 60 monthly installments of ₹47,220/- each commencing from Apr'2022.	7.10%
7	ICICI Vehicle Loan - LAHYD00045304127	THAR	Repayable in 60 monthly installments of ₹33,307/- each commencing from Apr'2022.	7.40%
8	HDFC Vehicle Loan - 130976729	Range rover sport version	Repayable in 60 monthly installments of ₹236,806/- each commencing from Jul'2022.	7.35%
9	HDFC Vehicle Loan - 133073148	WAGON R ZXI	Repayable in 39 monthly installments of ₹19,517/- each commencing from Oct'2022.	8.25%
10	HDFC Light Commercial Vehicle Loan - 133120420	Eicher Vehicle	Repayable in 48 monthly installments of ₹40,180/- each commencing from Sep'2022.	8.35%



Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

SI No.	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
11	HDFC Light Commercial Vehicle Loan - 134948629	Eicher Vehicle	Repayable in 48 monthly installments of ₹37,715/- each commencing from Nov'2022.	8.50%
12	Union Bank Vehicle Loan - 013916520000058	Innova	Repayable in 48 monthly installments of ₹55,458/- each commencing from Oct'2022.	8.50%
13	HDFC Bank Vehicle Loan -138174629	Mahindra XUV 700	Repayable in 48 monthly installments of ₹52,933/- each commencing from Mar'2023.	8.50%
14	HDFC Bank Vehicle Loan -137570765	Eicher Vehicle	Repayable in 48 monthly installments of ₹36,950/- each commencing from Feb'2023.	9.00%
15	ICIC Bank Vehicle Loan - LAHYD00047811784	MG ZS EV Vehicle	Repayable in 60 monthly installments of ₹ 59,118/- each commencing from Jun'2023.	8.95%
16	ICIC Bank Vehicle Loan - LAHYD00047818265	NEXON 2.0 MAX XZ EV	Repayable in 60 monthly installments of ₹ 38,838/- each commencing from Jun'2023.	9.00%
17	HDFC Bank Vehicle Loan - 142250994	Mahindra XUV 400 (EL5S WQ)	Repayable in 36 monthly installments of ₹ 61,835/- each commencing from Jul'2023.	9.30%
18	HDFC Bank Vehicle Loan - 143260510	Mercedes-Benz E-Class E 220d	Repayable in 60 monthly installments of ₹ 165,692/- each commencing from Oct'2023.	8.50%
19	HDFC Bank Vehicle Loan - 146275707	TATA NEXON	Repayable in 48 monthly installments of ₹ 45,186/- each commencing from Dec'2023.	8.85%
20	HDFC Bank Vehicle Loan - 147982880	Toyota innova crysta	Repayable in 48 monthly installments of ₹ 70,156/- each commencing from Feb'2024.	8.80%
21	UNION Bank Vehicle Loan - 013916120000005	Eicher Vehicle	Repayable in 60 monthly installments of ₹ 26,910/- each commencing from Dec'2023.	12.05%
22	ICICI Bank Vehicle Loan - LVHYD00049637696	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of ₹ 26,660/- each commencing from Apr'2024.	10.00%
23	ICICI Bank Vehicle Loan - LVHYD00049637697	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of ₹ 26,660/- each commencing from Apr'2024.	10.00%
24	Kotak Bank Vehicle Loan - CF-23429114	Innova Hycross	Repayable in 60 monthly installments of ₹ 64,191/- each commencing from May'2024.	9.27%
25	ICICI Bank Vehicle Loan - LVHYD00049828343	Ashok Leyland Bada Dost i4	Repayable in 36 monthly installments of ₹ 25,765/- each commencing from Jun'2024.	10.00%
26	ICICI Bank Vehicle Loan - LVHYD00049931822	Ashok Leyland Bada Dost i4	Repayable in 36 monthly installments of ₹ 25,779/- each commencing from Jul'2024.	10.00%
27	ICICI Bank Vehicle Loan - LVHYD00049931823	Ashok Leyland Bada Dost i4	Repayable in 36 monthly installments of ₹ 25,779/- each commencing from Jul'2024.	10.00%
28	ICICI Bank Vehicle Loan - LVHYD00050015725	Mahindra Bolero Pik-Up Maxx Pup HD 2.0L LX CBC	Repayable in 35 monthly installments of ₹ 29,358/- each commencing from Jul'2024.	10.00%
29	HDFC Bank Vehicle Loan - 154064601	Benz X167 GLS 450d 4MATIC	Repayable in 60 monthly installments of ₹ 3,01,657/- each commencing from Sep'2024.	8.80%
30	HDFC Bank Vehicle Loan - 154853826	TATA TIAGO EV XT	Repayable in 39 monthly installments of ₹ 28,378/- each commencing from Sep'2024.	9.50%
31	ICICI Bank Vehicle Loan - LVHYD00050198178	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of ₹ 26,697/- each commencing from Sep'2024.	10.00%
32	ICICI Bank Vehicle Loan - LVHYD00050198183	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of ₹ 26,697/- each commencing from Sep'2024.	10.00%
33	HDFC Bank Vehicle Loan - 155029281	Toyota Vellfire	Repayable in 48 monthly installments of ₹ 3,27,543/- each commencing from Oct'2024.	8.85%
34	HDFC Bank Vehicle Loan - 157568844	Lexus Lm 350h 4s Ultra Luxury	Repayable in 60 monthly installments of ₹ 6,16,219/- each commencing from Jan'2025.	8.55%
35	ICICI Bank Vehicle Loan - LVHYD00050547499	Mahindra Bolero Pik-Up Maxx Pup HD 2.0L LX CBC	Repayable in 36 monthly installments of ₹ 28,759/- each commencing from Dec'2024.	10.00%
36	ICICI Bank Vehicle Loan - LVHYD00050385017	Commercial Bada Dost i4	Repayable in 36 monthly installments of ₹ 26,080/- each commencing from Nov'2024.	10.00%
37	ICICI Bank Vehicle Loan - LVHYD00050384881	Eicher	Repayable in 36 monthly installments of ₹ 47,456/- each commencing from Nov'2024.	9.55%

