RAJSHREE
SUGARS & CHEMICALS LTD



ANNUAL REPORT
2025 - 26

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- CO-GENERATION OF POWER
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- BIO PRODUCTS

RAJSHREE SUGARS & CHEMICALS LIMITED

Registered Office: 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641 015
Tel (0422) 2580981-82 CIN: L01542TZ1985PLC001706
E-Mail: rscl@rajshreesugars.com; Website: www.rajshreesugars.com

NOTICE TO THE MEMBERS

Notice is hereby given that the 40th Annual General Meeting (AGM) of the Members of Rajshree Sugars & Chemicals Limited will be held on Thursday, 23rd July 2026 at 11 AM at the Registered office of the Company at 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641015 (deemed venue) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1) **Adoption of the audited financial statements of the Company for the financial year ended 31st March 2026, together with the Board's Report and the Auditors' Report thereon.**

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

"RESOLVED that the audited financial statements of the Company for the financial year ended 31st March 2026, comprising the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, together with the notes forming part thereof, and the Board's Report and the Auditors' Report thereon, as circulated to the Members and presented to the meeting, be and are hereby considered, approved and adopted."

2) **Reappointment of Mr. R. Varadarajan (DIN: 00001738), Director, retiring by rotation**

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

"RESOLVED that pursuant to Section 152 and other applicable provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. R. Varadarajan (DIN: 00001738), Director of the Company (currently designated as Wholetime Director), who retires by rotation at this 40th Annual General Meeting and, as recommended by the Nomination and Remuneration Committee (NRC) and the Board of Directors, being eligible and having offered himself for reappointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

3) **Appointment of Statutory Auditors for five financial years from 2026-27 to 2030-31:**

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

"RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Audit Committee and the Board of Directors, M/s. Karthikeyan & Jayaram, Chartered Accountants, Coimbatore (Firm Registration No. 007570S), be and are hereby appointed as the Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 40th Annual General Meeting until the conclusion of the 45th Annual General Meeting of the Company, covering the five financial years (FY) from FY 2026-27 to FY 2030-31, in the place of M/s. S. Krishnamoorthy & Co., Chartered Accountants (Firm Registration No. 001496S), the present Auditors of the Company, who complete their second consecutive term at the close of the ensuing 40th Annual General Meeting."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to fix and revise the statutory audit fee payable to the Statutory Auditors, based on the recommendation of the Audit Committee, in consultation with the Statutory Auditors, exclusive of applicable taxes and reimbursement of out-of-pocket expenses."

"RESOLVED FURTHER that the fees payable to the Statutory Auditors for other permitted services, including certification and taxation-related matters but excluding such services specifically prohibited under Section 144 of the Act, subject to the approval of the Audit Committee, and the Audit Committee be and is hereby authorised to empower any Director or Key Managerial Personnel or any other Officer of the Company to negotiate, determine and finalise such fees from time to time and on a case-to-case basis, in consultation with the said Auditors."

SPECIAL BUSINESS:

4) Reappointment of Mr. R. Varadarajan (DIN : 00001738) as Wholetime Director for a period of five years from 5th June 2026.

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, the approval of the shareholders be and is hereby accorded for the reappointment of Mr. R. Varadarajan (DIN: 00001738) as a Wholetime Key Managerial Personnel in the position of Wholetime Director of the Company for a period of five years with effect from 5th June 2026, including his continuation as Wholetime Director after attaining the age of 70 years during the said tenure, and for payment of remuneration as detailed below:

a) Salary of ₹10,00,000/- (Rupees Ten Lakhs only) per month on a consolidated basis.

b) 10% of monthly salary as variable pay on an annualised basis.

c) Encashment of earned leave at the end of each year.

d) Leave Travel Allowance of ₹ 5,00,000 (Rupees Five Lakhs only) per annum.

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

f) Provision of Company's mobile phone and telephone at his residence for official purposes.

g) Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed to and paid for by the Director."

"RESOLVED FURTHER that the above remuneration shall be payable as minimum remuneration in the event of loss or inadequacy of profits in any financial year and in the event of such loss or inadequacy arising for more than three financial years during such tenure it shall be subject to such further approvals as may be required under Schedule V to the Companies Act, 2013."

5) Ratification of remuneration payable to M/s. S. Mahadevan & Co., Cost Auditors (Firm Registration No. 000007), for the financial year ending 31st March 2027.

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

"RESOLVED that pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies and confirms the remuneration of ₹2,50,000 (Rupees Two Lakhs Fifty Thousand only), exclusive of applicable taxes and reimbursement of out-of-pocket expenses, as approved by the Board of Directors based on the recommendation of the Audit Committee, payable to M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration No. 000007), appointed as Cost Auditors of the Company for the financial year ending 31st March 2027, for conducting the audit of cost records relating to sugar (₹1,25,000), cogeneration of power (₹81,000) and industrial alcohol (₹44,000)."

By Order of the Board

M. PONRAJ
Company Secretary
Membership No. : A29858

Place : Coimbatore
Date : 20th May 2026

NOTES:

a) Pursuant to the provisions of Section 91 of the Companies Act, 2013 (the Act), the Register of Members of the Company will remain closed from 17th July 2026 to 23rd July 2026 (both days inclusive) for the purpose of 40th AGM.

b) Members are requested to notify any changes in their bank mandate or address to the Company's Registrar and Transfer Agent, MUFG Intime India Private Limited. Full contact details are available in the Annual Report and on the Company's website. For convenience, you may also contact them via email at coimbatore@in.mpms.mufg.com.

c) 'SWAYAM' is a secure, user-friendly web-based application, developed by our RTA, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at https://swayam.in.mpms.mufg.com

- Effective Resolution of Service Request-Generate and Track Service Requests/Complaints through SWAYAM.
- Features - A user-friendly Graphical User Interface (GUI).
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to PAN linked accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal - for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at Login - Enhances security for investors.

d) The statement of material facts pursuant to section 102(1) of the Act regarding special business is attached herewith. Additionally, the relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, concerning Directors seeking appointment/re-appointment at this AGM, are also annexed.

e) The Company's equity shares are listed in the following stock exchanges at present:

a. National Stock Exchange of India Limited, Mumbai (NSE)

b. BSE Limited, Mumbai (BSE)

f) No dividend is pending for transfer to the Investor Education and Protection Fund (IEPF) except unpaid dividend of ₹39,729/- for the financial year 2009-10, which are kept pending transfer due to prohibition as per Court orders.

g) Members who are holding shares in physical form and have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, notices, circulars etc., from the Company. The e-mail may be registered with the RTA. The members who are holding the shares in demat form are requested to update their email address with their depository participant.

The Annual Report is available for inspection at the Registered Office of the Company during office hours. Shareholders may also visit the website of the Company www.rajshreesugars.com or the website of National Securities Depositories Limited (NSDL) at www.evoting.nsdl.com for downloading the Annual Report and Notice of the AGM.

Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.

h) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and the Register of Contracts and Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Registered office of the Company during business hours.

i) As per SEBI Circulars dated 20th April 2018 and 16th July 2018, transfer of physical shares is not permitted after 1st April 2019 unless the shares are dematerialized. SEBI Circular dated 25th January 2022 further mandates that

all service requests involving physical shares - including transmission and transposition - be processed only in dematerialized form. Accordingly, the Company has opened a Suspense Escrow Demat Account for cases where shareholders fail to submit the required letter of confirmation to their Depository Participants within the stipulated time.

As per SEBI's Master Circular dated 17th May 2023 and amendments dated 17th November 2023 and 7th May 2024, shareholders holding physical shares without PAN, nomination, contact details, bank account, or updated specimen signature will receive dividends only via electronic mode with effect from 1st April 2024. Shareholders are requested to submit the relevant ISR forms to the Company's Registrar and Transfer Agent, MUFG Intime India Private Limited.

SEBI Circular dated 10th June 2024 removes the freeze on corporate benefits for physical shareholders without nomination details and simplifies the process to just three fields: nominee's name, relationship, and email ID or mobile number. Shareholders are advised to update their KYC and nomination details promptly to avoid disruption in benefits.

j) Members are advised that, in accordance with SEBI Circular dated 31st July 2023, the Company is now registered on the SMART ODR (Securities Market Approach for Resolution through Online Dispute Resolution) Portal. This platform aims to enhance investor grievance resolution by providing access to Online Dispute Resolution Institutions (ODRIs) for handling complaints. Members can access the portal at: https://smartodr.in/login. As per SEBI Circulars dated 20th December 2023 and 1st April 2025, members may use this facility for online conciliation and/or arbitration to resolve disputes with the Company, including those related to the Registrar and Transfer Agent (RTA).

k) For smooth conduct of AGM proceedings, Members who wish to receive information with respect to Company's Annual Report for financial year 2025-26 or have questions with regard to the financial statements and the matters to be placed at the 40th AGM, can send their request by providing their name, demat account number/folio number from their registered e-mail ID to investor@rajshreesugars.com at least ten days before the start of meeting i.e. by 13th July 2026.

l) E-AGM: Company has appointed M/s. MUFG Intime India Private Limited, RTA and NSDL to provide VC/ OAVM facility for the e-AGM and the attendant enablers for conducting of the e-AGM.

m) Members may note that since the meeting is being held through VC/ OAVM facility, proxy form, attendance slip and Route Map for the Venue are not furnished.

n) Members who would like to express their views or ask questions during the AGM may register themselves **as a speaker** by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor@rajshreesugars.com on or before 5 PM (IST) on 17th July 2026. Those Members who have registered themselves **as a speaker will only be allowed to express their views/ask questions during the AGM.** The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

o) Voting through electronic means:

In compliance with the provisions of Regulation 44 of the LODR read with section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their votes by electronic means for all the resolutions detailed in the Notice of the 40th AGM scheduled to be held on Thursday, 23rd July 2026 at 11 AM through VC/ OAVM and the business may be transacted through e-voting. The Company has engaged the services of NSDL as the authorized agency to provide the e-voting facilities as per instructions below.

Details of persons to be contacted for issues relating to e-voting:

MUFG Intime India Private Limited
Attn: Mr.Jayakumar K, Manager (Operations R&T)
"Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road,
Coimbatore 641 028.
Telephone No.91-422-4958995, 2539835, 2539836
Email ID : coimbatore@in.mpms.mufg.com
Website : www.in.mpms.mufg.com

The e-voting module shall be disabled for voting on 22nd July 2026 at 5:00 PM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the company as on 16th July 2026 (cut-off date) for determining the eligibility to vote through electronic mode).

Mr.B.Krishnamoorthi, FCA, (Membership No : 20439) Practicing Chartered Accountant has been appointed as the Scrutinizer to ensure that the e-voting process is conducted in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of the voting at the 40th AGM, first count the votes cast at the meeting, and thereafter unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any within two days of conclusion of the meeting, to the Chairperson of the meeting. The Chairperson or such other Director / person authorized by the Chairperson, shall declare the results of the voting forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., www.rajshreesugars.com, Company's notice Board at the Registered Office of the Company, website of NSDL viz., www.evoting.nsdl.com and communicated to the Stock Exchanges namely NSE & BSE, where the shares of the Company are listed, immediately after the Chairperson or the authorized person declares the result.

p. The IEPF authority, MCA, as a part of the Azadi Ka Amrit Mahotsav, launched a special window facility for senior citizens aged 75 years and above through its circular dated June 7, 2022. This facility facilitates the automatic prioritization of claims made by senior citizens in the MCA 21 system after companies receive the e-verification report. Claims can be made using Form IEPF 5, which can be downloaded from the IEPF authority's website at www.iepf.gov.in.

q. MCA vide its aforesaid circulars have provided relaxation for sending the physical copies of the Annual report to its shareholders. The copy of full annual report is available in the website of the company www.rajshreesugars.com.

E-VOTING INSTRUCTIONS FOR AGM TO BE CONDUCTED THROUGH VC OR OAVM:

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.

2. Pursuant to the Circular dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. 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 for 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.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.

5. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of LODR (as amended), and the aforesaid circulars issued by the MCA the company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the

authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the MCA Circular dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rajshreesugars.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE and NSE, at www.bseindia.com and www.nseindia.com respectively. The Notice can also be accessed on the NSDL (agency for providing the Remote e-Voting facility) website at www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with aforesaid circulars of MCA.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 20th July 2026 at 9.00 AM and ends on Wednesday, 22nd July 2026 at 5.00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date, i.e., 16th July 2026, being the cut-off date, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at **evoting@nsdl.com** or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on **www.evoting.nsdl.com** or call 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under **e-Voting** services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices. nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/ SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 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 & 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

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

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details / Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bk.scrutiniser@gmail.com with a copy marked to

evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under e-Voting tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on no: 022 - 4886 7000 or send a request to Ms.Pallavi Mhatre, Senior Manager at evoting@nsdl.com.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@rajshreesugars.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@rajshreesugars.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

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

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@rajshreesugars.com. The same will be replied by the company suitably.

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

Item No.2: Reappointment of Mr. R. Varadarajan (DIN: 00001738), Director, retiring by rotation

a) Mr. R. Varadarajan (Date of Birth: 22nd April 1958; Nationality: Indian), has been serving as Wholetime Director of the Company since 5th June 2003 and continues in that role. Pursuant to Section 203 of the Companies Act, 2013 ("Act"), the Company is required to appoint a whole-time Key Managerial Personnel in the capacity of a Wholetime Director, in the absence of a Managing Director, Chief Executive Officer or Manager. Further, according to Section 2(n) of the Factories Act, 1948, read with its proviso, only a Director can hold the position of "Occupier" of a factory. Since 2003, Mr. Varadarajan has been acting as the Occupier of the factory units.

In accordance with Section 152 of the Act, at least two-thirds of the total number of Directors, excluding Independent Directors, must be liable to retire by rotation, and one-third of such Directors shall retire at every Annual General Meeting.

The Company has six Directors, comprising four Independent Directors, who are not liable to retire by rotation and two Non-Independent Directors, who are liable to retire by rotation. Mr. Varadarajan, being the longest-serving Non-Independent Director, is due to retire by rotation at this AGM and, being eligible, has offered himself for reappointment.

b) The Nomination and Remuneration Committee ("NRC") and the Board of Directors, at their respective meetings held on 20th May 2026, have recommended the reappointment of Mr. Varadarajan as Director, liable to retire by rotation.

c) Mr. R. Varadarajan has been associated with Rajshree Sugars & Chemicals Limited ("RSCL") since its inception. He holds a Master's Degree in Business Management and a Master's Degree in English Literature. He has extensive experience in strategic planning, project management, financial planning, technical operations and commercial management. He has played a key role in the Company's growth and diversification from sugar to alcohol, organic fertilizer, cogeneration of power and bio-products. He has been actively involved in industry associations at the State and national levels. He is currently President of the South Indian Sugar Mills Association ("SISMA") and Executive Committee Member of the Indian Sugar & Bio-energy Manufacturers Association ("ISMA").

d) He received an "Excellent" rating in the performance evaluation conducted by the NRC, the Independent Directors and the Board at their meetings held in February 2026.

e) Mr. Varadarajan possesses the skills, expertise and competencies identified by the Board as required in the context of the Company's business and sector, in terms of Regulation 36(3) read with Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed skills / competency matrix is disclosed in the Corporate Governance Report forming part of the Annual Report.

f) Other Directorships and Committee Memberships:

Directorship in Other Companies	Membership in Committees
Sri Krishna Potable Products Private Limited	Nil
CoCCA Art & Design Institute Private Limited	Nil
The Lakshmi Mills Company Limited	Audit Committee; Stakeholders' Relationship Committee; Nomination and Remuneration Committee

g) Committee Memberships in the Company :

Name of the Committee	Position
Share Transfer Committee	Chairman
Audit Committee	Member
Stakeholders Relationship Committee	Member
Corporate Social Responsibility Committee	Member
Securities Allotment Committee	Member

h) During the past three years, he resigned as an Independent Director of Lakshmi Engineering and Warehousing Limited, a listed entity, with effect from 10th September 2024.

i) Mr. Varadarajan does not hold any shares in the Company, either directly or as a beneficial owner. During the financial year 2025-26, he attended all five Board Meetings of the Company. Further, he is not related to any Director or Key Managerial Personnel of the Company or their relatives.

j) The details regarding remuneration sought to be paid and remuneration last drawn by Mr. R. Varadarajan are not applicable, as this item relates only to his reappointment as Director retiring by rotation. The relevant remuneration details are provided separately under the item relating to his reappointment as Wholetime Director at this Annual General Meeting.

k) The Company has received from Mr. Varadarajan: (i) consent to act as Director in Form DIR-2; (ii) intimation in Form DIR-8 confirming that he is not disqualified under Section 164(2) of the Act; and (iii) declaration of non-disqualification under other applicable provisions of Section 164.

l) The appointment of Mr. Varadarajan is in accordance with the Company's Nomination and Remuneration Policy, including its principles relating to Board diversity, qualifications and functional expertise. Further, in accordance with the SEBI Circular dated 20th March 2020, Mr. Varadarajan has confirmed that he is not debarred from holding the office of Director by SEBI, the Ministry of Corporate Affairs or any other regulatory authority.

m) The documents referred to above will be available for inspection at the Company's registered office during business hours.

n) This explanatory statement may also be treated as disclosure under Regulation 36 of the SEBI (LODR) Regulations, Section 152(5) and Section 102 of the Act, Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2), and other applicable laws.

o) None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except Mr. Varadarajan and his relatives.

p) In light of the above, the Board recommends the resolution for the reappointment of Mr. Varadarajan, as set out in the Notice, for approval by the shareholders.