(All amounts are in ₹ Crores, except otherwise stated)

(b) For the period ended March 31, 2024

1.0 A. Nature of Security and terms of repayment for term loans from banks:

SI No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	Canara Bank Term Loan	Showcases, Furniture and Fixtures and other fixed assets of 6 showrooms - Exclusive First charge by way of hypothecation	1. Paripassu II Charge on Stock & Book Debts. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	Repayable in 14 Ballooning Quarterly instalments commencing from Q1 FY 2023-24. The quarterly instalment of each financial year is as follows : FY 2023-24 : ₹ 1.25 Crores Per quarter FY 2024-25 and FY 2025-26 : ₹ 1.50 Per quarter FY 2026-27 : Two quarterly instalments of ₹ 1.235 Crores each	1 year MCLR + 2.20%
2	Canara Bank Housing Loan - 1	Mortgage of Flat / Houses to be purchased out of loan proceeds. Margin Up to 10%	Nil	Repayable in 180 EMIs	RLLR + 0.1%
3	Canara Bank Housing Loan - 2	EMT / MODTD of Residential Houses / Flats undivided share purchased with this loan in the name of the company for using as staff quarters. Margin is 13.04%	Nil	Repayable in 180 Monthly principal instalments (₹ 10,55,556/-) commencing from November 2022;	1 year MCLR + 1.30%

1.0 B. Nature and terms of repayment for loans availed from NBFCs:

SI No.	Lender	Security	Terms of Payment	Int. Rate Per Annum	Guarantee
1	OXYZO Financial Services Pvt Ltd	Unsecured	Term loan Repayable in 12 EMIs of ₹ 63,18,081/- starting from Nov-2023	15.00%	Personal Guarantee from NAGA KANAKA DURGA PRASAD CHALAVADI
2	Tata Capital Financial Services Limited	Collateral security with a Fixed Deposit of ₹ 1.00 Cr	Term loan Repayable in 24 EMIs of ₹ 47,54,182/- starting from Jun-2023	LTLR less 8.55 %	Personal Guarantee from Durgarao D K Chalavadi, Kalyan Srinivas Annam, Naga Kanaka Durga Prasad Chalavadi

1.1 Nature of Security and terms of repayment for working capital limits from banks:

SI.No	Lender	Primary Security	Other Contractual Comforts	Terms of Payment	Int. Rate
1	ICICI Bank (CC and WCDL) Sanctioned Limit: 90 Crores	1 <sup>st</sup> Pari-passu Charge on entire current assets of the company. 2 <sup>nd</sup> Pari-passu Charge on Unencumbered movable fixed Assets of the company	Personal Guarantee of M/s. NAGA KANAKA DURGA PRASAD CHALAVADI	On demand DP Margins : Inventory -25% Debtors - 25% (Cover period is 90 Days) Sundry Creditors to be reduced for the purpose of drawing power calculation	on CC limit: 6 Months MCLR + 0.10% on WCDL Limit: Repo Rate + Spread (As decided on the date of availment)
2	Yes Bank (CC and WCDL) Sanctioned Limit: 90 Crores	1 <sup>st</sup> Pari-passu Charge on entire current assets of the company. 2 <sup>nd</sup> Pari-passu Charge on all movable fixed Assets of the company (excluding Vehicles)	Personal Guarantee of M/s. NAGA KANAKA DURGA PRASAD CHALAVADI	On demand DP Margins : Inventory -25% Debtors - 25% (Cover period is 120 Days) Sundry Creditors to be reduced for the purpose of drawing power calculation	on CC limit: Overnight MCLR+0.00% on WCDL Limit: As decided on the date of disbursement





Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

The Working Capital limits with the following Banks are under the process of discontinuance.

(Regarding this the company has paid the entire outstanding except the amount to the extent of Fixed Deposits (Cash Collaterals) with the respective Banks and gave an official communication to all the following Bankers to close the outstanding balance by adjusting the cash collaterals available with them)

Outstanding balances of working capital limits & deposits given as collateral against to these limits with the Banks under discontinuance as follows:

(₹ in Cr.)

Bank	CC O/s Liability_31.03.2024	Deposits as at 31.03.2024	Net (Our Balances with the Bank)
Canara Bank	15.83	16.29	0.46
HDFC Bank	21.27	22.87	1.60
IDBI Bank	7.98	8.16	0.18
	45.08	47.32	2.23

Note: There is no outstanding liability with the SBI & no fixed deposits with the SBI as at 31<sup>st</sup> Mar, 2024. Releasing of non cash collaterals are under process.

Sl.No	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	State Bank of India (CC and SLC)	Pari-passu 1 <sup>st</sup> Charge by way of Hypothecation of entire current assets of the company (Both Present & Future) along with CANARA Bank. Pari-passu 2 <sup>nd</sup> Charge on present & future fixed assets of the company along with other Working capital Lenders	1 <sup>st</sup> Charge by way of Equitable Mortgage of 6 properties belonging to Promoters & their friends and family members as detailed in the below schedule along with Cash Collateral of ₹ 8.50 Cr & Pledge of 30% Paid up shares of the Company held by the promoters	On demand DP Margins : Paid Stock-25% Debtors - 100%	6 Months MCLR + 0.95% With Monthly Reset In Case of SLC, ROI is (Effective ROI on CC + 1%)
2	Canara Bank (CC and WCDL)	Hypothecation of stocks at all showrooms of the company on Paripassu 1 <sup>st</sup> Charge Basis with SBI, HDFC & IDBI	1. Fixed assets of all showrooms and Intangible assets on Paripassu II Charge basis. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	On demand DP Margins : Stock & Book Debts - 25% (Cover period is one month for Book Debts)	1 Year MCLR+2.65%
3	HDFC Bank (CC)	Pari-passu 1 <sup>st</sup> Charge on entire current assets of the company along with other member bankers (SBI, Canara & IDBI)	Fixed Deposit of ₹ 10.50 Crores (Constituting 30% of Collateral coverage)	On demand DP Margins : Paid Stock-25% Debtors - 100%	T Bills (3Months) + 2.72%
4	IDBI (CC and WCDL)	Pari-passu 1 <sup>st</sup> Charge on the entire current assets of the company (Both Present & Future) along with other working Capital Banks	Fixed Deposit of ₹ 7.50 Cr (25% of Working Capital limits)	On demand DP Margins : Paid Stock-25% Debtors - 25% (Less than 90 Days)	1 Year MCLR + 1.20%

1.2 Schedule of Collateral property with the above Banks (Which are under the process of discontinuance)

Sl no	Type	Belonging To	Address	Offered to
1	Residential Plot (Admeasuring 332.00 Sq.Yds)	Subhash Chandra Mohan. Annam	Plot No.6p, in Sy. No. 87 & 90 T.S. No. 13 & 14, Shaikpet village & mandal, Hyderabad.	State Bank of India
2	Two Plots of Open Lands (Admeasuring 400.00 Sq.Yds (200.00 Sq.Yds Each))	Ch.N.K.D.Prasad (MD)	D. No. 40-1/1-14E, NTS Nos. 42 & 43, Rev. Ward No.11, Block No.2, Adj. to SVR Neuro Hospital, Mogalrajapuram, Vijayawada	State Bank of India
3	Open Plot (Admeasuring Ac 4.10 Gts)	Mrs. T.R. Saroja	Sy. No. 168, New No. 168/1, Kannurahalli village, Kasaba Hobli, Hoskote Taluk, Bengaluru. Out of which Land Converted vide ALN(H)SR80/88-89 of 4.1.1988 By DC Bengaluru to an extent of 2 Acres only for Brick Factory	State Bank of India
4	Land and Building (Admeasuring 311.11 Sq.Yds) Being a Cellar + G + 4 Floors commercial Building totally admeasuring 9610 sq. ft. And other civil works there on.	S.Mohan Rao S/o S.Vemkateswwarlu and Ms. S.Swarnalatha w/o S.Mohan Rao	H no. 222/MIG/1, (M.C.K no. 15-24-222) KPHB Colony, Phase I & II, Ward No.15, Block No.24, Kuakatpally village & Municipality, Balanagar Mandal, RR District (TG).	State Bank of India
5	Open Land (Admeasuring Ac 4.30 Gts)	Ms. M.R.Soumya	In Sy. No. 105/2A1, Bannikoppa Village, Bidadi Hobli, Ramanagar, Bangalore.	State Bank of India
6	Commercial Plot Admeasuring 2893 Sq Yards	Varamahalakshmi Holdings Pvt. Ltd.	Sy no. 8-5-255/1 (7, 7/1, 8 to 12), Diamond Colony, Saroor Nagar, Ranga Reddy, Telangana	State Bank of India
7	Cash Collateral of 8.50 Crores	Existing 2.40 Cr and Addl 6.10 Cr		State Bank of India
8	Pledge of 30% of paid up Shares of the company held by the Promoters			State Bank of India
9	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-2, Ramky Pearls in Sy no.14 3,144,145,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajiri Dist., Hyd.,TG	CANARA Bank
10	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-13, Ramky Pearls in Sy no.14 3,144,145,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajiri Dist., Hyd.,TG	CANARA Bank
11	Flat.1 (Admeasuring 2,500 Sq. ft.)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.1, Ground Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
12	Flat.8 (Admeasuring 1,450 Sq. ft.)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.8, 2 <sup>nd</sup> Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
13	Land and Building (Admeasuring 268.53 Sq.Yds) G + 1 Floors built-up area of 1,840 Sq. ft.	Ch.N.K.D.Prasad (MD)	H no. 6-3-841/E/1, Ameerpet, Hyderabad	CANARA Bank
14	Land and Building (Admeasuring 288.88 Sq.Yds) A.C sheet room of 275 sq. ft.	Ch.N.K.D.Prasad (MD)	H no. 33-10-17, Mogalrajapuram, Seetharampuram, Srinivasarao Street, Vijayawada	CANARA Bank
15	Term Deposit of ₹ 15.05 Cr			CANARA Bank
16	Pledged 87,50,000 equity shares of 2/- each held by the promoters			CANARA Bank

Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

1.3 Personal Guarantees of the following persons (Which are under the process of discontinuance):

SI.No.	Particulars	Offered to
1	Mr. Nagakanaka Durga Prasad Chalavadi S/o C. Krishna Murthy	State Bank of India, Canara Bank, HDFC Bank, IDBI Bank
2	Mr. Annam Kalyan Srinivas S/o A Chandra Sekhar	State Bank of India, Canara Bank, HDFC Bank, IDBI Bank
3	Mr. Doodeswara Kanaka Durgarao Chalavadi S/o C Krishna Murthy	State Bank of India, Canara Bank, HDFC Bank, IDBI Bank
4	Mr. Annam Venkata Rajesh S/o A Chandra Sekhar	State Bank of India, Canara Bank, IDBI Bank
5	Mr. Annam Subhash Chandra Mohan S/o A, Chandra Sekhar	State Bank of India, Canara Bank, IDBI Bank
6	Mr. S Mohan Rao, S/o Venkateswarlu	State Bank of India
7	Ms. S Swarnalatha W/O S Mohan Rao	State Bank of India
8	Ms. T R Saroja D/o Late T S Ramaiah	State Bank of India
9	Ms. M R Sowmya W/O Girija Shanker	State Bank of India
Corporate Guarantor		
1	Varamahalakshmi Holdings Pvt. Ltd.	State Bank of India
2	M/s. Sai Readymade (Partnership Firm)	CANARA Bank