Item No.3 : Appointment of Statutory Auditors for five financial years from 2026-27 to 2030-31

a) M/s. S. Krishnamoorthy & Co., Chartered Accountants (Firm Registration No. 001496S), the existing Statutory Auditors of the Company, will complete their second term at the conclusion of the 40th Annual General Meeting ("AGM") and will not be eligible for reappointment in terms of the provisions of the Companies Act, 2013 ("Act").

b) Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on 20th May 2026, has recommended the appointment of M/s. Karthikeyan & Jayaram, Chartered Accountants, Coimbatore (Firm Registration No. 007570S; Peer Review Certificate No. 017284, valid from 28th June 2024 to 30th June 2027), as the Statutory Auditors

of the Company for a term of five consecutive years, to hold office from the conclusion of the 40th AGM until the conclusion of the 45th AGM of the Company, covering the financial years from FY 2026-27 to 2030-31, subject to the approval of the Members.

c) The recommendation for appointment has been made after considering the eligibility, experience, professional expertise, independence and credentials of the proposed Statutory Auditors.

d) Brief Profile: M/s. Karthikeyan & Jayaram, Chartered Accountants, is a firm established on 6th November 1974 and has over 52 years of professional experience. The firm provides professional services in the areas of audit and assurance, risk advisory, domestic and international taxation, regulatory services, corporate advisory and financial services. The firm has offices at Coimbatore and Erode and has experience across various sectors including manufacturing, banking, NBFCs, infrastructure, textiles, agro-based industries, food industries, logistics, retail, educational institutions and other sectors.

e) The statutory audit fee paid to the existing Statutory Auditors for the financial year 2025-26 was ₹9.00 lakhs (Rupees Nine Lakhs only), exclusive of applicable taxes, reimbursement of out-of-pocket expenses and fees for other permitted services. The proposed statutory audit fee payable to the proposed Statutory Auditors is ₹9.00 lakhs (Rupees Nine Lakhs only) per financial year, exclusive of applicable taxes, reimbursement of out-of-pocket expenses and fees for other permitted services. Accordingly, there is no material change in the proposed statutory audit fee compared to the fee paid to the existing Statutory Auditors.

f) The Board of Directors shall be authorised to fix or revise the statutory audit fee payable to the Statutory Auditors for subsequent financial years, based on the recommendation of the Audit Committee and in consultation with the Statutory Auditors, exclusive of applicable taxes and reimbursement of out-of-pocket expenses.

g) The fees payable to the Statutory Auditors for other permitted services, including certification and taxation-related matters, shall be subject to the approval of the Audit Committee. The Audit Committee may authorise any Director or Officer of the Company to negotiate, determine and finalise such fees, in consultation with the Statutory Auditors, within the authority granted by the Audit Committee and subject to applicable laws.

h) The proposed Auditors have consented to their appointment as Statutory Auditors of the Company and have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Act and the Rules framed thereunder.

i) The Board shall also be authorised to delegate all or any of the powers conferred under the resolution to any Committee, Director or Officer of the Company, subject to applicable laws, and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to the resolution, without requiring any further approval of the Members.

j) None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

k) The Board recommends the resolution set out at Item No. 3 of the Notice for approval of the Members as an Ordinary Resolution.

Item No.4 : Reappointment of Mr. R. Varadarajan (DIN : 00001738) as Wholetime Director for a period of five years from 5th June 2026.

a) The tenure of Mr. R. Varadarajan (DIN: 00001738; Date of Birth: 22nd April 1958; Nationality: Indian), as Wholetime Director expires on 4th June 2026. The Board of Directors, at its meeting held on 20th May 2026, based on the recommendation of the Nomination and Remuneration Committee, reappointed Mr. R. Varadarajan as a Wholetime Key Managerial Personnel in the position of Wholetime Director of the Company for a consecutive period of five years from 5th June 2026 to 4th June 2031, including his continuation as Wholetime Director after attaining the age of 70 years during the said tenure, and approved the remuneration payable to him, as set out in the resolution.

b) Since Mr. R. Varadarajan will attain the age of 70 years during the proposed tenure, approval of the Members is being sought by way of Special Resolution for his reappointment and continuation as Wholetime Director after attaining the age of 70 years, in terms of Section 196(3) of the Companies Act, 2013 (the Act). The Board considers his continuation beneficial to the Company, having regard to his long association with the Company, extensive experience, performance evaluation, and his role in the overall operations and management of the Company, as set out in this explanatory statement.

c) As per Section 203 of the Act our Company is required to have a Wholetime Key Managerial Personnel in the designation of Wholetime Director since the Company does not have a Managing Director, or Chief Executive Officer or Manager. In terms of Section 2(n) of The Factories Act, 1948 read with the proviso thereto, only a Director can be an "Occupier" of a factory. Mr.Varadarajan has been the Occupier of the factory units from the year 2003.

d) Schedule V to the Companies Act, 2013 which governs the remuneration payable to a Wholetime Director in the event of loss or inadequacy of profit, authorises the shareholders to approve the remuneration provided that the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor. The company has no such defaults as on date.

e) The following details are furnished as required under the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and SS-2, in respect of this reappointment / remuneration:

i. Brief profile : Mr. Varadarajan has been associated with Rajshree Sugars & Chemicals Limited (RSCL) since its inception. He was first appointed as Wholetime Director of the Company on 5th June 2003 and has served in that capacity for about 23 years. He holds a Master's Degree in Business Management and a Master's Degree in English Literature.

He has extensive experience in strategic planning, project management, financial planning, technical operations and commercial management. He has played a key role in company's growth and diversification from sugar to alcohol, organic fertilizer, cogeneration of power and bio-products.

He has been actively involved in industry associations at the State and national levels. He is currently President of the South Indian Sugar Mills Association (SISMA) and Executive Committee Member of Indian Sugar & Bio Energy Mills Association - ISMA.

ii. He received an "Excellent" rating in the performance evaluation conducted by the NRC, the Independent Directors and the Board during their meetings held in February 2026.

iii. Skills and Competencies: Mr. Varadarajan possesses all the skills, expertise and competencies identified by the Board as required in the context of the Company's business and sector, in terms of Regulation 36(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed skills / competency matrix is disclosed in the Corporate Governance Report forming part of the Annual Report.

iv. Other Directorships and Committee Memberships:

Directorship in Other Companies	Membership in Committees
Sri Krishna Potable Products Private Limited	Nil
CoCCA Art & Design Institute Private Limited	Nil
The Lakshmi Mills Company Limited	• Audit Committee • Stakeholders' Relationship Committee; • Nomination and Remuneration Committee

v) Committee Memberships in the Company :

Name of the Committee	Position
Share Transfer Committee	Chairman
Audit Committee	Member
Stakeholders Relationship Committee	Member
Corporate Social Responsibility Committee	Member
Securities Allotment Committee	Member

vi. In the past three years, he has resigned from Lakshmi Engineering and Warehousing Limited, a listed entity, with effect from 10th September 2024.

f) Mr. Varadarajan does not hold any shares in the Company, either directly or as a beneficial owner. Throughout the financial year 2025-26, he attended all five Board Meetings of the Company. Additionally, he has no relationships with other Directors and Key Managerial Personnel of the Company or their relatives.

g) The Company has received from Mr. Varadarajan : (i) Consent to act as Director (Form DIR-2), (ii) Intimation in Form DIR-8 confirming he is not disqualified under Section 164(2) of the Act and (iii) Declaration of non-disqualification under other applicable provisions of Section 164.

h) The appointment of Mr. Varadarajan is in accordance with the Company's Nomination and Remuneration Policy, including its principles relating to board diversity, qualifications, and functional expertise. Further, in accordance with the SEBI Circular dated 20th March 2020, Mr. Varadarajan has confirmed that he is not debarred from holding the office of Director by SEBI, the Ministry of Corporate Affairs, or any other regulatory authority

i) Statement as required under Section II of Part II of Schedule V of the Act :

1. GENERAL INFORMATION

i. Nature of Industry: Sugar is India's second largest agro processing industry. About 50 million farmers and their families are dependent on sugarcane cultivation. There are about 500 sugar factories in India with around 55% under the cooperative sector and the rest under private and public sector. The industry besides meeting domestic consumption, producing a considerable quantum of ethanol for mixing with petrol as a mitigating measure to energy supply disruptions and also exports sugar to the extent allowed by the Government thereby earning precious foreign exchange. The byproducts, namely, molasses and bagasse are used by downstream industries like distillery and power plants for producing alcohol and power.

ii. Date or expected date of commencement of commercial production: The Company is a running entity since 1985.

iii. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Does not arise

iv. Financial performance based on given indicators:

The Company achieved a turnover of ₹54,467.74 lakhs and incurred a net loss of ₹10,273.04 lakhs for the financial year 2025-26 calculated as per Section 198 of the Companies Act, 2013.

v. Foreign investments or collaborators, if any. Nil

2. INFORMATION ABOUT THE APPOINTEE MR.R.VARADARAJAN

i. Background details: Please refer brief profile above.

ii. Past remuneration:

A. Salary of ₹9,00,000 per month on a consolidated basis.

B. 10% of monthly salary as variable pay on an annualised basis.

C. Encashment of Earned Leave at the end of each year.

D. Leave Travel Allowance of ₹4,50,000 per annum.

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

F. Provision of Company's mobile phone and telephone at his residence for official purposes.

G. Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

During the financial year 2024-25, Mr. Varadarajan, was paid total remuneration of ₹130.68 lakhs, comprising salary of ₹117.00 lakhs, perquisites of ₹0.40 lakhs, sitting fees of ₹2.80 lakhs and performance-linked incentive / variable pay of ₹10.48 lakhs. No bonus, stock options, pension or commission were paid to him. The performance-linked incentive was based on parameters such as crushing volume, EBITDA and overall performance of the Company. His service contract is for a period of three years, with a notice period of three months. No severance fees are payable.

iii. Recognition or awards: The Coimbatore Management Association recognized him with its award as Best Manager of the Year 2011.

iv. Job profile and his suitability: As Wholetime Director, he will be responsible for the overall operations of the Company and will work under the supervision and control of the Board of Directors. He has been associated with the Company right from inception and spearheaded the project team of the company through all stages of its development and expansion activities ranging from sugar to distillery to co-generation of power. Under his dynamic leadership, the company became the first ISO 9001:2000 certified integrated sugar complex in India, manufacturing sugar, alcohol, power, organic manure and bio-products.

v. Remuneration proposed

A. Salary of ₹10,00,000/- per month on a consolidated basis.

B. 10% of monthly salary as variable pay on an annualised basis.

C. Encashment of Earned Leave at the end of each year.

D. Leave Travel Allowance of ₹5,00,000 per annum.

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

F. Provision of Company's mobile phone and telephone at his residence for official purposes.

G. Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

The above remuneration shall be payable as minimum remuneration in the event of loss or inadequacy of profits in any financial year and, in the event of such loss or inadequacy arising for more than three financial years during such tenure, it shall be subject to such further approvals as may be required under Schedule V to the Companies Act, 2013.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The proposed remuneration is considered comparable with the remuneration levels prevailing in the industry, having regard to the size and operations of the Company, the responsibilities attached to the position of Wholetime Director, and the qualifications, experience and contribution of Mr. Varadarajan.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Nil.

3. OTHER INFORMATION

i. Reasons of loss or inadequate profits: The accumulated losses are primarily due to unprecedented back-to-back droughts in 2016 and 2018, which reduced cane availability and consequently led to significant financial losses.

ii. Steps taken or proposed to be taken for improvement:

The Company has undertaken several initiatives to strengthen operations and ensure sustainable growth. Cane development programs have been introduced to support farmers with improved seed varieties and timely inputs, while efficient irrigation practices are being promoted to reduce dependence on monsoon rainfall. Operations have been diversified into ethanol production and power generation from bagasse, thereby reducing reliance solely on sugar revenues. In addition, plant machinery has been upgraded and cost control measures implemented to enhance efficiency. The Company has also reinforced farmer relationships through timely payments and agronomic support, ensuring a stable and consistent supply of sugarcane.

iii. Expected increase in productivity and profits in measurable terms: The productivity depends upon the vagaries of nature, namely, good monsoon, which in turn will help in higher sugarcane availability.

The ground water recharge in the command areas of the company has been encouraging for cane planting, thereby supporting factory operations for at least next two years.

j) The Memorandum and Articles of Association of the Company, relevant resolutions passed by the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors, the resolution and explanatory statement setting out the terms of appointment and remuneration of the Wholetime Director, which shall be treated as the written memorandum for the purpose of Section 190(1)(b) of the Companies Act, 2013, and such other documents referred to above, will be available for inspection by the members at the Registered Office of the Company during business hours on any working day.

k) Mr.R.Varadarajan is interested in this subject. None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

l) The Board of Directors recommends the resolution furnished in the agenda for approval of the shareholders by way of special resolution.

Item No.5 : Ratification of remuneration payable to M/s. S. Mahadevan & Co., Cost Auditors (Firm Registration No. 000007), for the financial year ending 31st March 2027

The Board of Directors, based on the recommendation of the Audit Committee, has approved the appointment of M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration No. 000007), as Cost Auditors of the Company for the

financial year ending 31st March 2027. The Cost Auditors will audit the cost records maintained by the Company in respect of its products, namely sugar, cogeneration of power and industrial alcohol.

The Cost Auditors have confirmed their eligibility and consented to act as Cost Auditors for the financial year ending 31st March 2027, in accordance with the applicable provisions of the Companies Act, 2013.

In accordance with Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as approved by the Board, is required to be ratified by the shareholders of the Company.

The total remuneration payable to M/s. S. Mahadevan & Co. for the said financial year is ₹2.50 lakhs (Rupees Two Lakhs Fifty Thousand only), exclusive of applicable taxes and reimbursement of out-of-pocket expenses. This amount is allocated as follows: ₹1.25 lakhs for sugar, ₹0.81 lakhs for cogeneration of power and ₹0.44 lakhs for industrial alcohol.

The remuneration has been increased from ₹2.00 lakhs paid in the previous year, considering that the last increase was made three years ago. The previous year's remuneration was ₹1.00 lakh for sugar, ₹0.65 lakhs for cogeneration of power and ₹0.35 lakhs for industrial alcohol.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution for approval of the shareholders as an Ordinary Resolution.

By Order of the Board

M. PONRAJ
Company Secretary
Membership No. : A29858

Place : Coimbatore
Date : 20th May 2026

BOARD OF DIRECTORS

Ms. RAJSHREE PATHY (DIN 00001614)
Chairperson

Mr. R. VARADARAJAN (DIN 00001738)
Wholetime Director

Mr. S. VASUDEVAN (DIN 01567080)
Independent Director

Mr. SHEILENDRA BHANSALI (DIN 00595312)
Independent Director

Mr. K. ILANGO (DIN 00124115)
Independent Director

Mr. B. RAJAN (DIN 10309315)
Independent Director

Auditors

M/s. S. Krishnamoorthy & Co.,
2nd Floor, No. 16, Bharathi Park Main Road
2nd Cross Street, Coimbatore - 641 011

Chief Financial Officer

Mr. C.S. Sathiyanarayanan

Company Secretary

Mr. M. Ponraj

Registrar & Transfer Agent

MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
"Surya" 35, Mayflower Avenue,
Behind Senthil Nagar, Sowripalayam Road,
Coimbatore 641 028.
91-422-4958995, 2539835, 2539836
coimbatore@in.mpms.mufg.com
www.in.mpms.mufg.com

Registered Office

1GV, 360, Kamaraj Road,
Uppilipalayam,
Coimbatore - 641015
Tamil Nadu
Phone: +91-0422 -2580981/82
rscl@rajshreesugars.com (General)
secretarial@rajshreesugars.com
investor@rajshreesugars.com

Factory Unit I
Sugar, Cogeneration & Distillery

Varadarajnagar P.O.
Periyakulam Taluk
Theni District
PIN 625 562

Factory Unit II
Sugar & Cogeneration

Mundiyampakkam PO
Vikravandi Taluk
Villupuram District
PIN 605 601

Factory Unit III
Sugar, Cogeneration & Distillery

Semmedu Village
Gingee Taluk
Villupuram District
PIN 604 153

Bankers

State Bank of India
UCO Bank
Bank of India
ICICI Bank Limited
Federal Bank Limited
Kotak Mahindra Bank Limited

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RAJSHREE SUGARS & CHEMICALS LIMITED
Registered Office: 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641 015
Tel (0422) 2580981-82 CIN: L01542TZ1985PLC001706
E-Mail: rscl@rajshreesugars.com; Website: www.rajshreesugars.com

BOARD'S REPORT

Your Directors have pleasure in presenting the 40th Annual Report on the business and operations of the Company and the audited financial statements for the year ended 31st March 2026.