1.4 Nature of Security and terms of repayment for vehicle loans from banks:

SI.No	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
1	HDFC Vehicle Loan - 96977239	BMW	Repayable in 60 monthly installments of ₹2,38,130/- each commencing from Jan'2020.	8.50%
2	HDFC Vehilce Loan - 112686183	Vellfire	Repayable in 60 monthly installments of ₹1,93,309/- each commencing from Oct'2020.	7.75%
3	Toyota FSIL Vehilce Loan - NHYD1184355	Toyota Vellfire	Repayable in 60 monthly installments of ₹1,89,910/- each commencing from Apr'2020.	8.31%
4	Canara Bank Vehicle Loan - 4929603000020	Hyundai Creta	Repayable in 84 monthly installments of ₹ 24,646/- each commencing from Sep'2020.	7.85%
5	Canara Bank Vehicle Loan - 4929603000022	Skoda	Repayable in 78 monthly installments of ₹ 52,506/- each commencing from Sep'2020.	7.85%
6	Canara Bank Vehicle Loan - 4929603000024	Innova	Repayable in 81 monthly installments of ₹ 33,205/- each commencing from Sep'2020.	7.50%
7	Daimler Financial Services India Private Ltd Vehicle Loan - 10139378	Benz	Repayable in 60 monthly installments of ₹1,54,888/- each commencing from Dec'2019.	7.66%
8	HDFC Vehicle Loan - 123507760	Toyota Vellfire	Repayable in 60 monthly installments of ₹1,83,062/- each commencing from Nov'2021.	7.10%
9	HDFC BANK Vehicle Loan - 126956703	Innova	Repayable in 60 monthly installments of ₹47,220/- each commencing from Apr'2022.	7.10%
10	ICICI Vehicle Loan - LAHYD00045304127	THAR	Repayable in 60 monthly installments of ₹33,307/- each commencing from Apr'2022.	7.40%
11	HDFC Vehicle Loan - 130976729	Range rover sport version	Repayable in 60 monthly installments of ₹236,806/- each commencing from Jul'2022.	7.35%
12	HDFC Vehicle Loan - 133073148	WAGON R ZXI	Repayable in 39 monthly installments of ₹19,517/- each commencing from Oct'2022.	8.25%

(All amounts are in ₹ Crores, except otherwise stated)

SI.No	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
13	HDFC Light Commercial Vehicle Loan - 133120420	Eicher Vehicle	Repayable in 48 monthly installments of ₹40,180/- each commencing from Sep'2022.	8.35%
14	HDFC Light Commercial Vehicle Loan - 134948629	Eicher Vehicle	Repayable in 48 monthly installments of ₹37,715/- each commencing from Nov'2022.	8.50%
15	Union Bank Vehicle Loan - 013916520000058	Innova	Repayable in 48 monthly installments of ₹55,458/- each commencing from Oct'2022.	8.50%
16	HDFC Bank Vehicle Loan -138174629	Mahindra XUV 700	Repayable in 48 monthly installments of ₹52,933/- each commencing from Mar'2023.	8.50%
17	HDFC Bank Vehicle Loan -137570765	Eicher Vehicle	Repayable in 48 monthly installments of ₹36,950/- each commencing from Feb'2023.	9.00%
18	ICIC Bank Vehicle Loan - LAHYD00047811784	MG ZS EV Vehicle	Repayable in 60 monthly installments of ₹ 59,118/- each commencing from Jun'2023.	8.95%
19	ICIC Bank Vehicle Loan - LAHYD00047818265	NEXON 2.0 MAX XZ EV	Repayable in 60 monthly installments of ₹ 38,838/- each commencing from Jun'2023.	9.00%
20	HDFC Bank Vehicle Loan - 142250994	Mahindra XUV 400 (EL5S WQ)	Repayable in 36 monthly installments of ₹ 61,835/- each commencing from Jul'2023.	9.30%
21	HDFC Bank Vehicle Loan - 143260510	Mercedes-Benz E-Class E 220d	Repayable in 60 monthly installments of ₹ 165,692/- each commencing from Oct'2023.	8.50%
22	HDFC Bank Vehicle Loan - 146275707	TATA NEXON	Repayable in 48 monthly installments of ₹ 45,186/- each commencing from Dec'2023.	8.85%
23	HDFC Bank Vehicle Loan - 147982880	Toyota innova crysta	Repayable in 48 monthly installments of ₹ 70,156/- each commencing from Feb'2024.	8.80%
24	UNION Bank Vehicle Loan - 013916120000005	Eicher Vehicle	Repayable in 60 monthly installments of ₹ 26,910/- each commencing from Dec'2023.	12.05%
25	ICICI Bank Vehicle Loan - LVHYD00049637696	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of ₹ 26,660/- each commencing from Apr'2024.	10.00%
26	ICICI Bank Vehicle Loan - LVHYD00049637697	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of ₹ 26,660/- each commencing from Apr'2024.	10.00%

Note No. 42 Reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax-A	142.72	134.68
Tax rate - B	25.17%	25.17%
Income tax expense - A*B	35.92	33.90
Tax effect of depreciation in determining taxable profit	(1.54)	(1.15)
Tax effect of expenses other than depreciation that are not deductible in determining taxable profit	3.49	3.52
Adjustments recognised in the current year in relation to prior years	20.87	(1.19)
Effect of Deferred Tax (refer note 20)	(1.41)	(1.26)
Income tax expense recognised in profit or loss	57.33	33.82





## Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

**Note No. 43 Employee benefits****(a) Salaries and Wages**

Compensatory absence which accrue to the employees which are expected to be availed or encashed within twelve months after the end of the period in which the employees render the related service are short-term in nature. These compensatory absences require measurement on an actual basis and not on actuarial basis.

As per the leave policy of the company, the compensatory absences are paid within the next month from the date they are due and there is no accrual benefit that needs to be accounted as per Ind AS 19. They are processed along with monthly payroll.

**(b) Defined contribution plan**

The Company makes provident and pension fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes. Expenses recognized against defined contribution plans:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund & ESI	3.81	3.17

**(c) Defined benefit plans**

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method. The company has obtained actuarial report from Mr. I. Sambasiva Rao (Membership No. 158 of Fellow of Institute of Actuaries of India) under Ind AS 19 for Mar 31, 2025 and Mar 31, 2024 vide reports dated Apr 17, 2025 and Apr 04, 2024 and respectively.