₹ in lakhs

1) Financial Highlights	2025-26	2024-25
Total Income	**54,894.36**	65,356.87
Profit before Finance Costs, Depreciation and Exceptional items	**4,176.15**	5,050.29
Less: Finance Costs	**1,449.50**	1,597.12
Depreciation	**2,334.12**	2,345.60
Profit / (Loss) from ordinary activities before Tax and exceptional items	**392.53**	1,107.57
Less : Exceptional items (Expense)	**200.86**	-
Profit / (loss) before tax	**191.67**	1,107.57
Tax Expenses	**78.08**	298.47
Profit / (loss) after Tax	**113.59**	809.10
Other comprehensive income /(loss), net of income tax	**(7.11)**	(101.34)
Total comprehensive income /(loss) for the period	**106.48**	707.76
Basic / Diluted earnings /(loss) per share of ₹10/- each, before / after extraordinary items	**0.34**	2.44

2) Dividend

In order to conserve the financial resources for operational requirements, the Board has not recommended any dividend for the year 2025-26. Also no amount has been transferred to reserves.

3) Financial Performance

During the financial year 2025-26, your Company earned a total income of ₹ 54,894.36 lakhs, as compared to ₹ 65,356.87 lakhs in the previous year. The net profit before tax was ₹ 191.67 lakhs, as against ₹ 1,107.57 lakhs in the previous year. The net profit after tax was ₹ 113.59 lakhs, compared to ₹ 809.10 lakhs in the previous year.

4) Operational Performance

The operational highlights of our sugar, cogeneration and distillery divisions for the year 2025-26 are as follows:

a) Sugar Division

Particulars	2025-26	2024-25
Sugarcane crushed (MT)	**11,29,060**	12,28,905
Recovery %	**8.73**	8.14
Sugar Produced (MT)	**98,521**	1,00,053
Sugar Sold (MT) - Domestic	**88,523**	1,17,347

During FY 2025-26, sugar production marginally declined by 1.53% compared to the previous year, mainly due to lower sugarcane availability. However, the average recovery improved from 8.14% in the previous year to 8.73% during FY 2025-26.

b) Cogeneration Division

In the fiscal year under review, the Cogeneration Division produced a total of 1,376 lakh units of power, compared to 1,488 lakh units in the previous year. The Company exported 831 lakh units during the year, as against 886 lakh units exported in the preceding year.

c) Distillery Division

During the year, the Distillery Division produced 177 lakh litres of alcohol, compared to 187 lakh litres produced in the previous year. The sales volume stood at 169 lakh litres, as against 192 lakh litres sold during the previous financial year.

5) Change in Registered Office

The Registered Office of the Company was shifted within the same city from "The Uffizi", 338/8, Avanashi Road, Peelamedu, Coimbatore, Tamil Nadu - 641004, to 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore, Tamil Nadu - 641015, with effect from 1st September 2025.

6) Future Outlook

The management believes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly it has prepared the financial statements on a going concern basis.

The ground water recharge in the command areas of the Company has been encouraging for cane planting, thereby supporting factory operations for at least next two years. However, emergence of Competitive crops with remunerative prices could pose a threat to the Sugarcane Cultivation. The company is taking special measures like providing subsidy to the farmers for cane planting, appointing service providers for the cultivation operations, promoting mechanical harvesting and arranging timely supply of quality seed materials. The company is also promoting wider row planting, drip irrigation, trash shredding, trash mulching and organic manure application. The company's R&D wing is also working on research and development of new and high yielding varieties.

In the sugar season 2025-26 (October to September), the Government had allowed an export of 1.5 million tons. With the production in Maharashtra and north Karnataka lower than the estimated numbers, the domestic prices took an upswing in the current seasons.

The ambitious ethanol program of the Central Government continues to be supportive to the sugar industry. The Government is formulating a policy for flexi-fuel vehicle adoption to mitigate energy supply disruptions. The draft rules in April 2026 were proposed to allow for higher ethanol blends, including the E85 and E100 (pure ethanol), for vehicles capable of handling them. However, transition to higher blends would require automotive manufacturers to introduce engines with appropriate technology.

Further, the Government policy on sugar would continue to have a significant bearing on the prospects of the industry in the coming years.

7) Fixed Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 (the Act) and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

8) Auditors

Statutory Auditors: M/s. S. Krishnamoorthy & Co., Chartered Accountants, Coimbatore (Firm Registration No. 001496S), who were appointed as the Statutory Auditors of the Company, will complete their second consecutive tenure at the conclusion of the ensuing 40th Annual General Meeting (AGM). The Board places on record its sincere appreciation for the services rendered by M/s. S. Krishnamoorthy & Co. during their tenure as Statutory Auditors of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors proposes the appointment of M/s. Karthikeyan & Jayaram, Chartered Accountants, Coimbatore (Firm Registration No. 007570S; Peer Review Certificate No. 017284, valid from 28th June 2024 to 30th June 2027), as the Statutory Auditors of the Company for a term of five consecutive financial years from 2026-27 to 2030-31, to hold office from the conclusion of the 40th AGM until the

conclusion of the 45th AGM, subject to the approval of the shareholders at the ensuing AGM.

The proposed auditors have confirmed their eligibility and willingness to act as Statutory Auditors of the Company in accordance with Sections 139 and 141 of the Companies Act, 2013, and the rules made thereunder.

The necessary resolution for their appointment is being placed before the shareholders for approval at the ensuing AGM.

Cost Auditors: Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audits) Rules, 2014, the products of the Company viz., Sugar, Industrial Alcohol, and Cogeneration of Power, are subject to mandatory cost audit. The Company has maintained the cost records as prescribed by the Central Government.

Based on the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. S. Mahadevan & Co., Cost Accountants (Firm Registration No. 000007), as the Cost Auditors of the Company to conduct the cost audit for the financial year ending 31st March 2027. The remuneration payable to the Cost Auditors has been fixed by the Board, and the resolution seeking ratification of the same by the shareholders, pursuant to Section 148(3) of the Companies Act, 2013, is being placed at the ensuing Annual General Meeting.

Secretarial Auditor: Pursuant to Section 204 of the Companies Act, 2013, and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), Mr. G. Soundarrajan, Practising Company Secretary (Membership No. 13993; CP No. 4993; Peer Review No. 2101/2022), has conducted the Secretarial Audit of the Company for the financial year 2025-26. Mr. G. Soundarrajan was appointed as the Secretarial Auditor of the Company for a term of five consecutive financial years from 2025-26 to 2029-30, as approved by the shareholders at the 39th Annual General Meeting held on 13th August 2025.

9) Reporting of Frauds by Auditors:

There were no frauds reported by the Auditors of the Company under Section 143(12) of the Act to the Audit Committee.

10) Conservation of energy, technology absorption, foreign exchange earnings and outgo

Annexed to this Report as (Annexure 1).

11) Corporate Governance Report (CGR)

The Company is committed to maintaining the highest standards of corporate governance and adherence to the corporate governance requirements prescribed by SEBI. The Company also follows several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under LODR forms an integral part of this Report as (Annexure 2). The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is also attached to the report on Corporate Governance.

12) Corporate Social Responsibility (CSR)

The Company is not required to spend any amount under Section 135 of the Act. The details regarding the CSR Committee and Policy are furnished in the CGR.

13) Changes in Directors and Key Managerial Personnel

During the year, the following changes in the composition of the Board of Directors / Key Managerial Personnel took place:

Name	Category / Designation	Change	Effective From
Ms. Rajshree Pathy (DIN : 00001614)	Non Independent – Non-Executive Chairperson - Promoter	Re-appointment *	13th August 2025
Mr. Rajan Balasubramanian (DIN : 10309315)	Independent Director	Appointment**	13th August 2025
Mr. S. Krishnaswami (DIN : 08530320)	Independent Director	Second consecutive tenure completed	29th September 2025

* Re-appointed on retirement by rotation at the 39th AGM.

** Appointment as an Independent Director for an initial term of five consecutive years commencing from the conclusion of the 39th AGM and ending on the date of the 44th AGM or on completion of five years, whichever is earlier.

Reappointment of Whole-time Director: Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has approved the reappointment of Mr. R. Varadarajan (DIN: 00001738) as Wholetime Director of the Company for a further period of five consecutive years with effect from 5th June 2026, subject to the approval of the Members at the ensuing Annual General Meeting.

14) Statement on Formal Annual Evaluation by the Board

In accordance with the Companies Act, 2013 and SEBI regulations, the Board carried out a formal annual evaluation of its own performance, that of its Committees, and individual Directors, including Independent Directors and the Chairperson.

The evaluation was coordinated by the Nomination and Remuneration Committee (NRC) through structured online feedback forms circulated to all Directors. The submitted responses were compiled and presented by the Chairperson during a Board meeting.

The evaluation covered the Board's strategic oversight, governance, and performance monitoring; Committees were assessed on effectiveness, independence, and role clarity; Directors were evaluated on domain knowledge, participation, and strategic input. Independent Directors were additionally assessed on independence and objectivity, while the Chairperson's evaluation included leadership, discussion facilitation, and stakeholder focus.

The NRC adopted a five-point grading scale: Poor, Average, Good, Very Good, and Excellent.

15) Number of Board Meetings

During the year, 5(Five) Board Meetings were convened and held, the details of which, including attendance of directors, are given in the Corporate Governance Report.

16) Declaration given by Independent Directors

The Independent Directors of the Company have furnished declarations as required under Section 149(6) of the Act & Regulation 16 of LODR.

17) Whistle Blower Policy (Vigil Mechanism)

In accordance with LODR, the Company has established a Vigil Mechanism (Whistle Blower Policy) to enable Directors and employees to report genuine concerns regarding unethical conduct, actual or suspected fraud, and violations of the Company's Code of Conduct or ethics policies.

The mechanism provides adequate safeguards against victimization of those who report such concerns and allows for direct access to the Chairman of the Audit Committee in all cases.

The Whistle Blower Policy is available on the Company's website at: www.rajshreesugars.com/policies/

18) Particulars of Loans, Guarantees or Investments under Section 186

The Company has not given/ made any loan, guarantee or investment in terms of Section 186 of the Act during the year under review.

19) Anti - Sexual Harassment Policy

The Company has in place a policy for the prevention, prohibition, and redressal of sexual harassment of women at the workplace, in accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As required under the Act, the Company has constituted an Internal Complaints Committee to address complaints in a fair and timely manner. For the financial year ended 31st March 2026, no complaints were received under the said Act.

20) Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material contracts / arrangements / transactions with related parties during the year.

21) Material Changes & Commitments between end of financial year and this Report

There were no material changes that took place between the end of the financial year and this report.

22) Managerial Remuneration

The details of disclosures relating to Managerial Remuneration as required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed (Annexure 3).

23) Nomination and Remuneration Policy

The Nomination and Remuneration Committee (NRC), in consultation with the Board of Directors, has framed a comprehensive Remuneration Policy in line with Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations. The policy aims to ensure fair, balanced, and performance-linked remuneration for Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), and other employees.

The policy ensures that remuneration is sufficient to attract and retain competent leadership, and that it maintains a clear relationship with performance benchmarks. It provides for a balance between fixed and incentive-based pay to support both short-term results and long-term goals of the Company.

The policy outlines the framework for appointment, evaluation, and removal of Directors, KMPs, and SMPs, along with remuneration structures, including provisions for shareholder approvals wherever applicable. It also mandates annual performance evaluations to ensure transparency and accountability.

The NRC is empowered to issue implementation guidelines and delegate responsibilities for effective execution. The policy is available on the Company's website at: www.rajshreesugars.com/policies.

24) Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

25) Internal control systems and their adequacy

The Company has internal control systems which is commensurate with its size, nature and volume of operations.

26) Rajshree Sugars & Chemicals Limited (RSCL) Employees Stock Option Plan 2012

A detailed report as required under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 on the "RSCL Employees Stock Option Plan 2012" forms part of this report, as (Annexure 4).

27) Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013 and the rules made thereunder, the Secretarial Audit Report for FY 2025-26, issued by Mr. G. Soundarrajan, Practising Company Secretary, is annexed as (Annexure 5). The report contains no qualifications, reservations, or adverse remarks.

28) Annual Return

In terms of Section 92(3) of the Act, read with Companies (Management and Administration) Rules, 2014, The Annual Return of the Company in Form MGT-7 filed for the Financial year ended 31st March 2025 has been placed on the website of the Company i.e. https://www.rajshreesugars.com/annual-return-mgt-7/.

29) Transfer of Amounts to Investor Education and Protection Fund (IEPF)

In accordance with Section 124(5) of the Companies Act, 2013, no dividend is currently pending for transfer to the Investor Education and Protection Fund (IEPF), except for an unpaid amount of ₹39,729 for the financial year 2009-10. The transfer of this amount is held in abeyance due to Court orders.

As required under the IEPF (Uploading of Information regarding Unpaid and Unclaimed Amounts) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend amounts as on 28th August 2017 on its website (www.rajshreesugars.com) and on the website of the Ministry of Corporate Affairs.

Additionally, the Company transferred the equity shares of shareholders who had not claimed dividends for seven consecutive years to the credit of the IEPF on 6th December 2017, via Form IEPF-4. Shareholders may claim such shares and dividends by following the procedure prescribed on the IEPF Authority's website: https://www.iepf.gov.in/IEPF/refund.html.

30) Directors' Responsibility Statement

In terms of clause (c) of sub-section (3) of Section 134 of the Act, the Directors state that:

i) in the preparation of the annual accounts / financial statements, the applicable accounting standards have been followed along with the proper explanation relating to material departures; if any.

ii) accounting policies as selected have been applied consistently and the judgments made and estimates were 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 / loss of the Company for the year under review.

iii) proper and sufficient care has been taken 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.

iv) the annual accounts / financial statements have been prepared on a going concern basis.

v) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and operating effectively.

vi) a proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

31) Code of Conduct

Directors, Key Managerial Personal and Senior Management Personnel of the Company have affirmed adherence to the Code of Conduct pertinent to the Directors and employees of the Company and the declaration in this regard made by Wholetime Director, as required under LODR forms part of CGR.

The code is available in the website of the company www.rajshreesugars.com/Code-of-conduct-fair-disclosure

32) Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Persons of the Company, as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

The code is available in the website of the Company www.rajshreesugars.com/Code-of-conduct-fair-disclosure

33) Risk Management Policy

The Company has formulated a Risk Management Policy as required under LODR. The Company has also formulated a specific policy on 'Forex and Interest Rate Risk Management Policy for Currency and Interest Rate Risk Management'.

The Board perceives the risk of recurring lower sugar recovery in the State of Tamil Nadu as compared to minimum recovery for which sugar mills are to pay the Fair and Remunerative Price. Lower capacity utilization is also a concern.

The Tamil Nadu Industry has also the option of producing Ethanol. The Tamil Nadu Government has issued an Ethanol Blending Policy 2023 to attract investments in molasses/grain-based ethanol programme to make the state self-sufficient in meeting the estimated annual requirement of 130 crore litres. However, the State has the limited scope as availability of molasses is limited.

The Tamil Nadu government has been allowing the manufacturers of Indian Made Foreign Liquor to import a major share of the requirement of Extra Neutral Alcohol (ENA) (raw material for processing into liquor) from other neighboring states, giving an unfair advantage to the other states due to comparatively lower rate of taxes. This has an adverse effect in the cash flow stream of sugar manufacturers in the state of Tamil Nadu, as ENA is also one of the main streams of revenue.

The details about the risks being faced by the Company are furnished in the 'Management Discussion & Analysis Report' (Annexure 6).

34) Significant & material orders passed by regulator or courts or tribunals impacting going concern status and companies operations in future.

There have been no significant and material orders passed by any Regulator / Court / Tribunal impacting the going concern status and company's operations in future.

35) Compliance with Secretarial Standards

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India and approved as such by the Central Government, as per the provisions of the Act.

36) Details of any applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.

The Company confirms that no such applications have been made, and there are no proceedings pending.

37) Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

The Company affirms that no one-time settlement was entered into during the year under review.

38) Disclosure on Compliance with the Maternity Benefit Act, 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961 and the Maternity Benefit (Amendment) Act, 2017.

39) Acknowledgement

Your Directors thank the Banks and Financial Institutions for their valuable and timely financial assistance and support provided by them to the Company. Your Directors also thank the cane growers, suppliers, Government Institutions and others for the cooperation extended to the Company. The Board also places on record its appreciation of the dedicated services rendered by the employees of the Company.

May **Goddess Lakshmi** shower her blessings for the continued prosperity of the Company.

For and on behalf of the Board

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

Place : Coimbatore
Date : 20th May 2026

ANNEXURE 1

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH 2026

A. CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy

At Unit - I, Varadarajnagar:

- The old DC drive of Mill No. 1 was replaced with a new digital DC drive, resulting in energy saving of 38,880 units and cost saving of ₹1.56 lakhs during the financial year. The investment for this replacement was ₹ 14.00 lakhs.
- Conventional lights in the administrative office, boiling house and mill house were replaced with energy efficient LED lights, resulting in energy saving of 1,152 units and cost saving of ₹0.04 lakh during the financial year. The investment was ₹0.15 lakh.

At Unit - II, Mundiyampakkam

- Metal halide light fittings in the centrifugal area and mill house lighting area were replaced with LED fittings, resulting in energy saving of 15,820 units and cost saving of ₹1.23 lakhs. The investment was ₹0.70 lakh.
- The Auxiliary cooling water (ACW) pump was operated through VFD for 45 days, resulting in energy saving of 16,200 units.

At Unit-III, Gingee:

- The cush removal system in the cane carrier was modified, reducing compressor operation and resulting in cost saving of approximately ₹1.50 lakhs.
- Old metal halide and sodium vapour lamps were replaced with LED lights, resulting in cost saving of approximately ₹3.10 lakhs.
- A high power consuming oil-cooled welding machine was replaced with a rectifier welding machine, resulting in cost saving of approximately ₹1.50 lakhs.

ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company has fully integrated sugar factories where biomass, namely bagasse-based co-generation, is designed into the system, making it an inherent renewable energy-based manufacturing process and facility.

iii) Capital investment on energy conservation equipment:

The capital investment on energy conservation equipment was ₹14.15 lakhs at Unit-I, ₹0.70 lakhs at Unit-II and ₹2.70 lakhs at Unit-III.

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption;

1. An automated drip fertigation system, supported by an automatic weather station, soil moisture sensors, and field cameras, was installed in an 11-acre block of the R&D Farm on a trial basis to study efficacy and improvements in cane yield.
2. Technology transfer through digital platform was commenced with the creation of an exclusive YouTube channel in the name of Rajshree Sugars. So far 5 videos and 2 short videos up loaded for technology promotion.
3. Under All India Co-ordinated Research Programme - 2019 series, 4 clones were shortlisted from 14 new test clones and multiplied for advanced stage evaluation at Varadaraj Nagar Unit.
4. A new set of 16 clones (AICRP 22000 series) with 4 standard varieties obtained under All India Co-ordinated Research Project on Sugarcane from ICAR Sugarcane Breeding Institute, Coimbatore and taken up for initial multiplication during March 2026 at Varadaraj Nagar for further evaluation.
5. Continual efforts are being made to identify suitable high yield and high sugar variety for the Company's Cane command area through Sweet Bloom 2.0 in collaboration with ICAR-Sugarcane Breeding Institute, Coimbatore and Adaptive Research Trials through Tamil Nadu Agricultural University, Coimbatore.

6. As part of the ICAR-SBI SISMA Sweet Bloom 2.0 Project - two promising clones (Co 21007, and Co 20010) from 1st of 17 clones were selected and multiplied for advanced stage of testing at Mundiyampakkam. Testing of second set of 20 clones is in progress.
7. Since Mundiyampakkam cane command area falls under East Coast Zone, for the 1st time clones were sourced from SRS, Vyyuru (ECZ Sugarcane Research Centre) to identify suitable variety for clay and Heavy clay soils.
8. To augment varietal research and production of quality high sugar variety seed production, an area of 15.38 acres were taken on lease at Koliyanur division, Mundiyampakkam.
9. Studies conducted in 18 locations to study the effect of Lushcane, a bio stimulant for yield and quality improvement, at Unit II. Results revealed that 4 to 6 % yield improvement and 0.21% CCS % improvement over current package. Further studies in large scale is planned in 2026-27 FY.
10. Introduced a new post emergence herbicide viz., Ametryn 80% WG during 2024-25 FY to manage the grassy weeds, covering 1372 acres in 2025-26 FY.
11. Drip irrigation is being promoted as part of the major yield improvement technology and covered an area of 1080 acres at Unit I, 547 acres at Unit II and 356 acres at Unit III.
12. Due to erratic rainfall and underground water level, the company continues to promote drip irrigation, trash shredding and trash mulching to improve the crop yield and to protect the crop from drought. Also water gel is being purchased and supplied to farmers to retain the moisture and save the crop from drought situation.
13. Following sporadic incidences of red rot disease in SI 309 variety at Unit II, 22 tonnes of rejuvenated SI 309 seed material was brought from Unit I area and multiplied at Unit II to ensure disease - free seed material.
14. A New soil nutrient based mapping programme started at Mundiyampakkam command area, 2200 samples covering all sugarcane growing villages were collected and the analysis is under progress.
15. 1025 tonnes of quality seed material was produced from R&D seed farm and supplied to farmers in all Units to maintain the varietal purity and sustain the varietal vigour.
16. With a well-designed soil laboratory and sophisticated equipment's, 717 soil samples, 22 organic manure samples and 21 water samples were analyzed, to assess fertility and provide precise fertilizer recommendation.
17. Produced and supplied 38400 packets of Tetrastichus howardi and 49030 cc of Trichogramma bio control agents, covering 7285 acres to manage borer pest incidence.
18. Chlorantraniliprole granule was supplied on 50 % subsidy basis, covering 3273 acres. The Company incurred ₹18.87 lakhs for this scheme to manage the borer pest and improve the crop growth.
19. Regular field surveys monitored the cane area for Pokkah Boeng disease, mealybuds, whitefly, and white grubs. Swift management measures prevented further spread.
20. Wider row coverage reached 42% to 69% across all three units in new planting areas, enabling mechanisation from planting to harvest.
21. Tested various new chemicals and identified Tebuconazole Sulphur and Thiamethoxam as effective against Pokkah Boeng and Crown Mealybug. These were supplied through company depots to avoid pest resistance from earlier recommended chemicals.
22. Two trash shredders, three disc off-barring machines, and 10 power weeders were purchased by farmers and entrepreneurs. The company also purchased and operates three sugarcane planters through entrepreneurs to reduce the planting expenses.
23. Low-cost solar fences (₹0.25 lakhs/ha) were installed on five farms in Theni and Mundiyampakkam to protect crops from wild boars.
24. Introduced the concept of categorizing the plot in to good, medium and poor based on the crop growth stages and focusing on medium and poor plot for technology adoption is being implemented for improving the cane yield.
25. Advanced sugarcane cultivation training and field visits were organized for the cane teams across all units. 1116 farmers were participated in 48 farmer training programmes.
26. After a six-year hiatus, technology promotion via Audio-Visual (AV) Van was restarted. 929 programmes reached 10,485 farmers, showcasing videos on wider row planting, drip irrigation, and mechanisation.

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

1. Based on R&D findings, a "70-tonne yield package" was developed. Informational leaflets were distributed to create awareness among farmers and field staff.
2. Village Adoption Scheme was implemented in 19 villages (Unit II) and 27 villages (Unit III) during the 2024-25 season, resulting in an average yield increase of 3.74 t/ac in Unit II and 1.80 t/ac in Unit III.
3. Farmer Mr. Kalivaradan (Villupuram Division, Unit II) secured 2nd prize in the Tamil Nadu Government's state-level sugarcane yield competition, achieving an exceptional 113 tonnes per acre. Utilizing technologies recommended by Rajshree Sugars & Chemicals Ltd, his success was celebrated by the company at a special felicitation event attended by over 150 local farmers to promote best practices in the region.
4. 18,850 tissue culture seedlings were produced in the lab and multiplied at the R&D farm to supply disease-free seed material to farmers.
5. 10.15 lakh chip bud seedlings were produced and supplied as part of the quality seed programme.
6. 101 tonnes of rejuvenated Co 86032 and Co 11015 breeder seeds were obtained from ICAR-SBI for the 2025-26 FY to meet nursery and bulk planting needs, ensuring higher CCS% for the mill.
7. Successfully managed Pokkah Boeng disease and Crown Mealybug pest incidence by Prophylactic spraying across 2,800+ acres, particularly in the 2003 V 46 and Co 11015 variety plots.
8. 32 technical articles on drip irrigation, mechanisation, and pest management were published in local newspapers.
9. The company coordinated with government officials to ensure 100% fund utilisation under NADP and KAVIADP schemes, releasing ₹ 37.87 lakhs in subsidies to farmers.
10. All our three units collectively harvested 1.21 lakh tonnes of cane using mechanical harvester machines during 2025-26 financial year, which accounted for 15.37% of the total own cane harvest.
11. 353 tonnes of sugarcane trash were collected using baler machines and manual labour to supplement fuel requirements for the co-gen plant
12. Around 5,800 adult white grub beetles were collected using light traps, effectively breaking their multiplication cycle and managed the white grub pest incidence.
13. A research article on pre-emergence herbicides (Sulfentrazone and Clomazone) was presented at the 83rd STAI Annual Convention in New Delhi (July 2025).

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable.

iv) The expenditure incurred on Research and Development: ₹138.06 lakhs (₹163.10 lakhs)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows (₹ in lakhs)

		2025 - 26	2024 - 25
Foreign exchange earned	:	**Nil**	Nil
Foreign exchange outgo	:	**Nil**	Nil

For and on behalf of the Board

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

Place : Coimbatore
Date : 20th May 2026

ANNEXURE 2

BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Code of Governance

The Company believes that good corporate governance is essential to achieve long term corporate goals and enhance shareholder value. The company is committed to produce sugar and value added by-products of good quality and strive for continuous improvement in all spheres of its activities to create value that can be sustained over a long term for all its shareholders, employees, customers, government and lenders. The Company endeavours to ensure that high standards of ethical conduct are maintained throughout the organization.

2. Board of Directors

a) The Company's Board of Directors comprises 1 Promoter Non-Executive Director, 1 Non-Promoter Executive Director and 4 Independent Directors, outlined below:

Name, Category of Directors & DIN	Attendance Particulars		In Board of other Companies		In Committee of other Companies	
	Board Meetings	Last AGM	Membership	Chairmanship	Membership	Chairmanship
Ms.Rajshree Pathy Promoter Non-Executive Director DIN 00001614	5	✓	9	-	-	-
Mr.R.Varadarajan Non-Promoter Executive Director DIN 00001738	5	✓	3	-	2	-
Mr.S.Vasudevan Independent Director DIN 01567080	5	✓	3	-	2	-
Mr.S.Krishnaswami Independent Director DIN 08530320 *(Tenure Completed on 29.9.2025)*	3	✓	-	-	-	-
Mr.Sheilendra Bhansali Independent Director DIN 00595312	5	✓	3	-	-	-
Mr.K.Ilango Independent Director DIN 00124115	5	✓	6	-	1	1
Mr. B. Rajan Independent Director DIN:10309315 *(Tenure Commenced on 13.8.2025)*	3	NA	1	-	-	-

During the year under review, Mr. B. Rajan (DIN: 10309315) was appointed as an Independent Director with effect from 13th August 2025 in the place of, Mr. S. Krishnaswami (DIN: 08530320), Independent Director, who retired upon completion of his tenure on 29th September 2025.

* The number of Chairpersonships and Memberships held by the Directors in Committees, namely, the Audit Committee and the Stakeholders Relationship Committee, are within the limits specified under Regulation 26 of

LODR. The numbers disclosed under the column "In Committee of other Companies" denote only the Chairpersonships and Memberships held by the Directors in the Audit Committee and Stakeholders Relationship Committee of public limited companies. A Director who is the Chairperson of a Committee is also counted as a Member of the said Committee.

b) Mr. Varadarajan, Mr. Ilango, and Mr. Vasudevan serve as Independent Directors at the following listed companies; Mr. Varadarajan, The Lakshmi Mills Company Limited; Mr. Ilango, Pricol Limited and Shanthi Gears Limited; and Mr. Vasudevan, Lancor Holdings Limited.

c) During the year, 5 Board meetings were held respectively on 7th April 2025, 29th May 2025, 14th August 2025, 3rd November 2025 and 11th February 2026.

d) There is no relationship between the Directors inter-se.

e) As of 31st March 2026, the shares held by Non-Executive Directors and their percentage to the total share capital of the Company are as follows: Ms. Rajshree Pathy holds 1,13,35,713 shares, representing 34.21% of the total share capital of the Company. Mr. Sheilendra Bhansali, Mr. K. Ilango, Mr. S. Vasudevan and Mr. B. Rajan do not hold any shares in the Company. Additionally, it may be noted that the Non-Executive Directors do not hold any convertible securities.

f) The details of familiarization programmes imparted to Independent Directors are disclosed on the company's website vide web link https://www.rajshreesugars.com/independent-directors/.

g) Below is the chart containing core skills/expertise/competencies identified by the Board of Directors as required under Clause 'C' of Schedule V of LODR, along with the names of Directors who possess such skills / expertise / competence:

Core skills / expertise / competencies	Ms. Rajshree Pathy	Mr. Varada-rajan	Mr. Vasudevan	Mr. Bhansali	Mr. Ilango	Mr. Rajan
Skills attributable to the Industry / Sector, in which the Company operates	Yes	Yes	Yes	–	–	–
Financial Management Skills	Yes	Yes	Yes	Yes	Yes	Yes
Administrative Skills	Yes	Yes	Yes	Yes	Yes	Yes
Leadership Skills	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills in relation to Company's Business Operations	Yes	Yes	Yes	–	Yes	–
Business Strategy & Sales & Marketing	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes
Communication Skills and public relations	Yes	Yes	Yes	Yes	Yes	Yes
Decision making skills	Yes	Yes	Yes	Yes	Yes	Yes
Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Yes	Yes	Yes	Yes	Yes	Yes

Please note that the absence of a mark against a Director does not necessarily imply that the Director lacks the mentioned qualification or skill.

h) The Board hereby confirms that in the opinion of the Board, all the Independent Directors have fulfilled the conditions specified under LODR and they are totally independent of the management.

i) During the year under review, no Independent Director resigned before the expiry of their tenure. Accordingly, there are no detailed reasons for resignation to report. However, Mr. S. Krishnaswami (DIN: 08530320), Independent Director, ceased to be a Director of the Company upon completion of his tenure on 29th September 2025.

3. Audit Committee

During the year under review, the Audit Committee was reconstituted, and Mr. B. Rajan was inducted as a Member of the Committee with effect from 14th August 2025.

The Audit Committee, constituted by the Board of Directors, comprises Mr. Sheilendra Bhansali, Independent Director, as Chairman; Mr. S. Vasudevan, Mr. K. Ilango and Mr. B. Rajan, Independent Directors; and Mr. R. Varadarajan, Non-Promoter Executive Director. Mr. M. Ponraj, Company Secretary, acts as the Secretary to the Audit Committee.

During the year, the committee convened four meetings on the following dates: 29th May 2025, 14th August 2025, 3rd November 2025, and 11th February 2026. All members were present at the meetings, except Mr. B. Rajan, Independent Director, attended two meetings held subsequent to his appointment .

The Audit Committee's terms of reference encompass matters outlined in Section 147 of the Companies Act, 2013 (the Act), and Regulation 18 of LODR. Its responsibilities include overseeing the company's financial reporting process to ensure the accuracy and credibility of financial statements. Furthermore, the committee recommends the appointment, remuneration, and terms of auditors, approves payments for additional audit services, and reviews accounting policies. It also evaluates internal financial controls and risk management systems, assesses the performance of auditors and internal controls. Additionally, the committee reviews quarterly/annual financial statements and Auditors' Reports before submission to the Board, and has authority over approving or modifying related party transactions. Ensuring compliance with SEBI regulations, reviewing loans/utilization exceeding specific thresholds, and incorporating other terms as per LODR provisions are also within its purview.

4. Nomination and Remuneration Committee (NRC)

NRC comprises the following Directors as members: Mr. S. Vasudevan as Chairman, an Independent Director; Mr. Sheilendra Bhansali, also an Independent Director; and Ms. Rajshree Pathy, a Non-Executive Non-Independent Director. Throughout the year, the NRC held three meetings on the following dates: 29th May 2025, 13th August 2025, and 11th February 2026. All members attended all three meetings.

The terms of reference for the NRC are as follows: to identify qualified individuals for Director, Key Managerial Personnel, and Senior Management positions, evaluate the performance of each Director, formulate criteria for Director Qualifications, attributes, and independence, and recommend remuneration policies for Directors, Key Managerial Personnel, and Employees. The committee also develops criteria for evaluating Independent Directors and the Board, devises a policy on Board diversity, and recommends or reviews remuneration for Managing/Whole-time Directors based on performance. Additionally, it recommends all forms of remuneration for senior management and fulfills any other function mandated by the Board or statutory requirements.

The performance evaluation criteria for Independent Directors include awareness of the general and business environment, awareness of sector-specific environment, contribution to meeting discussions, awareness of Director roles, duties, and responsibilities, contribution to strategic thinking for Company growth, independence from the entity and other Directors, and exercising independent judgment and freely voicing opinions. A fixed grading scale is applied as follows: 1=Poor, 2=Average, 3=Good, 4=Very Good, and 5=Excellent.

5. Stakeholders' Relationship Committee (SRC)

During the year under review, the SRC was reconstituted, and Mr. B. Rajan was inducted as a Member of the Committee with effect from 14th August 2025 and Mr. S. Krishnaswami ceased to be a Member of the Committee with effect from 14th August 2025 pursuant to the reconstitution of the Committee.

The Stakeholders' Relationship Committee comprises the following members: Mr. Sheilendra Bhansali, an Independent Director, serves as Chairman; Mr. B. Rajan, an Independent Director; and Mr. R. Varadarajan, a Non-Promoter Executive Director.

During the year, the Committee held two meetings on 29th May 2025 and 11th February 2026, and all members attended both meetings. However, Mr. S. Krishnaswami attended one meeting prior to the completion of his tenure and Mr. B. Rajan attended one meeting subsequent to his appointment. Mr. M. Ponraj, Company Secretary, serves as the Compliance Officer. An exclusive email address investor@rajshreesugars.com has been provided for addressing shareholders' grievances."

The details of investor complaints during the Financial Year are as follows: Number of shareholders' complaints received:5; Number of complaints not resolved to the satisfaction of shareholders: Nil; Number of pending complaints at the end of the Financial Year: Nil.

SRC oversees various aspects related to the welfare of the Company's security holders. This includes resolving grievances related to transfer and transmission of shares, non-receipt of annual reports, declared dividends, issuance of new/duplicate certificates, and concerns regarding general meetings. Additionally, the committee reviews measures to enable the shareholders to effectively exercise voting rights, adherence to service standards by the Registrar & Share Transfer Agent, and initiatives aimed at reducing unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices.

6. Risk Management Committee (RMC)

Pursuant to Regulation 21 of LODR, the requirement to constitute an RMC is applicable only to the top 1000 listed entities and high value debt listed entities. The Company does not fall under either category and hence, the constitution of RMC is not applicable.

7. Corporate Social Responsibility (CSR) Committee

During the year under review, the CSR Committee was reconstituted on 14th August 2025. Mr. B. Rajan was appointed as the Chairman of the Committee and Mr. S. Krishnaswami, Independent Director, ceased to be a Member of the Committee, on 14th August 2025 pursuant to the reconstitution of the Committee.

The CSR Committee comprises the following members: Mr. B. Rajan, an Independent Director, serving as Chairman; Mr. K. Ilango, an Independent Director; and Mr. R. Varadarajan, a Non-Promoter Executive Director. The CSR Committee did not hold any meetings during the year.

The broad terms of reference for the CSR Committee are outlined as follows: To formulate and recommend a CSR Policy to the Board, delineating the activities to be undertaken by the Company in accordance with the Act; to review and recommend the expenditure allocated for these activities; and to monitor the company's CSR policy periodically. CSR Policy is available on the website of the Company at https://www.rajshreesugars.com/policies.

The Company has not earned net profit during the Financial Year ended 31st March 2026 computed as per section 198 of the Act, and hence, provisions relating to CSR as specified under Section 135 of the Act will not be applicable to the Company.

8. Share Transfer Committee (STC)

During the year under review, STC was reconstituted on 14th August 2025. Pursuant to the reconstitution Mr. S. Krishnaswami, Independent Director, ceased to be a Member of the Committee, and Mr. B. Rajan, Independent Director was appointed as a Member of the Committee with effect from the same date.

The Committee comprises Mr. R. Varadarajan, a Non-Promoter Executive Director, serving as Chairman; Mr. Sheilendra Bhansali, Independent Director; Mr. B. Rajan, Independent Director; Mr. K. Ilango, Independent Director; Mr. M. Ponraj, Company Secretary; and Ms. S. Dhanalakshmi, representing MUFG Intime India Private Limited, the Registrar and Share Transfer Agent.

Throughout the year, the Committee convened 23 meetings on the following dates: 11th April 2025, 25th April 2025, 9th May 2025, 6th June 2025, 17th June 2025, 27th June 2025, 18th July 2025, 22nd August 2025, 8th September 2025, 19th September 2025, 30th September 2025, 8th October 2025, 31st October 2025, 17th November 2025, 28th November 2025, 1st December 2025, 10th December 2025, 12th December 2025, 6th February 2026, 16th February 2026, 17th February 2026, 6th March 2026 and 18th March 2026.

The broad terms of reference for the STC include overseeing processes related to the transmission, sub-division, consolidation, and other similar actions concerning the shares of the Company.

9. Securities Allotment Committee (SAC)

SAC was established with the objective of allotting securities to the lender banks or their appointed trustees in accordance with the Resolution Plan for restructuring the Company's debt, as outlined in the Framework Restructuring Agreement

dated 12th July 2021. No meetings of the Committee were conducted during the review year. SAC is comprised of the following directors: Mr. Sheilendra Bhansali, serving as Chairman and an Independent Director; Mr. S. Vasudevan, an Independent Director; and Mr. R. Varadarajan, a Non-Promoter Executive Director.

10. Compensation Committee (CC)

During the year under review, the Compensation Committee (CC) was reconstituted on 14th August 2025. Pursuant to the reconstitution Mr. S. Krishnaswami, Independent Director, ceased to be a Member of the Committee, and Mr. B. Rajan, Independent Director was appointed as a Member of the Committee with effect from the same date. The Committee comprises the following directors as members: Mr. S. Vasudevan, Independent Director, serving as Chairman; Mr. B. Rajan, Independent Director; Mr. K. Ilango, Independent Director; and Ms. Rajshree Pathy, Promoter Non-Executive Director. The Committee was formed to oversee and administer the Employee Stock Option Plan (ESOP) 2012 of the Company. No meetings were required to be held during the year.

11. Senior Management

Upon the NRC's recommendation, the Board has identified the 'Senior Management' in accordance with SEBI Circular No. SEBI/LAD-NRO/GN/2023/117 dated 17th January 2023, effective from the same date.

The identified Senior Management comprises Mr. G. Sathiyamoorthi, President (as Head Operations); Mr. C. S. Sathiyanarayanan, Chief Financial Officer; Mr. M. Ponraj, Company Secretary; and Mr. R. K. Narayan, Senior Vice-President-Marketing (as Head Marketing). During the year under review, Mr. J. Sundarrajan, General Manager - Human Resources (as Head Human Resources); relieved from the services of the Company with effect from 28th February 2026.

12. Remuneration of Directors

There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis, the Company, except payment of sitting fees for attending the meetings of the Board / Committees.

Criteria of making payments to non-executive Directors: Only sitting fees were paid to the Non-Executive Directors, with Ms. Rajshree Pathy receiving ₹ 2.00 lakhs, Mr. Sheilendra Bhansali receiving ₹ 2.80 lakhs, Mr. S. Vasudevan receiving ₹ 2.80 lakhs, Mr. K. Ilango receiving ₹ 2.80 lakhs, Mr. S. Krishnaswami receiving ₹ 1.00 lakh, and Mr. B. Rajan receiving ₹1.90 lakhs during the year under review.

Disclosure with respect to remuneration for the financial year 2025-26: Mr. R. Varadarajan, Wholetime Director, received a total remuneration of ₹128.30 lakhs, comprising a salary of ₹117.00 lakhs, perquisites amounting to ₹ 0.40 lakh, sitting fees totaling ₹ 2.80 lakhs, and performance-linked incentive/variable pay of ₹ 8.10 lakhs. No bonuses, stock options, pension, or commission were provided. The performance criteria for the incentive are based on crushing volume, EBITDA and overall company performance. His service contract spans three years, with a three-month notice period, and no severance fees were specified. Furthermore, there were no stock option details to report.

13. General Body Meetings

Location and time for the last three Annual General Meetings (AGM) / Postal Ballot.

Location	Date	Time	No. of special resolutions passed
The Registered office of the Company as on the date of the meeting at The Uffizi, 338/8 Avanashi Road, Peelamedu Coimbatore Tamil Nadu 641004 (deemed venue). AGM was conducted through Video Conferencing (VC).	30.08.2023	4:00 PM	1
The Registered office as on the date of the meeting (deemed venue). AGM was conducted through VC.	27.09.2024	4:00 PM	2
The Registered office as on the date of the meeting (deemed venue). AGM was conducted through VC.	13.08.2025	3:30 PM	1

There were no special resolutions passed through postal ballot last year. Consequently, details regarding voting patterns and the responsible person for conducting the postal ballot exercise are not provided. Additionally, no special resolution is proposed to be conducted through postal ballot, and hence the procedure for conducting a postal ballot is not included.

14. Means of Communication

The Company regularly publishes audited annual financial results and quarterly unaudited financial results, along with notice advertisements, in Business Standard (in English) and Dinamani (in Tamil). Additionally, corporate governance reports, quarterly / annual results, shareholding patterns, and other required details under the LODR/ the Act are posted on the Company's website www.rajshreesugars.com and on the websites of stock exchanges such as www.nseindia.com and www.bseindia.com.

During the financial year, the Company did not make any presentations to institutional investors or analysts, nor did it display official news releases.

15. General shareholder information

i.	AGM - Date, time and venue :	Thursday, 23rd July 2026 at 11:00 AM In compliance with the Ministry of Corporate Affairs' circulars permitting General Meetings to be conducted via video conference, the meeting will be exclusively held using this method. The deemed venue for the meeting will be the Registered Office of the Company, located at 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641 015.
ii.	Financial year	12 Months ending 31st March
iii.	Financial calendar 2026-27	First quarterly results - Before 14th August 2026 Second quarterly results - Before 14th November 2026 Third quarterly results - Before 14th February 2027 Fourth quarterly and Audited yearly results - Before 30th May 2027.
iv.	Book Closure Date for AGM	17th July 2026 to 23rd July 2026
v.	Dividend Payment Date	In order to conserve the financial resources for operational requirements, the Board has not recommended any dividend for the year 2025-26. Also no amount has been transferred to reserves.
vi.	Name and address of stock exchanges.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (E), Mumbai - 400 051 The Company has paid listing fees to the above Stock Exchanges for the financial year, 2026-27
vii.	In case the securities of the Company are suspended from trading, the reason thereof.	Not Applicable.

viii.	Registrars and Share Transfer Agents (RTA) (for physical & demat shares)	MUFG Intime India Private Limited (formerly Link Intime India Private Limited) "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028. Telephone No.91-422-4958995, 2539835, 2539836 Email id: coimbatore@in.mpms.mufg.com Website: www.in.mpms.mufg.com
ix.	Share Transfer System	No transfer was executed in physical mode during the year, in line with SEBI circulars dated 20th April 2018, 16th July 2018 and 25th January 2022. SEBI, vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, mandated that service requests such as issue of duplicate securities certificates, claim from unclaimed suspense account, renewal / exchange of securities certificates, endorsement, sub-division / splitting of securities certificates, consolidation of securities certificates / folios, transmission and transposition shall be processed only in dematerialised form. The Company follows the procedure prescribed under the said circular. SEBI, vide its circular dated 2nd July 2025, provided a special window for re-lodgement of transfer requests pertaining to physical shares lodged prior to 1st April 2019, which remained pending due to deficiencies. Subsequently, SEBI, vide its circular dated 30th January 2026 (Circular No. HO/38/13/11(2) 2026-MIRSD-POD/I/3750/2026), introduced a special one-time window for transfer-cum-dematerialisation of physical securities, open from 5th February 2026 to 4th February 2027, for processing pending or previously rejected transfer requests relating to securities acquired prior to 1st April 2019. Securities processed under this mechanism shall be credited only in dematerialised form and shall be subject to a lock-in period of one year. The Company has complied with all applicable provisions of the aforesaid SEBI circulars.

x. Distribution of shareholding as on 31st March 2026

Range (No. of shares)	No. of Folios*	No. of shares held	% of shareholding
1 - 500	28,478	32,21,367	9.72
501 - 1000	2,054	16,66,953	5.03
1001 - 2000	1,023	15,70,115	4.74
2001 - 3000	347	9,00,424	2.72
3001 - 4000	171	6,06,654	1.83
4001 - 5000	126	5,96,382	1.80
5001 - 10000	183	13,37,824	4.04
10001 and above	163	2,32,35,887	70.12
Total	**32,545**	**3,31,35,606**	**100.00**

* Shares held under separate folios / demat accounts are not consolidated

xi. Shareholding pattern as on 31st March 2026

Category	No. of Shareholders*	No. of shares held	% to paid up Capital
Promoter and Promoter Group**	4	1,34,92,021	40.72
Mutual Funds	4	4,900	0.01
Banks	6	9,49,369	2.87
Foreign Portfolio Investors Category-I	-	-	-
Directors and their relatives (excluding independent directors and nominee directors)	1	1,000	0.00
Key Managerial Personnel	-	-	-
Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category).	-	-	-
Investor Education And Protection Fund (IEPF)	1	4,82,268	1.46
Resident Individuals holding nominal share capital up to ₹ 2 lakhs	30,584	1,03,36,047	31.19
Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	49	37,45,511	11.30
Non-Resident Indians (NRIs)	197	16,89,420	5.10
Bodies Corporate	119	18,73,494	5.65
Unclaimed Shares	1	3,582	0.01
Others	443	5,57,994	1.69
Total	**31,409**	**3,31,35,606**	**100.00**

**Shareholders' holdings are clubbed based on Permanent Account Number (PAN).*

***A pledge has been created in respect of 1,34,92,021 equity shares with voting rights of Promoter & Promoter Group in favour of SBICAP Trustee Company Ltd, who is holding the pledge on behalf of lenders of the Company (State Bank of India, UCO Bank, Bank of India, ICICI Bank Ltd and Federal Bank Ltd) as per the Framework Restructuring Agreement (FRA) executed on 12th July 2021 between the Company and the lenders for restructuring the debt of the Company.*

xii.	Dematerialization of shareholding and liquidity.	As of 31st March 2026, a total of 3,21,63,366 equity shares, constituting 97.07 % of the overall equity share capital, are held in dematerialized form with NSDL and CDSL. Factors such as trading volume, outstanding shares, market depth, and institutional investor presence significantly impact the liquidity of a stock.
xiii.	Outstanding Global Depository Receipts / American Depository Receipts/ Warrants or any convertible instruments, conversion date and likely impact on equity.	Nil
xiv.	Commodity Price Risk or foreign exchanges risk and hedging activities:	Sugar being a commodity is exposed to cycles and price risk. To mitigate commodity risks, the company enters into advance sales with the reputed institutional buyers for a reasonable quantity. Government in June 2018 has fixed a minimum selling price of sugar at ₹ 29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar. Later the price was increased to ₹ 31 per kg in February 2019 and continued to be operative during the period April 2025 to March 2026. The Government also continued the release order mechanism for controlling the sugar that can be sold in the market. This has helped in arresting the free fall of sugar price. Government has also allowed 1.5 million tons of export of sugar for the sugar season 2025-26 to clear the excess stock of sugar which will increase or stabilize the domestic price
xv.	Plant locations.	Unit I - Sugar, Cogeneration & Distillery Varadarajnagar PO, Periakulam Taluk, Theni District PIN 625562. Unit II - Sugar & Cogeneration Mundiyampakkam PO, Vikravandi Taluk, Villupuram District PIN 605 601. Unit III - Sugar, Cogeneration & Distillery Semmedu Village, Gingee Taluk, Villupuram District PIN 604 53,
xvi.	Address for correspondence	The Company Secretary Rajshree Sugars & Chemicals Limited Registered Office: 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641015, Tamil Nadu Phone: +91-0422 -2580981/82 E-mail (Secretarial): secretarial@rajshreesugars.com E-mail (Investors): investor@rajshreesugars.com

xvii. 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 debentures issued by the Company are unlisted instruments and hence no rating is required. The Company does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

xviii. No dividend remains pending for transfer to the Investor Education and Protection Fund (IEPF), except for an unpaid dividend amounting to ₹39,729/- for the financial year 2009-10, which is subject to stay orders issued by the Courts.

16. Other Disclosures

a) There are no material related party transactions that may have potential conflict with the interests of the Company at large. The transactions with the related parties are disclosed in Note No. 37(16) of the financial statements that

includes transactions with Ms.Rajshree Pathy, Promoter (holding more than 10% shareholding in the company), in accordance with relevant accounting standards.

b) Throughout the last three years, the Company has not encountered any instances of non-compliance, penalties, strictures, or regulatory actions enforced by stock exchange(s), regulatory bodies, or statutory authorities concerning matters related to capital markets.

c) The Board has established a Vigil Mechanism, as required under Regulation 22 of the SEBI (LODR) Regulations, 2015, to enable directors and employees to report concerns about unethical behavior, fraud, or violations of the Company's Code of Conduct. The mechanism includes safeguards against victimization and provides direct access to the Chairman of the Audit Committee. The contact details are provided in the Vigil Mechanism Policy, available at www.rajshreesugars.com/policies.

d) The Company has complied with all the mandatory requirements of the various regulations of LODR. The Company has also fulfilled non-mandatory/discretionary requirements, namely: (a) The Company moved towards a regime of financial statements with an unmodified audit opinion, (b) has established a separate post of Chairperson and Chief Executive Officer (CEO). The Chairperson is a Non-Executive Director and is not a relative of the CEO as defined under the Act and (c) The Internal Auditors are reporting directly to the Audit Committee.

e) Web link where policy for determining 'material' subsidiaries is disclosed; Not Applicable.

f) The Policy on dealing with related party transaction is accessible on the Company's website at www.rajshree sugars.com via the following link: https://www.rajshreesugars.com/policies.

g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : Not applicable

h) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is enclosed (Appendix 1).

i) All recommendations made by board committees were accepted by the Board without exception during the relevant financial year.

j) Total Fees for all services (excluding out of pocket expenses) paid by the Company to the Statutory Auditors and all entities in the network firm/network, for the year ended 31st March 2026 is ₹11.17 lakhs (₹11.23 lakhs).

k) In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, we report that there were no complaints received, disposed of, or pending during the financial year.

l) Disclosure by the Company of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Nil

m) Details of material subsidiary of the Company : Not Applicable

n) Investor complaints of non-receipt of dividends, non-receipt of annual reports, etc. forwarded by SEBI are periodically resolved and uploaded into SCORES (SEBI Complaints Redressal System) website and no complaints were pending during the year under review.

17. The Company has complied with all the requirements of the Corporate Governance Report as specified in Clauses C(2) to C(10) of Schedule V of the SEBI (LODR) Regulations, 2015.

18. Compliance with discretionary requirements: The Company has complied with the discretionary requirements under Regulations 27(1) and Part E of Schedule II of LODR as detailed above in point 16(d) of this report.

19. Compliance under LODR : The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) - 46(2)(i) of LODR.

20. Declaration by Wholetime Director : Declaration signed by the Wholetime Director, as required under Schedule V(D) of LODR stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is enclosed (Appendix 2).