**(d) Other disclosures of defined benefit plans as required under Ind AS-19 are as under:**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Service Cost	1.57	1.20
Interest Cost	0.48	0.38
Components of defined benefit costs recognised in statement of profit or loss - (A)	2.05	1.58
Actuarial (gain) / loss on plan obligations	(0.01)	(0.11)
Difference between actual return and interest income on plan assets - (gain) /loss	-	-
Components of defined benefit costs recognised in other comprehensive income - (B)	(0.01)	(0.11)
<b>Total (A+B)</b>	<b>2.04</b>	<b>1.47</b>

**(e) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:**

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	8.69	6.65
Less: Fair value of plan assets	-	-
Net liability recognised in the balance sheet	8.69	6.65
Current portion of the above (refer note 25)	0.95	0.72
Non-current portion of the above (refer note 19)	7.74	5.93

(All amounts are in ₹ Crores, except otherwise stated)

**(f) Movement in the present value of the defined benefit obligation are as follows:**

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation at the beginning of the year	6.65	5.18
Expenses Recognised in statement of Profit & Loss		
Service cost	1.57	1.20
Interest cost	0.48	0.38
Expenses Recognised in statement of OCI		
Actuarial (gain)/loss	(0.01)	(0.11)
Benefits paid by the company		
Present value of the defined benefit obligation at the end of year	8.69	6.65

**(g) Sensitivity analysis**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Present value of the defined benefit obligation at the end of year	8.69	6.65
Impact of the change in the discount rate		
Impact due to increase of 1.00%	8.01	6.14
Impact due to decrease of 1.00%	9.47	7.25
Impact of the change in the withdrawal rate		
Impact due to increase of 1.00%	8.83	6.78
Impact due to decrease of 1.00%	8.52	6.51
Impact of the change in the salary		
Impact due to increase of 1.00%	9.49	7.26
Impact due to decrease of 1.00%	7.98	6.12

**(h) Maturity profile - Expected Future Cash flows (Undiscounted)**

Particulars	As at March 31, 2025	As at March 31, 2024
0 to 1 year	0.97	0.74
1 to 2 year	0.56	0.47
2 to 3 year	0.59	0.46
3 to 4 year	0.93	0.48
4 to 5 year	0.82	0.78
above 5 Years	14.46	11.46

**(i) Actuarial assumptions**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.98%	7.22%
Salary escalation	4.00%	4.00%
Withdrawal rate	5.00%	5.00%

**(j)** The Indian Parliament has approved the Code on Social Security 2020, which would impact Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972, etc. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The impact of the changes, will be assessed and recognized post notification of the relevant provision and related rules are published.



Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Note No. 44 Segment reporting

The Company is primarily engaged in the business of retail trade through retail and departmental stores facilities, which in terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting business segment.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended 31 Mar 2025 and Mar 2024 the revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

Note No. 45 Related Party Disclosures

a) List of related parties

Index No	Nature of relationship	Name of the related party
1	Key Managerial Personnel (KMP)	(a) Naga Kanaka Durga Prasad Chalavadi - MD
		(b) Kalyana Srinivas Annam - WTD
		(c) Doodeswara Kanaka Durga Rao Chalavadi - Director
		(d) M.K. Bhaskara Teja - Company Secretary
		(e) K.V.L.N. Sarma - CFO
2	Independent Directors	(a) Mamidipudi Ravindra Vikram
		(b) Pramod Kasat
		(c) Venkata Ramakrishna Kunisetty
		(d) Sirisha Chintapalli
3	Relative of KMP	(a) Jhansi Rani Chalavadi
		(b) Venkata Rajesh Annam
		(c) Sowjanya Annam
		(d) Suchitra Annam
		(e) Mohana Durga Rao Chalavadi
		(f) Supriya Padarthy
		(g) Bhavani Annam
		(h) Lavanya Mankal
		(i) Subash Chandra Mohan Annam
		(j) Krishna Murty Chalavadi
		(k) Devamani Venkata Kanaka Hanisha Chalavadi
4	Enterprises over which director is having significant influence	(l) Balaji Bharadwaj Rachamadugu
		(a) Sai Readymades
		(b) Sai Retail India Limited
		(c) SSS Marketing
		(d) Sumaja Creations
		(e) Kalamandir Foundation
		(f) Varamahalakshmi Holdings Private Limited
		(g) Soul of Pluto Tech LLP
		(h) AC Holdings
5	Enterprises over which Company is having significant influence	(a) SSKL Employees Trust

(All amounts are in ₹ Crores, except otherwise stated)