21. Certificate from Auditors: Compliance certificate signed by the Statutory Auditors, as required under Schedule V(E) of LODR regarding compliance of conditions of corporate governance is annexed (Appendix 3).

22. Disclosure with respect to demat suspense account / unclaimed suspense account : The following are the details of unclaimed shares pertaining to Public Issue / Rights Issue of the company.

Particulars	Number of shareholders	Number of shares
i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	23	3,182
ii) Number of shareholders and shares transferred / credited to the suspense account during the year	4	400
iii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil	Nil
iv) Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
v) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	27	3,582

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims.

23. Disclosure under Schedule III(A)(A)(5A) of LODR: Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements : Nil

24. Independent Directors' Meeting : During the year, a meeting of the Independent Directors was held on 11th February 2026 without the attendance of non-independent directors and members of management, with all independent directors present. At the meeting, they reviewed the performance of non-Independent Directors and the board of directors as a whole, assessed the Chairperson's performance, considering feedback from executive and non-executive directors, and evaluated the quality, quantity, and timeliness of information flow between the Company's management and the Board necessary for effective performance of duties.

25. CEO/CFO Certification: The certification as per Regulation 17(8) of LODR has been submitted by the Wholetime Director and CFO of the Company to the Board of Directors and is enclosed as (Appendix 4).

26. Prevention of Insider Trading : The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Persons of the Company as required under the SEBI (Prohibition of Insider Trading) Regulations 2015. The said Code is available on the company's website at www.rajshreesugars.com/policies/.

For and on behalf of the Board

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

Place : Coimbatore
Date : 20th May 2026

APPENDIX – 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To, The Members of
M/s RAJSHREE SUGARS & CHEMICALS LIMITED
1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641 015

I have examined the relevant registers, records, forms, returns and disclosures received from the **M/s. RAJSHREE SUGARS & CHEMICALS LIMITED** having CIN : L01542TZ1985PLC001706) and having registered office at 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641 015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of Director	Designation	DIN	Date of appointment in the Company
1.	Ms. Rajshree Pathy	Chairperson	00001614	13-12-1985
2.	Mr. R. Varadarajan	Wholetime Director	00001738	05-06-2003
3.	Mr. S. Vasudevan	Independent Director	01567080	30-09-2019
4.	Mr. S. Krishnaswami (Tenure Completed on 29.9.2025)	Independent Director	08530320	30-09-2019
5.	Mr. Sheilendra Bhansali	Independent Director	00595312	10-07-2017
6.	Mr. K. Ilango	Independent Director	00124115	30-09-2019
7.	Mr. B. Rajan	Independent Director	10309315	13-08-2025

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

G. SOUNDARRAJAN
Practicing Company Secretary
ACS - 13993 - C.P.No.4993
Peer Review Certificate No.2101/2022
UDIN : A013993H000363023

Place : Coimbatore
Date : 20th May 2026

APPENDIX – 2

Declaration under Schedule V (D) of Regulation 34(3) of LODR by the Wholetime Director

The Shareholders,

I, R.Varadarajan, Wholetime Director, hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Board of Directors and Senior Management personnel of Rajshree Sugars & Chemicals Limited, for the financial year ended 31st March 2026.

For and on behalf of the Board

R VARADARAJAN
Wholetime Director
DIN 00001738

Place : Coimbatore
Date : 20th May 2026

APPENDIX – 3

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of M/s. RAJSHREE SUGARS & CHEMICALS LIMITED, Coimbatore

We have examined the compliance of conditions of Corporate Governance by Rajshree Sugars & Chemicals Limited ("the company"), for the year ended 31st March 2026 as per relevant Regulations of the securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the LODR.

Auditor's Responsibility

Our responsibility is limited to examining the 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.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Charted Accountants of India and the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

Opinion

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 specified in the relevant Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable-during the year ended 31st March, 2026.

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

For S. KRISHNAMOORTHY& CO.,
Chartered Accountants
Regn.No.001496S

V. INDIRA
Membership No.200817
Partner, Auditor
UDIN : 26200817NDWTFB9313

Place : Coimbatore
Date : 20th May 2026

APPENDIX – 4

CEO / CFO CERTIFICATION (Regulation 17(8) of LODR)

We the undersigned, in our respective capacities as Wholetime Director and Chief Financial Officer of Rajshree Sugars & Chemicals Limited ("the Company") to the best of our knowledge and belief certify that:

a. We have reviewed the financial statements and the cash flow statement of the company for the financial year ended 31st March 2026, and that to the best of our knowledge and belief, we state that:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's Code of Conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:
   i. significant changes, if any, in internal control over financial reporting during the year;
   ii. significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

R VARADARAJAN
Wholetime Director
DIN 00001738

C.S. SATHIYANARAYANAN
Chief Financial Officer

Place : Coimbatore
Date : 20th May 2026

ANNEXURE 3

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2026

Statement under Section 197 (12) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules).

1) The ratio of the remuneration of each director to the median employees' remuneration for the financial year;

Sl.No.	Name of Director	Ratio
1.	Mr. R. Varadarajan, Wholetime Director	38

Note: Sitting fees paid to the Directors have not been considered as remuneration. The other Directors have only been paid sitting fees.

2) The percentage increase / decrease (-) in remuneration of each Director, Chief Financial Officer, Wholetime Director and Company Secretary in the financial year;

Sl.No.	Name of Director / Official	% increase / decrease (-)
1.	Mr. R. Varadarajan, Wholetime Director	-2.01%
2.	Mr. C.S. Sathiyanarayanan, Chief Financial Officer	4.70%
3.	Mr. M. Ponraj, Company Secretary	5.02%

3) The percentage increase in the median remuneration of employees in the financial year is -5.98%

4) The number of permanent employees on the rolls of Company as on 31st March 2026: **998**

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

   The average percentile increase in salaries of employees other than managerial personnel is 3.22%. Two key managerial personnel were paid remuneration with an increased percentage, which is in line with industry standard compared to other employees.

6) The remuneration is paid as per the Remuneration Policy of the Company.

7) Information as per 5(2) and 5(3) of the rules is furnished below:

Name / Age of employee	Designation / Nature of Duties	Remuneration Received ₹ in lakhs	Qualification / Experience (Years)	Date of Commencement of Employment	Last Employment before joining the Company
Mr.Varadarajan R 68 Years	Wholetime Director / Wholetime Key Managerial Personnel	125.50*	Master's Degree in Business Management and English Literature - 46 Years	05th June 2003	PSG Institutions
Mr. Sathiyamoorthi G 62 Years	President (Head Operations)	81.53	B.Sc., ADSI - 41 Years	05th November 1990	Sirugappa Sugars & Chemicals Limited
Mr. Narayan R K 56 Years	Senior Vice President - (Head Marketing)	55.62	B.Com., PGDBA - 32 Years	26th May 2010	EID Parry (India) Limited

Name / Age	Designation / Nature of Duties	Remuneration Received ₹ in lakhs	Qualification / Experience (Years)	Date of Commencement of Employment	Last Employment before joining the Company
Mr. Mohan Kumar N 60 Years	Vice President (Operations)	59.69	ANSI, MBA, 36 Years	02nd September 2013	EID Parry (India) Limited
Mr. Sathiyanarayanan C S 55 Years	Chief Financial Officer	39.40	ICWA, CA Inter, B.Com - 25 Years	7th May 2020	Jeyyam Global Foods Private Limited
Mr. Sundar Rajan J 52 Years *(Relieved on 28.2.2026)*	General Manager (Head - Human Resources)	36.04	BA Economics, PGDPMIR - 27 Years	12th January 2022	TNT India Private Limited
Mr. Lakshmana Murthy M 55 Years	Associate Vice President (Factory Operations-Unit - III)	35.26	Dip in Mech Engg; B.Tech. Mech; BOE - 33 Years	11th August 2022	Uniworld Sugars Private Limited
Ms. Sathiyaveni M 59 Years	Associate Vice President (Purchase & Civil)	30.18	B.E., Civil,; M.E. Civil - 39 Years	1st October 1993	Tamilnadu Public Works Department
Mr. Suresh Kumar V 53 Years	General Manager - Finance	27.66	B.Com, ICWA, ACS, CA - 31 Years	8th August 1998	KPR Mill (P) Ltd
Mr. Vijayakumar J 60 Years	Associate Vice President (Cane Operations)	26.48	B.Sc. (AGRI) - 36 Years	10th February 1989	South India Sugars Limited
Ms. Valliammai S 57 Years	Associate General Manager - Accounts	25.25	M.Com - 37 Years	1st June 1988	Nil

** Excluding sitting fee ₹ 2.80 lakhs.*

Notes:

1) The nature of employment of Mr.Varadarajan, Wholetime Director is contractual. The employment of all others is non-contractual and terminable by notice on either side.

2) None of the above mentioned employees are related to any Director of the Company.

3) None of the employees are covered under Rule 5(2)(ii) and 5(2)(iii) of the Rules.

For and on behalf of the Board

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

Place : Coimbatore
Date : 20th May 2026

ANNEXURE 4

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2026

Statement as at 31st March 2026, pursuant to (Disclosure in the Directors' Report) SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021

A. Summary of Status of ESOPs Granted

The position of the existing schemes are summarized as under :-

S.No.	Particulars	RSCL Employee Stock Option Plan 2012
1	Date of Shareholder's Approval	10th October 2012
2	Total Number of Options approved under ESOPs	11,89,585
3	Vesting requirement	(i) 50% of options due for vesting on each vesting date shall vest on the basis of time i.e., mere continuance of employment as on date of vesting; and (ii) 50% of options due for vesting on each vesting date shall vest on the basis of achievement of individual key result areas set at the beginning of each financial year preceding the financial year in which the individual vesting date falls.
4	Exercise Price or Pricing Formula	Not Applicable
5	Maximum term of Options granted	8 years
6	Source of shares (Primary / Secondary / Combination)	Primary
7	Variation in terms of ESOP	No Variation
8	Method used to account for ESOP (Intrinsic or fair value)	Not Applicable
9	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable

B. Option Movement during the year 2025-26

S.No.	Particulars	Numbers
1	Options Outstanding at the Beginning of the Year	0
2	Options Granted during the Year	0
3	Options Forfeited / Lapsed during the Year	0
4	Options Vested during the Year	0
5	Options Exercised during the Year	0
6	Shares arising as a result of Exercise of Options	0
7	Money Realised by Exercise of Options if the scheme is implemented directly by the company (₹ in Lakhs)	0
8	Options Outstanding at the End of the year	0
9	Options Exercisable at the End of the year	0

C. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

a).	**Weighted average exercise price of Options granted during the year whose**	
i)	Exercise price equals market price	NA
ii)	Exercise price is greater than market price	NA
iii)	Exercise price is less than market price	NA
b).	**Weighted average fair value of options granted during the year whose**	
i)	Exercise price equals market price	NA
ii)	Exercise price is greater than market price	NA
iii)	Exercise price is less than market price	NA

D. Employee-wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted during the financial year 2025-26 to:

i) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) :

Name	No. of Options Granted
No Options Granted during the Year	

ii) Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year :

Name	No. of Options Granted
No Options Granted during the Year	

iii) Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant :

Name	No. of Options Granted
No Options Granted during the Year	

E. Description of the Method and significant Assumptions used to estimate the fair value of options granted during the year : NOT APPLICABLE.

F. Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 : 0.34

G. The weighted average market price of options exercised during the year: Nil.

H. Weighted average remaining contractual life

Exercise Price Range (₹)	Years
0-100	Nil
100-200	Nil
200-300	Nil

I. Net Income (₹ in lakhs)

Net Income as reported	113.59
Less: Fair Value Compensation Cost	0.00
Net Income	113.59

For and on behalf of the Board

Place : Coimbatore
Date : 20th May 2026

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

ANNEXURE 5

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2026

SECRETARIAL AUDIT REPORT

(Form No. MR-3)

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2026

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

To

The Members,
M/s. RAJSHREE SUGARS & CHEMICALS LIMITED
Coimbatore.

I have conducted the SECRETARIAL AUDIT of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. RAJSHREE SUGARS & CHEMICALS LIMITED (CIN:L01542TZ1985PLC001706) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (as amended up-to-date) (wherever applicable) viz. :-

   1) SEBI (Prohibition of Insider Trading) Regulations, 2015.

   2) SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021.

   3) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client (as amended up-to-date).

   4) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

vi) The following Acts and Rules specifically applicable to a Sugar Industry viz.,

   1) Agricultural and Processed Food Products Act,1985

   2) Acts and Rules prescribed under prevention and control of pollution, environmental protection and energy conservation.

   3) Essential Commodities Act,1955

4) Export (Quality Control and Inspection) Act, 1963
5) Food Safety and Standards Act, 2006 and Rules, 2011.
6) Indian Electricity Act, 2003.
7) The Indian Boilers Act, 1923.
8) Levy Sugar Price Equalization Fund Act, 1976.
9) Sugar Development Fund Act, 1982.
10) Sugar Cess Act, 1982.
11) Sugarcane (Control) Order,1966.
12) The Sugar (Control) Order, 1966.
13) The Sugar (Packing & Marking) Order, 1970.
14) The Tamil Nadu Molasses Control and Regulation Rules, 1958.
15) The Tamil Nadu Distillery Rules,1981.
16) Tamil Nadu Prohibition Act, 1937.
17) Other local laws as applicable to various plants and offices.

The Company was not required to comply with the following laws/regulations/ guidelines as these were not applicable during the financial year.

a) SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
b) SEBI (Buyback of Securities) Regulations, 2018.
c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
d) SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended up-to-date) (LODR).

During the period under review the Company has complied with all the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. including the laws mentioned above .

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director, The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at the Board Meetings and Committee Meetings are carried out unanimously and recorded in the minutes.

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

I further report that during the audit period there were no specific instances in respect of following except as stated in item No.6 :

1) Public / Rights / Preferential issue of shares / Debentures / Sweat Equity.
2) Buy Back of Securities.
3) Foreign Technical Collaboration.
4) Major decisions taken by measures in pursuance of section 180 of the Act.
5) Merger/ Amalgamation/ reconstruction.
6) Redemption of Debentures including (a) 0.1% Secured, Unlisted, Non-Cumulative, Redeemable & Optionally Convertible Debentures (OCD) and (b) 0.1% Secured, Unlisted, Non-Cumulative, Redeemable & Non-Convertible Debentures (NCD).

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

G. SOUNDARRAJAN
Practicing Company Secretary
ACS-13993-C.P. No. 4993
Peer Review Certificate No.: 2101/2022
UDIN : A013993H000362891

Place : Coimbatore
Date : 20th May 2026

Annexure - A

To

The Members
M/s. RAJSHREE SUGARS & CHEMICALS LIMITED
Coimbatore

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

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

G. SOUNDARRAJAN
Practicing Company Secretary
ACS-13993-C.P. No. 4993
Peer Review Certificate No.: 2101/2022
UDIN : A013993H000362891

Place : Coimbatore
Date : 20th May 2026

ANNEXURE 6

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Scenario and Development

Global Sugar Outlook

The estimated Global sugar production as per the International Sugar Organization (ISO) is 181.29 million tons with an increase of 5.23 million tons over the previous season. The consumption is expected to grow by 0.55 million tons over the previous season; it is now estimated at 180.07 million tons. The overall global surplus is anticipated to be 1.22 million tons.

World Sugar Balance (Million Tons)				
October to September				
	2025 - 26	**2024 - 25**	**Changes**	**%**
Production	181.29	176.06	+5.23	2.97%
Consumption	180.07	179.52	+0.55	0.31%
Surplus / Deficit	1.22	-3.46	4.68	-
End stocks	93.30	93.18	+0.12	-
Stocks to Consumption Ratio	51.81	51.91	-	-

However, USDA forecasts a production of 189.3 million tonnes, which is 8.3 million tonnes over the last year production (181 million tonnes).

Sugar Sector in India

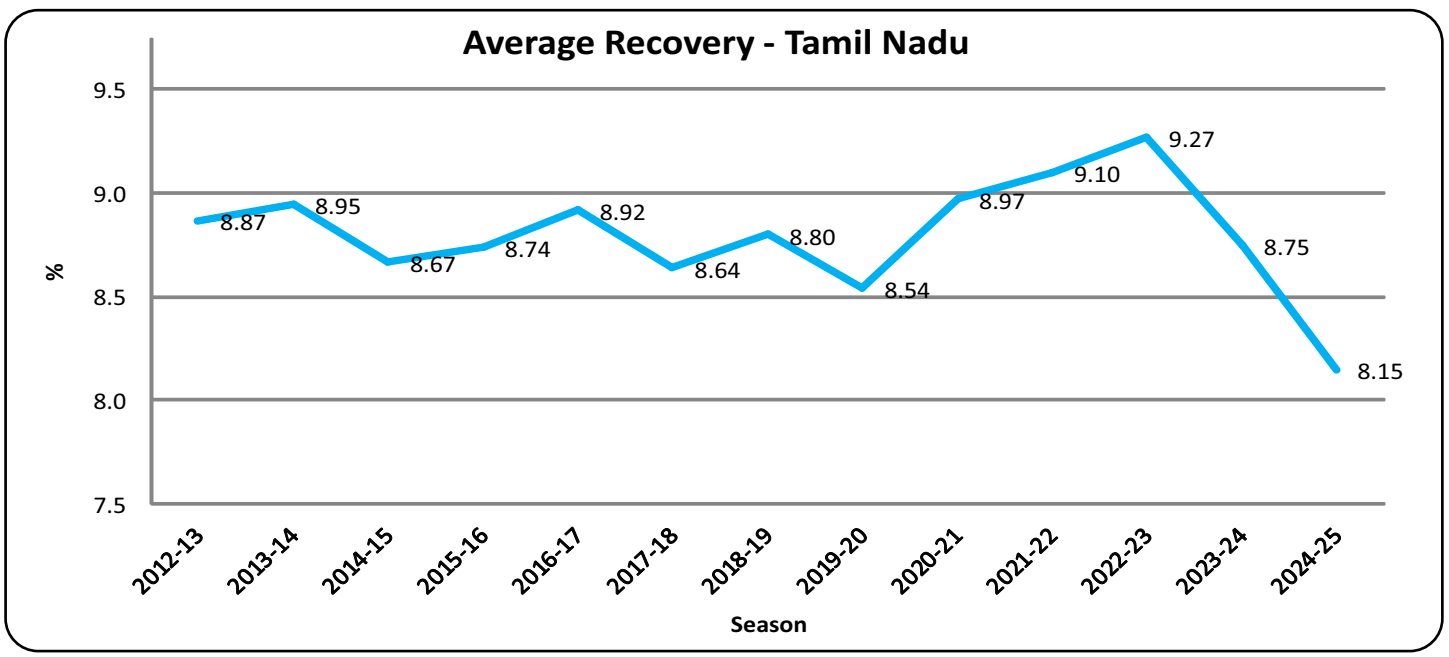
The estimated sugar production for the sugar season 2025-26 is around 292.92 lakh tons, up by 31.92 lakh tons from the previous year. Domestic consumption is estimated at 283 lakh tons compared to 281 lakh tons of the previous year. With the exports of around 7 lakh tons, the closing stock is expected to be around 52.92 lakh tons as compared to the opening stock of 50 lakh tons.

Particulars	**2025 - 26**	**2024 - 25**	**Changes**
Opening Stock	50	79	-29
Production	293	261	+32
Imports	0.0	0.0	-
Total Available	**343**	**340**	**+3**
Consumption :			
a) Internal	283	281	+2
b) Exports	7	9	-2
Total Consumption	**290**	**290**	**0.0**
Closing Stock	53	50	+3

Sugar Sector in Tamil Nadu

Though the Rainfall in Tamil Nadu (TN) was higher, the intensity of that rainfall was concentrated for a shorter period which had an adverse effect on the crushing and recovery.

Sugar season	Cane Crushed (in lakh tons)	Sugar Production (in lakh tons)	Capacity Utilisation %
2011-12	254.55	23.79	99
2012-13	214.57	19.07	84
2013-14	157.60	14.13	61
2014-15	140.50	12.18	55
2015-16	155.86	13.61	61
2016-17	119.04	10.65	47
2017-18	81.42	7.00	31
2018-19	108.54	9.55	39
2019-20	92.20	7.89	32
2020-21	97.85	8.78	38
2021-22	139.15	12.39	54
2022-23	160.54	14.80	63
2023-24	123.08	10.73	48
2024-25	83.74	6.83	33



- Cane Crushing of the State in SY 2024-25 was lower by 39.34 Lakh Tonnes and the average recovery was lower by 0.60% compared to SY 2023-24.
- The planting of sugarcane was affected by the unusually intense summer in the first half of 2024, which had reduced the required sugarcane in the first half of 2025-26 (as the gestation period of sugarcane growth is 12 months), and the impact of Cyclone Fengal in November 2024, which again affected the planting in the last quarter of 2024-25 (January '25 to March '25), which in turn reduced the required sugarcane in January '26 to March '26.

- Average Market price for Financial Year (FY) 2025-26 was around ₹ 3961 per quintal at 8.15% average sugar recovery, the RSF value (@ 75% of realization from sugar sales), and works out to ₹ 2970 per ton of cane. But average FRP payable is ₹ 3291 per ton of cane pegged to a minimum 9.50% recovery. The gap between FRP payable and RSF value is ₹ 321 per ton of cane which mills are unable to recover.
- The capacity utilization is around 33% which has resulted in the sub-optimal production of sugar, power and alcohol. Accordingly, the incidence of fixed cost has more than tripled compared to normal times, leaving correspondingly lower amount in the hands of mills for cane payment. TN sugar mills will have to pay FRP at 9.50% irrespective of the actual sugar recovery even if lower than 9.50%.TN sugar mills will have to pay for 95 Kgs of sugar equivalent whereas actually they recover only 81.5 Kgs.
- The loss works out to ₹535 per ton of cane crushed.

The adverse effect of the climate variations in Tamil Nadu brought down the Cane availability from 123 Lakh tons to 84 Lakh tons, a reduction of 39 Lakh tons and the Recovery from 8.75% to 8.15%.

Our company also recorded a lower crushing of 11.29 Lakh tons in FY 2025-26 as against 12.29 Lakh tons in FY 2024-25 with a recovery of 8.73% as against 8.14% in the previous year.

Government measures in the Sugar Industry

The Central & State Governments had announced a slew of measures to support the sugar industry last year :

a) Central Government Ethanol Blending Programme

In an effort to support the sugar mills for a sustainable operation, the Government has persisted with its ethanol blending programme.

In EY 2024-25 ended 31st October 2025, OMCs have blended a total of 1040 Crore Litres of Ethanol achieving a national average of 19.24%.

In the current Ethanol Year 2025-26 (November '25 to October '26), OMCs have blended 328 Crore Litres achieving a National average of 19.98% till 31st March 2026.

b) Tamil Nadu state sugarcane policy

In FY 2025-26, the TN Government continued the transitional production subsidy introduced in 2020-21 to benefit all registered farmers who had supplied sugarcane during 2025-26 sugar season with the previous year subsidy of ₹349 per ton of sugarcane,

Opportunities :

The increase in domestic prices due to lower production and firm World sugar prices, continues to be an opportunity for the industry to sustain and increase margins.

Threats

The unpredictable climate variations, rainfall pattern & low recovery are threats to the sustainable operation of the Industry. International weather pattern suggests that this year would be a worst El Nino Year in the last 140 years.

Sugarcane Price

The Central Government has increased the 2025-26 season's FRP to ₹355/- per quintal for a basic recovery rate of 10.25% providing a premium of ₹3.55 per quintal for each 0.1 % increase in recovery over and above 10.25% and reduction in FRP at the same rate for each 0.1% decrease in the recovery rate till 9.50%. However, in case of the mill with a recovery of lower than 9.50%, the price remains pegged to this minimum recovery at ₹329 per quintal for the 2025-26 season.

Power

The Company continues to export power to third party customers from the power plant at Mundiyampakkam. This has ensured receipt of timely payment and support the working capital requirement.

The Company continues to export power to State Grid from the power plant at Gingee under the power purchase agreement. The applicable power tariff rate is approved by State Regulatory Commission from time to time during the year, the Tamil Nadu Electricity Regulatory Commission (TNERC) has issued its tariff order on 22.09.2025 for the control period from the date of the order to 31.3.2027, according to which the revised rate for the power plant at Gingee is at ₹6.59 per unit as against the previous rate of ₹5.72 per unit.

Outlook

The country is set to produce 29.29 million tons in the current season 2025-26. With an export possibility of 0.7 million tons and a consumption figure at 28.3 million tons, it would leave the industry with a closing stock at 5.29 million tons.

Risk Analysis

The major risks faced by the industry include sugarcane availability, sugar recovery, price realization, regulatory control by Government and financial liquidity amongst others.

For managing such risks emanating from such a volatile environment, the company has put in place a dynamic and robust management process for review at periodic intervals.

Sugar Price Realization Risk

The perceived risk on sugar price realization is lower given the outlook of lower stock available.

Risk mitigation

To de-risk the challenges of cyclicality in the sugar business, the downstream plants installed for producing alcohol and cogeneration of power by using byproducts of sugar production viz., molasses and bagasse continue to complement the profitability of the company. Further the company has also added flexibility to produce Ethanol from Sugar Cane Juice/Syrup.

The Company is also focusing on selling sugar regularly at every price point thereby improving average realization.

In order to stabilize the domestic sugar prices, and to enable the sugar mills across the country to clear the cane price arrears, the government had taken the following measures during the year:

a. The Government of India had continued the monthly sugar release mechanism to control sugar supply to the domestic market for the 2025-26 season.
b. The Government of India has also maintained the Minimum Selling Price (MSP) of ₹31/- per kg, below which the mills cannot sell sugar.
c. Export of sugar to the extent of 1.5 million tons has been approved by the Central Government.
d. The Central Government has lifted the ban on production of ethanol from cane juice and B heavy molasses.

Sugarcane Availability and Sugar Recovery

Sugarcane is the main raw material in sugar mills which is monsoon dependent and it becomes unpredictable in adverse climatic conditions. Similarly other factors like scarcity of harvest labor, sugarcane price, and availability of attractive competitive/ alternate crops will have a direct impact on cane availability, sugar recovery and our business. The sugar industry continues to be regulated by State Governments by other controls viz., reservation of cane area and fixation of sugarcane price.

Risk Mitigation

The Company has a robust sugarcane extension department to support crop management practices on the field. Further, Research and Development wing ensures new technology and high yielding varieties are made available at the right time to the farmers.

Measures taken by the Company to mitigate the risks

- Testing new improved varieties of cane with the support of Sugarcane Breeding Institute and Tamil Nadu Agricultural University.
- Promoting high sucrose yielding varieties for better sugar recovery.
- Maintaining above 90% of the area with high yield and high sugar varieties for better cane and sugar productivity
- Organizing to supply, to the farmers, the rejuvenated disease free quality seed material from Sugarcane Breeding Institute to improve the sugarcane yield.
- Exploring AI-driven automation, including drip fertigation systems integrated with automatic weather stations and soil moisture sensors at our R&D farms to study its efficacy on cane yield, quality improvement and for further expansion.
- Technology transfer through digital platform was commenced with the creation of an exclusive YouTube channel in the name of Rajshree Sugars. So far 5 videos and 2 short videos up loaded for technology promotion.
- Restarted the technology promotion through Audio Visual Van Programmes after a gap of 6 years.
- The company has initiated a pilot trial entailing soil nutrient based fertility mapping in command areas of Unit-2 at Mundiyampakkam. So far 2200 samples have been collected covering all sugarcane growing villages and the analysis is under progress. This would support the farmers having low fertile lands to improve the soil conditions.
- Promoting the application of water gel in the standing cane crop to conserve the soil moisture and mitigate the drought situation
- Providing micro level support to selective villages whose sugarcane yield is sub-optimal. In the financial year 2025-26, the company has provided the support to 46 villages, resulting in an increase in the average yield by 1.80 to 4.0 tonnes per acre.
- Promoting wider row planting, timely mechanized inter cultural operation and mechanical harvesting which includes entrepreneur development. Through mechanical harvesting the company has covered 15 % of the total cane harvesting. Further development of mechanical harvesters is in progress.
- Aggressively promoting drip irrigation among the farmers to save water and obtain better sugarcane yield.
- Implementing activities like trash shredding, trash mulching and organic manure application to improve soil fertility.
- Close monitoring of nursery development, supply of good quality seeds, fertilizers, micro nutrients and growth promoting inputs, among others as a part of cane development activities.
- More Focus on areas with better ground water availability.
- Implementation of good agronomical and pest management practices.
- Prophylactic spraying across 2,800+ acres and successfully managed diseases namely Pokkah Boeng and Crown Mealybug, particularly in the 2003 V 46 and Co 11015 variety plots.
- Continuous monitoring of cane planting, clean cane management and harvesting schedule.
- Implementation of better Ratoon management practices.
- Developing local and outside cane harvest work force for timely harvest and supply
- Support farmers with timely updated information on technical and entrepreneurial subjects for yield and quality improvement of sugarcane.
- Increasing the quantum of registered cane and the gradual reduction of outside cane
- Focusing on factory efficiency parameters to recover maximum sugar.

Financial liquidity risk

- The sugarcane availability and sugar price risk continue to have significant impact on the financial liquidity of the Company.

- Sugar industry is highly working capital intensive. Raising adequate and rightly-priced working capital to support peak period operation of the company might pose a challenge.
- Since the Company has been under monitoring period after implementing the debt restructuring by lenders with retrospective effect from 30.06.2020, it is operating without working capital facilities from the consortium lenders, and has to continuously sell inventory to maintain cash flows. This situation will continue till the company's account is upgraded as standard with the lenders.
- The Company had challenged the monthly sugar release mechanism, before the court of law and the Madras High Court has dismissed our Writ Petition. Hence, the company has filed a writ appeal before Madras High Court on 24.10.2024 for setting aside the order of single judge. The case is pending disposal.

Risk mitigation:

The continuation of the approved debt restructuring proposal of the company by all the lenders with the beneficial terms which includes reduction in interest rate and the deferred repayment schedule to mitigate the liquidity crunch faced by the company. Further, the company has availed working capital facilities from Kotak Mahindra Bank comprising Dropline Overdraft for ₹30 crores repayable over 21 months and Cash Credit for ₹20 crores to be taken over, upon upgradation of loan accounts, by Consortium lenders.

Internal control systems and their adequacy

The Company has well-established internal control systems in the form of well-documented policies, authorization guidelines commensurate with the level of responsibility standard operating procedures and effective internal audit system to ensure smooth functioning of the Company.

The Board, Audit Committee and the Key Management review the findings and recommendations of the Internal Auditors and take corrective action, wherever necessary. Moreover the Audit Committee periodically interacts with Statutory Auditors and makes continuous assessments of the adequacy and effectiveness of the internal control systems.

Human Resources / Employee Wellbeing

The Management Staff Strength as on 31st March 2026 is 227 and the Non-Management Staff strength is 771. Industrial Relations have been cordial and there is no significant development. For the year, there has been 100 % retention of Key Management Talent and staff attrition is at 12.19% as against 13.93 % in the previous year. The employees were imparted 1030 man-days of learning through the year.

Financial performance with respect to operational performance

a) Operational Performance

Particulars	Year ended		% Increase (Decrease)
	31.3.2026	31.3.2025	
Cane Crushed (MT)	**11,29,060**	12,28,905	(8.12)
Recovery %*	**8.73**	8.14	0.59
Sugar Produced (MT)	**98,521**	1,00,053	(1.53)
Sugar Sold (MT)	**88,523**	1,17,347	(24.56)
Power Produced (Lakh Kwh)	**1,376**	1,488	(7.46)
Power Exported to Grid (Lakh Kwh)	**831**	886	(6.21)
Alcohol Produced (Lakh Litres)	**177**	187	(5.35)

** Absolute change*

b) Financial Performance- Segment Wise

The Company is engaged in three segments, namely Sugar, Cogeneration and Distillery (₹ in Lakhs)

Particulars	31.3.2026	31.3.2025
Sales / Turnover		
Sugar	**43,736.02**	52,555.82
Co-generation	**7,690.61**	8,220.25
Distillery	**12,835.46**	12,995.06
Less: Inter Segment revenue	**9,794.35**	9,589.45
Net Sales / Income from Operations	**54,467.74**	64,181.68
Profit / (Loss) before tax		
Sugar	**(2,709.97)**	(3230.74)
Co-generation	**3,894.61**	4,557.74
Distillery	**2,033.40**	2,591.66
Less: I. Interest	**1,449.50**	1,597.12
ii. Other un-allocable expenditure	**1,376.01**	1,213.97
Add : Exceptional Expenses	**200.86**	-
Profit /(Loss) before tax	**191.67**	1,107.57

c) Ratios where there has been significant change for FY 2024 - 25 to FY 2025 - 26 :

S. No.	Key Profitability Ratios	FY 2025 - 26	FY 2024 - 25	Remarks
1.	EBITDA/Sales % (Operating Profit Margin)	**7.30%**	7.87%	Operating Profit Margin has marginally decreased due to lower cane crushing and the resultant output caused by adverse climate.
2.	Net Profit Margin (%)	**0.35%**	1.73%	As explained in point no. 1 above
3.	Return on Net Worth	**0.73%**	4.19%	As explained in point no. 1 above

S. No.	Key Liquidity Ratios	FY 2025 - 26	FY 2024 - 25	Remarks
1.	Current Ratio	**1.03**	1.04	Marginal increase
2.	Debtors Turnover Ratio	**23.40**	26.30	The value of Debtors as on 31st March 2026 has been lower by 14% as compared to the same as on 31st March 2025 while the decrease in sales during the year 2025 - 26 is by 15% as compared to the same during the year 2024 - 25. This has led to a marginal decrease in the Debtors turnover ratio.
3.	Inventory Turnover	**3.32**	5.49	The Inventory Turnover ratio is lower due to stock holding higher by 40% in the year end. This is due to limitation in absorption of the market due to inflow of sugar from other states and higher stocking of alcohol due to Tamil Nadu Government has allowed higher share of import from neighboring states by IMFL manufacturers.