(b) Transactions with related parties are set out in the table below

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>(i) Rent (Expense)</b>		
(a) Varamahalakshmi Holdings Pvt Ltd.	-	0.14
(b) Naga Kanaka Durga Prasad Chalavadi	-	0.65
(c) Jhansi Rani Chalavadi	-	0.07
(d) Devamani Venkata Kanaka Hanisha Chalavadi	-	0.05
(e) AC Holdings	1.19	-
<b>(ii) Other Income - Rent</b>		
(a) Soul of Pluto Tech LLP	0.14	0.14
<b>(iii) Salary / Remuneration (Short Term Employee Benefits)</b>		
(a) Naga Kanaka Durga Prasad Chalavadi	5.00	5.00
(b) Jhansi Rani Chalavadi	1.00	1.00
(c) Kalyana Srinivas Annam	1.99	1.99
(d) Doondeswar Kanaka Durga Rao Chalavadi	0.39	0.39
(e) Venkata Rajesh Annam	0.89	0.89
(f) Sowjanya Annam	0.27	0.27
(g) Suchitra Annam	0.27	0.27
(h) Mohana Durga Rao Chalavadi	0.39	0.39
(i) Supriya Padarthy	0.11	0.11
(j) Bhavani Annam	0.21	0.21
(k) Lavanya Mankal	0.11	0.11
(l) Devamani Venkata Kanaka Durga Hanisha Chalavadi	0.12	0.12
(m) Balaji Bharadwaj Rachamadugu	0.54	0.54
(n) K.V.L.N. Sarma	1.08	1.08
(o) M.K. Bhaskara Teja	0.09	0.10
(p) Subash Chandra Mohan Annam	0.82	-
<b>(iv) Rent expenses - Commission</b>		
(a) SSS Marketing	-	0.18
(b) AC Holdings	0.18	-
<b>(v) Business Promotion Expenses - Advertisement</b>		
(a) Sumaja Creations	1.44	7.48
<b>(vi) Professional charges - Software Consultation / Maintenance (Exp)</b>		
(a) Soul of Pluto Tech LLP	4.20	4.13
<b>(vii) Other Expenses - Sitting fees</b>		
(a) Ravindra Vikra Mamidipudi	0.035	0.063
(b) Pramod Kasat	0.035	0.063
(c) Venkata Ramakrishna Kunisetty	0.035	0.063
(d) Sirisha Chintapalli	0.038	0.065
<b>(viii) Donations (Partly qualified as CSR Exp)</b>		
(a) Kalamandir Foundation	1.83	1.54
<b>(ix) Fixed Assets / Packing Materials purchased</b>		
(a) Sai Retail India Limited	-	0.46
<b>(x) Rent-Deposit (Received back)</b>		
(a) Naga Kanaka Durga Prasad Chalavadi	0.11	-
(b) Jhansi Rani Chalavadi	0.02	-



Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(c) SSS Marketing	0.12	-
<b>(xi) Rent-Deposit (Given)</b>		
(a) AC Holdings	0.25	-
<b>(xii) Amount received to IPO Public Offer A/c of the Company on behalf of Selling Share Holders*</b>		
(a) Nagakanaka Durga Prasad Chalavadi	-	142.29
(b) Kalyan Srinivas Annam	-	140.90
(c) Doodeswara Kanaka Durga Rao Chalavadi	-	14.57
(d) Jhansi Rani Chalavadi	-	176.48
(e) Dhanalakshmi Perumalla	-	68.46
(f) Venkata Rajesh Annam	-	11.22
(g) Subash Chandra Mohan Annam	-	47.08

\*This amount is held in the IPO Public Offer account in a fiduciary capacity on behalf of the Selling Shareholders.

c. Related party balances: (Payable)/Receivable

Particulars	As at March 31, 2025	As at March 31, 2024
(a) SSS Marketing		
- Other Current Financial Liabilities	0.03	(0.13)
- Other Non Current Financial Assets	-	0.12
	<b>0.03</b>	<b>(0.01)</b>
(b) Sumaja Creations - Other Current Financial Liabilities	0.00	(1.06)
(c) Soul of Pluto Tech LLP		
- Other Current Financial Liabilities	(0.87)	(1.03)
- Other Non Current Financial Liabilities	(0.06)	(0.06)
	<b>(0.93)</b>	<b>(1.09)</b>
(d) Varamahalakshmi Holdings Pvt Ltd. - Other Current Financial Liabilities	(0.06)	0.09
(e) Naga Kanaka Durga Prasad Chalavadi		
- Other Current Financial Liabilities	(0.42)	(0.42)
- Other Non Current Financial Assets	-	0.11
	<b>(0.42)</b>	<b>(0.31)</b>
(f) Jhansi Rani Chalavadi		
- Other Current Financial Liabilities	(0.11)	(0.08)
- Other Non Current Financial Assets	-	0.02
	<b>(0.11)</b>	<b>(0.06)</b>
(g) SSKL Employee Trust		
- Loans Given	13.25	13.25
- Shares allotted	(13.24)	(13.24)
	<b>0.01</b>	<b>0.01</b>
(h) AC Holdings		
- Other Current Financial Liabilities	(0.12)	-
- Other Non Current Financial Assets	0.25	-
	<b>0.13</b>	<b>-</b>
<b>Other Current Financial Liabilities</b>		
(i) Kalyana Srinivas Annam	(0.11)	(0.10)
(j) Doondeswar Kanaka Durga Rao Chalavadi	(0.03)	(0.02)

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
(k) Venkata Rajesh Annam	(0.06)	(0.07)
(l) Sowjanya Annam	(0.02)	(0.02)
(m) Suchitra Annam	(0.02)	(0.00)
(n) Mohana Durga Rao Chalavadi	(0.03)	(0.03)
(o) Supriya Padarthhy	(0.01)	(0.01)
(p) Bhavani Annam	(0.02)	(0.01)
(q) Lavanya Mankal	(0.01)	(0.01)
(r) Devamani Venkata Kanaka Durga Hanisha Chalavadi	(0.01)	(0.01)
(s) Balaji Bharadwaj Rachamadugu	(0.04)	(0.03)
(t) K.V.L.N. Sarma	(0.08)	(0.05)
(u) M.K. Bhaskara Teja	(0.01)	(0.01)
(v) Ravindra Vikram Mamidipudi	-	-
(w) Pramod Kasat	-	-
(x) Venkata Ramakrishna Kunisetty	-	-
(y) Sirisha Chintapalli	(0.00)	-
Held in a fiduciary capacity on behalf of the Selling Shareholders		
(a) Nagakanaka Durga Prasad Chalavadi	(0.00)	(0.14)
(b) Kalyan Srinivas Annam	-	(0.14)
(c) Doodeswara Kanaka Durga Rao Chalavadi	0.00	(0.01)
(d) Jhansi Rani Chalavadi	-	(0.18)
(e) Dhanalakshmi Perumalla	(0.00)	(0.07)
(f) Venkata Rajesh Annam	0.00	(0.01)
(g) Subash Chandra Mohan Annam	(0.00)	(0.05)

Note No. 46 Capital and Financial risk management objectives and policies

(a) Risk management framework

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns"



Notes

for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

(All amounts are in ₹ Crores, except otherwise stated)

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies."

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(i) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company has been rated by "India Ratings" for its banking facilities in line norms.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

The Company has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	Carrying value	less than 1 year	more than 1 year
<b>March 31, 2025</b>			
Lease liabilities	238.48	17.06	221.42
Borrowings (Non Current)	17.64	-	17.64
Other financial non-current liabilities	1.96	-	1.96
Borrowings	148.90	148.90	-
Trade payables	26.58	26.58	-
Other financial liabilities	33.50	33.50	-
<b>Total</b>	<b>467.06</b>	<b>226.04</b>	<b>241.02</b>
<b>March 31, 2024</b>			
Lease liabilities	206.48	14.19	192.29
Borrowings (Non Current)	22.62	-	22.62
Other financial non-current liabilities	2.59	-	2.59
Borrowings	235.13	235.13	-
Trade payables	59.22	59.22	-
Other financial liabilities	29.13	29.13	-
<b>Total</b>	<b>555.17</b>	<b>337.67</b>	<b>217.50</b>

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the other payables. The risks primarily relate to fluctuations in US Dollar, GBP against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(iii) Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The carrying amount of trade receivables, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. Credit risk from balances with banks is managed by the Company's treasury department in accordance with Company's policy. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others. Since company operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant.

(b) Capital management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Borrowings</b>		
Non current	17.64	22.62
Current	148.90	235.13
<b>Total Debt</b>	<b>166.53</b>	<b>257.75</b>
Equity share capital	29.47	29.47
Other equity	1,102.30	1,033.47
<b>Total capital</b>	<b>1,131.77</b>	<b>1,062.94</b>
<b>Gearing ratio in (Capital/Debt)</b>	<b>6.80</b>	<b>4.12</b>

Note No. 47 Financial instrument and risk management

(a) Categories of financial instruments

The carrying value of the financial instruments by categories

Particulars	Carrying Value	
	As at March 31, 2025	As at March 31, 2024
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
Other financial non-current assets	33.15	31.83
Trade receivables	2.51	3.31
Cash and cash equivalents	85.30	44.27
Bank balances other than cash and cash equivalents	209.41	357.37



Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	Carrying Value	
	As at	As at
	March 31, 2025	March 31, 2024
Loans	25.74	20.69
Other financial assets	4.27	3.95
<b>Total</b>	<b>360.38</b>	<b>461.42</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Lease liabilities (Current + Non Current)	238.48	206.48
Borrowings (Non Current)	17.64	22.62
Other financial non-current liabilities	1.96	2.59
Borrowings (Current)	148.90	235.13
Trade payables	26.58	59.22
Other financial liabilities	33.50	29.13
<b>Total</b>	<b>467.06</b>	<b>555.17</b>

Particulars	Fair Value	
	As at	As at
	March 31, 2025	March 31, 2024
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
Other financial non-current assets	33.15	31.83
Trade receivables	2.51	3.31
Cash and cash equivalents	85.30	44.27
Bank balances other than cash and cash equivalents	209.41	357.37
Loans	25.74	20.69
Other financial assets	4.27	3.95
<b>Total</b>	<b>360.38</b>	<b>461.42</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Lease liabilities (Current + Non Current)	238.48	206.48
Borrowings (Non Current)	17.64	22.62
Other financial non-current liabilities	1.96	2.59
Borrowings (Current)	148.90	235.13
Trade payables	26.58	59.22
Other financial liabilities	33.50	29.13
<b>Total</b>	<b>467.06</b>	<b>555.17</b>

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:

- (i) The Company has disclosed financial instruments such as borrowings, trade payable, and other current liabilities, loans, trade receivable, cash and cash equivalents and bank balances other than cash and cash equivalents at carrying value because their carrying values are a reasonable approximation of the fair values due to their short term nature.
- (ii) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party.

(iii) Fair value hierarchy

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

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

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

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

Disclosures of fair value measurement hierarchy for financial instruments are given below

Particulars	Fair Value	
	As at	As at
	March 31, 2025	March 31, 2024
<b>Level 3</b>		
<b>Financial Assets, measured at Amortised Cost</b>		
Other financial non-current assets	33.15	31.83
Trade receivables	2.51	3.31
Cash and cash equivalents	85.30	44.27
Bank balances other than cash and cash equivalents	209.41	357.37
Loans	25.74	20.69
Other financial assets	4.27	3.95
<b>Total</b>	<b>360.38</b>	<b>461.42</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Lease liabilities (Current + Non Current)	238.48	206.48
Borrowings (Non Current)	17.64	22.62
Other financial non-current liabilities	1.96	2.59
Borrowings (Current)	148.90	235.13
Trade payables	26.58	59.22
Other financial liabilities	33.50	29.13
<b>Total</b>	<b>467.06</b>	<b>555.17</b>

Note No. 48 Key Ratios

Particulars	As at March 31, 2025	As at March 31, 2024	Variance	Remarks for variance More than 25%
<b>a) Current Ratio:</b>	4.48	3.41	31.45%	Decrease in CL due to payment of Creditors & reduction in working capital utilisation by utilising IPO funds & Internal Accruals.
Current Assets	1,125.09	1,175.08		
Current Liabilities	251.32	345.05		
<b>b) Debt Equity:</b>	0.15	0.24	-39.32%	Due to repayment of Term Loans & reduction in utilisation working capital limits by utilising IPO funds & Internal Accruals of the Company
Total Debt (long-term and short-term interest bearing)	166.53	257.75		
Shareholder's Equity	1,131.77	1,062.94		
<b>c) Debt Service Coverage Ratio:</b>	3.12	2.59	20.67%	Not Applicable
Earnings available for Debt Service	234.69	233.65		
Debt Service (Obligation)*	75.13	90.25		

\* Excluding the Prepayment made through IPO funds (which is in excess of amount to be repaid as per repayment schedule)

Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	Variance	Remarks for variance More than 25%
<b>d) Return on Equity:</b>	7.78%	13.81%	-43.67%	Fresh equity through IPO are under the process of deployment and reduction in PAT due to Tax liability araised in Search & Seizure.
Net Profits after taxes	85.39	100.87		
Average Shareholder's Equity	1,097.35	730.14		
<b>e) Inventory Turnover Ratio:</b>	1.95	1.94	0.19%	Not Applicable
Total Sales	1,462.01	1,373.55		
Average Inventory	750.52	706.49		
<b>f) Trade Receivables Turnover:</b>	502.37	443.78	13.20%	Not Applicable
Total Sales	1,462.01	1,373.55		
Average Accounts Receivable	2.91	3.10		
<b>g) Trade Payables Turnover:</b>	21.11	5.87	259.72%	Decrease in Trade Creditors level by utilising IPO funds & Internal Accruals of the Company
Total Purchases	905.54	848.56		
Average Trades Payable	42.90	144.62		
<b>h) Net Capital Turnover:</b>	1.72	2.59	-33.64%	Decrease in CL due to payment of Creditors & reduction in working capital utilisation by utilising IPO funds & Internal Accruals.
Total Sales	1,462.01	1,373.55		
Average Working Capital	851.90	531.11		
<b>i) Net Profit Ratio:</b>	5.84%	7.34%	-20.46%	Not Applicable
Net Profit	85.39	100.87		
Total Sales	1,462.01	1,373.55		
<b>j) Return on Capital Employed:</b>	13.74%	13.94%	-1.41%	Not Applicable
Earning before interest and taxes	183.01	187.54		
Capital Employed	1,331.66	1,345.37		
<b>k) Return on Investment*</b>	NA	NA	NA	Not Applicable

\* There are no investments made by the company, as such the ratio is not applicable.

Financial Performance Indicators (KPIs):

Particulars	As at March 31, 2025	As at March 31, 2024
Revenue from Operations	1,462.01	1,373.55
EBITDA	211.64	211.98
EBITDA Margin	14.48%	15.43%
Gross Margin	610.88	558.88
Gross Margin (%)	41.78%	40.69%

Note No. 49 Reconciliation of quarterly bank returns

Name of Bank	Particulars	Quarter	Amount as per books of Accounts	Amount as reported in quarterly returns	Amount of difference
Working Capital Lenders*	Inventories	June-24	752.91	752.91	-
	Receivables (Subject to DP)	June-24	2.02	2.02	-
	Trade Payables	June-24	74.70	74.70	-
Working Capital Lenders*	Inventories	September-24	827.06	827.06	-
	Receivables (Subject to DP)	September-24	2.23	2.23	-
	Trade Payables	September-24	101.47	101.47	-

(All amounts are in ₹ Crores, except otherwise stated)

Name of Bank	Particulars	Quarter	Amount as per books of Accounts	Amount as reported in quarterly returns	Amount of difference
Working Capital Lenders*	Inventories	December-24	836.44	836.44	-
	Receivables (Subject to DP)	December-24	2.12	2.12	-
	Trade Payables	December-24	81.19	81.19	-
Working Capital Lenders*	Inventories	March-25	777.44	777.44	-
	Receivables (Subject to DP)	March-25	1.41	1.41	-
	Trade Payables	March-25	26.58	26.58	-

\*Yes Bank & ICICI Bank are represented as Working Capital Lenders as at 31<sup>st</sup> Mar, 2025.

Note No. 50 Foreign exchange earnings and outgo

Particulars	FY 2024-25	FY 2023-24
CIF Value of imports	-	-
Value of import of Services	-	0.92
Expenditure in foreign currency	-	0.92

Note No. 51

(a) Title deeds of immovable properties

Title deeds of immovable properties are held in the name of the Company.

(b) Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its fixed assets.

(c) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

(d) Details of benami property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company.

(e) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(f) Wilful defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(g) Relationship with struck off companies

The Company does not have any transactions with companies struck off.

(h) Registration of charges or satisfaction with Registrar of Companies (ROC)

There were no charges, particulars of creation of which were pending to be filed / registered with the Registrar of Companies (MCA), beyond the prescribed period, except in 1 instance wherein the Company availed a vehicle loan from ICICI Bank for an amount of ₹ 0.23 Cr and created a Hypothecation charge on 27.09.2024. Further, in the matter of repayment of vehicle loans, i.e., ₹ 1.16 Cr from HDFC Bank, ₹ 0.93 Cr from Toyota Financial Services India Limited and ₹ 0.77 Cr from Daimler Financial Services, the Company is yet to receive the NOCs from the



Notes  
for the year ended March 31, 2025

(All amounts are in ₹ Crores, except otherwise stated)

respective charge holders and thus the particulars of satisfaction of said charges remains to be filed with the Registrar of Companies (MCA)

(i) Compliance with number of layers of companies

The Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017 is not applicable to the company.

(j) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(k) Utilisation of borrowed funds and securities premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries);
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

(l) Undisclosed income

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

But, As a part of Search & Seizure proceedings, some of the expenditures relating to past 7 years were disallowed by the Income Tax Dept. during the Assessment of respective years, and the liability relating to it has been disclosed at note no. 37."

(m) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency.

(n) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from the Banks and Financial Institutions have been applied for the purposes for which such loans were taken.

As per our audit report of even date	For and on behalf of the board		
<b>For SAGAR &amp; ASSOCIATES</b>			
Chartered Accountants			
Sd/-	Sd/-	Sd/-	Sd/-
<b>CA. D. Manohar</b>	<b>Ch.N.K.D.Prasad</b>	<b>Annam Kalyan Srinivas</b>	
Partner	Managing Director	Whole Time Director	
Membership No. 029644	DIN : 01929166	DIN : 02428313	
F. No. 003510S			
	Sd/-	Sd/-	
Place: Hyderabad	<b>K.V.L.N. Sarma</b>	<b>M K Bhaskara Teja</b>	
Date: 16 <sup>th</sup> May, 2025	Chief Financial Officer	Company Secretary & Compliance Offer	



**Sai Silks (Kalamandir) Limited**

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