S. No.	Key Capital Structure Ratios	FY 2025-26	FY 2024-25	Remarks
1.	Debt Equity Ratio	**0.91**	1.03	Reduction in Debt Equity Ratio is due to reduction in debt arising out of repayment of the principal as per repayment schedule of approved debt restructuring scheme.
2.	Interest Coverage Ratio	**2.74**	3.16	The EBITDA has been at ₹40 crores in FY 2025-26 as against the same at ₹50 crores in FY 2024-25. The interest charge has been recorded at ₹14.50 crores in the year 2025-26 as against the same at ₹15.97 crores in 2024-25. This led to the decrease in interest coverage ratio.

Cautionary statement

Statements in this Report describing the Company's objectives, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

Place : Coimbatore
Date : 20th May 2026

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Rajshree Sugars & Chemicals Limited

Report on the Financial Statements

Opinion

We have audited the Financial Statements of RAJSHREE SUGARS & CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of the material 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, 2026, its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the 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. We have determined the matter described below to be the key audit matter to be communicated in our report.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Determination of Cost of Inventory of Finished goods and By-product (as described in note 8 of the financial statements)	
As on 31st March 2026, the Company had inventory of Finished goods and by- products with the carrying value of ₹16,407.03 Lakhs. The inventory of finished goods is valued at lower of cost and net realizable value. The amount of the inventory of Finished Goods and by-products as on March 31, 2026 is significant to the financial statements and significant judgement is	**Our audit procedures included the following:** Assessed and evaluated the accounting policy followed for valuation of inventory of finished goods and its by-products and its appropriateness thereof with respect to relevant Indian Accounting Standards. Obtained an understanding and tested the design and operating effectiveness of controls as established by the management in determination of cost of inventory Tested the method used by the Company for arriving at the cost of

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
involved in determining the cost of inventory and its byproducts because of seasonal factors such as recovery from sugarcane and allocation of cost to by products based on net realizable value. Accordingly, determination of cost of inventory was considered to be a key audit matter in our audit of the financial statements.	inventory. Evaluated the reliability, accuracy and completeness of the data used by the management in computing the cost of conversion, net realizable value of by-products and tested the mathematical accuracy of the calculations used by the Company to determine the cost of inventory. Assessed the adequacy of disclosures in the financial statements.

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 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, 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 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 Responsibilities for the Audit of the Financial Statements

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

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 conse 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, 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 relevant books of account.

d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 controls over financial reporting.

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 to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except unpaid dividend of ₹39,729/- for the Financial Year 2009-10 as per the stay orders issued by the Court.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Registration No.001496S

V. Indira
Partner, Auditor
Membership No.200817
UDIN : 26200817LWMEVV9488

Place : Coimbatore
Date : 20th May 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of RAJSHREE SUGARS & CHEMICALS LIMITED ("the Company") as of March 31, 2026 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. 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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, 2026, 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 S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Registration No.001496S

V. Indira
Partner, Auditor
Membership No.200817
UDIN : 26200817LWMEVV9488

Place : Coimbatore
Date : 20th May 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

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

b) The Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verification.

c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any other Property Plant and Equipment (including Right of Use Assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) A) The stocks of finished goods, stores, spares and raw materials of the Company have been physically verified by the management during the year at reasonable intervals and the coverage and procedure of such verification by the Management is appropriate. In our opinion, no material discrepancies were noticed.

B) During the year, the company has been sanctioned working capital limits in excess of five crore rupees, on the basis of security of current assets. The quarterly statements filed by the company with such bank is in agreement with the books of account of the Company.

iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or made any Investment or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 and 186 of the Act.

v) According to the information and explanations given to us the Company has not accepted any deposit or amounts which are deemed to be deposits.

vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of sugar and alcohol as well as generation and transmission of electricity by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.

vii) According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

b) There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues applicable to it in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

c) Details of statutory dues which have not been deposited as at March 31, 2026 on account of any dispute are given below:

Name of the Statute	Nature of Demand	Amount (₹ in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Central Excise	Excise Duty Penalty	80.38 80.38	April 2012 - June 2012	Cestat Chennai
Central Excise	Excise Duty	6284.00	April 2014 - June 2017	Madras High Court

viii) In our opinion, there are no transactions that are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) a) The Company has not defaulted in the repayment of loans and other borrowings or payment of interest to the lender Banks after entering into the Framework Restructure Agreement with them.

b) The Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) The Company has not availed any term loans during the year.

d) The Company has not raised any funds on short term basis.

e) The Company has no investments in subsidiaries, joint ventures and associate companies.

x) a) The Company has not raised money by initial public offer or further public offer (including debt instruments) during the year.

b) The company has not made any Preferential Allotment or private placement of shares or convertible debentures during the year.

xi) A) No material frauds by the company or on the company has been noticed or reported during the course of our audit.

B) The Company has not received any whistle-blower complaints during the year.

xii) The company is not a Nidhi company and therefore this clause is not applicable to the company.

xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) A) The Company has an internal audit system commensurate with the size and nature of its business.

B) We have considered the reports of the Internal Auditors for the period under audit, to the extent the same has a bearing on the Financial Statements.

xv) The Company has not entered into non-cash transactions with directors or persons connected with them.

xvi) A) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

B) The Company has not conducted any Non-Banking Financial or Housing Finance activities.

C) The Company is not a Core-Investment-Company (CIC) as defined in the regulations made by the Reserve Bank of India.

xvii) The Company has not incurred cash loss during the financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The requirement of compliance with Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013, is not applicable to the Company.

For S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Registration No.001496S

V. Indira
Partner, Auditor
Membership No.200817
UDIN : 26200817LWMEVV9488

Place : Coimbatore
Date : 20th May 2026

BALANCE SHEET AS AT 31ST MARCH 2026

(₹ in Lakhs)

PARTICULARS	Note	31.3.2026	31.3.2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	**49,487.31**	52,379.50
Right of use	3	**84.33**	11.26
Capital work in progress	2	**109.36**	125.70
Investment properties	4	**9.57**	9.80
Other intangible assets	2	**24.17**	24.17
Financial assets:			
i. Other financial assets	5	**288.29**	258.91
Deferred tax assets (Net)	6	**-**	150.51
Other non-current assets	7	**17.13**	44.11
Total non-current assets		**50,020.16**	53,003.96
Current assets			
Inventories	8	**16,407.03**	11,683.59
Financial assets:			
i. Trade receivables	9	**2,326.31**	2,437.26
ii. Cash and cash equivalents	10	**695.99**	133.28
iii. Bank balances other than cash and cash equivalents	11	**1.05**	1.01
iv. Other financial assets	12	**487.01**	568.03
Current tax asset - Net	13	**38.34**	80.24
Other current assets	14	**587.50**	755.32
Total current assets		**20,543.23**	15,658.73
Total Assets		**70,563.39**	68,662.69

Material Accounting Policies Note No. 1

(Continued...)

See accompanying notes to the financial statements

As per our report of even date

For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No.001496S

V. Indira
Membership No:200817
Auditor, Partner

Place : Coimbatore
Date : 20th May 2026

Sheilendra Bhansali
Independent Director
DIN 00595312

C S Sathiyanarayanan
Chief Financial Officer

R Varadarajan
Wholetime Director
DIN 00001738

M Ponraj
Company Secretary
Membership No. : A29858

BALANCE SHEET AS AT 31ST MARCH 2026 (Continued)

(₹ in Lakhs)

PARTICULARS	Note	31.3.2026	31.3.2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	**3,313.56**	3,313.56
Other Equity	16	**22,980.07**	23,100.75
Total equity		**26,293.63**	26,414.31
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	17	**24,011.72**	27,220.17
ii. Lease Liabilities	3	**45.54**	5.75
Provisions	18	**158.39**	35.76
Deferred Tax Liability (Net)	6	**152.33**	-
Total non-current liabilities		**24,367.98**	27,261.68
Current liabilities			
Financial liabilities			
i. Borrowings	19	**9,079.38**	2,691.98
ii. Trade payables	20		
a. Total outstanding dues of micro enterprises and small enterprises		**672.37**	514.70
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		**5,813.18**	8,548.15
iii. Other financial liabilities	21	**0.40**	0.40
iv. Lease Liabilities	3	**40.13**	5.46
Other current liabilities	22	**3,984.87**	2,990.14
Provisions	18	**311.45**	235.87
Total current liabilities		**19,901.78**	14,986.70
Total liabilities		**44,269.76**	42,248.38
Total equity and liabilities		**70,563.39**	68,662.69

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements

As per our report of even date

For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No.001496S

V. Indira
Membership No:200817
Auditor, Partner

Sheilendra Bhansali
Independent Director
DIN 00595312

R Varadarajan
Wholetime Director
DIN 00001738

C S Sathiyanarayanan
Chief Financial Officer

M Ponraj
Company Secretary
Membership No. : A29858

Place : Coimbatore
Date : 20th May 2026

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

PARTICULARS	Note	31.3.2026	31.3.2025
INCOME			
Revenue from operations	23	**54,467.74**	64,181.68
Other income	24	**426.62**	1,175.19
Total income		**54,894.36**	65,356.87
EXPENSES			
Cost of materials consumed	25	**41,777.52**	41,763.55
Changes in inventories of work-in-progress, Stock-in-trade and finished goods	26	**(4,110.81)**	5,373.35
Employee benefit expenses	27	**4,822.93**	4,745.58
Finance costs	30	**1,449.50**	1,597.12
Depreciation and amortisation expense	28	**2,334.12**	2,345.60
Other expenses	29	**8,228.57**	8,424.10
Total expenses		**54,501.83**	64,249.30
Profit/(loss) before exceptional items and tax		**392.53**	1,107.57
Exceptional items - Refer Note no. 37 (4)		**200.86**	–
Profit/(loss) before tax		**191.67**	1,107.57
Income tax expense/(benefit)	31		
Current tax		**–**	–
Income Tax/(Refund) of Earlier Years		–	19.98
Deferred tax		**78.08**	278.49
Income tax expense/(benefit)		**78.08**	298.47
Profit/(loss) for the year		**113.59**	809.10
Other comprehensive income			
Items that will not be reclassified to profit or (loss)			
Remeasurement of post employment benefit obligations		**(9.50)**	(135.42)
Income tax relating to the above item	31	**2.39**	34.08
Other comprehensive income/(loss) net of tax		**(7.11)**	(101.34)
Total comprehensive income/(loss) for the period		**106.48**	707.76
Earnings/(Loss) per equity share of ₹10/- each (Amount in ₹)			
Basic earnings/(loss) per share	36	**0.34**	2.44
Diluted earnings/(loss) per share	36	**0.34**	2.44

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements

As per our report of even date
For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No.001496S

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Membership No:200817
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DIN 00001738

C S Sathiyanarayanan
Chief Financial Officer

M Ponraj
Company Secretary
Membership No. : A29858

Place : Coimbatore
Date : 20th May 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

₹ in Lakhs

PARTICULARS	31.3.2026	31.3.2025
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before income tax	**191.67**	1,107.57
Adjustments for:		
Depreciation and amortisation expense	**2,334.12**	2,345.60
(Gain)/loss on disposal of property, plant and equipment	**(243.47)**	353.43
Excess provision of earlier years written back	**(23.86)**	(404.62)
Penal interest of SDF reversed	**–**	(528.21)
Finance costs	**1449.50**	1,560.77
Finance cost on right of use asset	**–**	36.35
Change in operating assets and liabilities		
(Increase) / Decrease in trade receivables	**110.95**	627.74
(Increase) / Decrease in inventories	**(4,723.45)**	5,478.26
Increase / (Decrease) in trade payables	**(2,553.43)**	(2,337.33)
Increase / (Decrease) in other financial assets	**80.99**	35.76
(Increase) / Decrease in other non-current assets	**26.98**	34.78
(Increase) / Decrease in other current assets	**167.82**	(80.44)
Increase / (Decrease) in provisions	**188.70**	(43.23)
Increase / (Decrease) in security deposits	**(29.38)**	(10.74)
Increase / (Decrease) in other current liabilities	**994.72**	157.94
Cash generated from operations	**(2,028.14)**	8,333.63
Income taxes paid	**41.89**	(39.48)
Net cash inflow / (outflow) from operating activities	**(1,986.25)**	8,294.15
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	**(391.74)**	(450.56)
Proceeds from sale of property, plant and equipment	**1,254.61**	2,206.56
Net cash inflow / (outflow) from investing activities	**862.87**	1,756.00
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from Borrowings	**3,178.95**	(8,759.50)
Interest paid	**(1,449.50)**	(1,597.13)
Payment of lease liabilities	**(43.36)**	(56.97)
Net cash inflow / (outflow) from financing activities	**1,686.09**	(10,413.60)
Net increase / (decrease) in cash and cash equivalents	**562.71**	(363.45)
Cash and cash equivalents at the beginning of the financial year	**133.28**	496.73
Cash and cash equivalents at the end of the year	**695.99**	133.28

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements

As per our report of even date
For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No.001496S

V. Indira
Membership No:200817
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C S Sathiyanarayanan
Chief Financial Officer

M Ponraj
Company Secretary
Membership No. : A29858

Place : Coimbatore
Date : 20th May 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026 (₹ in Lakhs)

i) Equity Share Capital

Particulars	Note	
Balance as at March 31, 2024		3,313.56
Changes in equity share capital during the year	15	–
Balance as at March 31, 2025		3,313.56
Changes in equity share capital during the year	15	–
Balance as at March 31, 2026		**3,313.56**

ii) Other Equity

Particulars	Notes	Reserves and Surplus					Total
		Securities Premium Account	General Reserve	Capital Reserve	Fair value Reserve	Retained Earnings	
Balance as at March 31, 2024		1,560.15	7,575.90	158.70	25,599.20	(11,713.64)	23,180.31
Profit for the period	16	-	-	-	-	809.10	809.10
Other comprehensive income	16	-	-	-	-	(101.34)	(101.34)
Transfer to Retained Earnings on disposal					(2,351.24)	2,351.24	-
Deferred Tax Asset Reversal						(591.76)	(591.76)
Deferred Tax Liability Reversal					(195.57)	-	(195.57)
Balance as at March 31, 2025		1,560.15	7,575.90	158.70	23,052.39	(9,246.40)	23,100.74
Profit for the period	16	-	-	-		113.59	113.59
Other comprehensive income						(7.11)	(7.11)
Transfer to Retained Earnings on disposal	16	-	-	-	(236.62)	236.62	-
Deferred Tax Asset Reversal						(260.99)	(260.99)
Deferred Tax Liability Reversal					33.84	-	33.84
Balance as at March 31, 2026		**1,560.15**	**7,575.90**	**158.70**	**22,849.61**	**(9,164.29)**	**22,980.07**

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements

As per our report of even date

For S. Krishnamoorthy & Co.
Chartered Accountants
Registration No.001496S

V. Indira
Membership No:200817
Auditor, Partner

Place : Coimbatore
Date : 20th May 2026

Sheilendra Bhansali
Independent Director
DIN 00595312

C S Sathiyanarayanan
Chief Financial Officer

R Varadarajan
Wholetime Director
DIN 00001738

M Ponraj
Company Secretary
Membership No. : A29858

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Company overview

RAJSHREE SUGARS & CHEMICALS LIMITED ('the Company') is a public limited company incorporated in India. The company's equity shares are listed on BSE and NSE. The registered office is located at 1GV, 360, Kamaraj Road, Uppilipalayam, Coimbatore - 641 015 Tamilnadu, India.

1. Material accounting policies

1.1 Statement of compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below:

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.3 Going concern

The Board of Directors have considered the financial position of the Company as at 31st March, 2026 and projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

1.4 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statement.

1.5 Revenue recognition

The company derives revenue primarily from the sale of Sugar, Alcohol and power.

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Goods and Services Tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

1.6 Foreign currencies

1.6.1. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the company's functional and presentation currency.

1.6.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognized in profit or loss.

1.7 Employee Benefits

1.7.1. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

1.7.2. Other long term employee benefit

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

1.7.3. Post-employment obligation

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees and

b) Defined contribution plans such as provident fund.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Defined contribution plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme and pension scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan:

The Company has a gratuity defined benefit plans for its employees. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and the balance sheet. The Company has funded this with Life Insurance Corporation of India ('LIC') and HDFC Standard Life Insurance Company. The contributions made are treated as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

1.7.4. Bonus plans

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.8.1 Current tax

The income tax expenses or credit is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted.

1.8.2 Deferred tax

Deferred tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

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 realized, 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.

1.8.3 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes are also recognized in other comprehensive income or directly in equity respectively.

1.9. Property, plant and equipment

1) Adoption of Revaluation Model:

The management adopted revaluation model for its land, and determined that these constitute separate class of assets under Ind AS 113, based on the nature, characteristics and risks of the asset.

Fair value of the land is determined by using the market approach. As at the date of revaluation, Value is restated based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in Other Comprehensive Income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

2) Cost Model

Property, plant and equipment, other than land measured through revaluation model, are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

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 the Schedule II to the Companies Act, 2013.

The estimated useful life of the tangible assets 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 derecognized upon disposal or when no future economic benefits are expected to arise from continued use of asset. Any gain or loss on disposal or retirement of an item of property, plant or equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

1.9.1. Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss on disposal or retirement of property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Depreciation on investment property has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

1.10. Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

1.11. 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.

1.12. Inventories

Inventories are valued at the lower of cost and net realizable value.

The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and appropriate proportion of variable and fixed overhead expenditure. Overhead expenditures are being allocated on the basis of normal operating capacity. Raw materials are valued at first in first out. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Non-production inventory (other than those supplied along with main plant and machinery, which are capitalized and depreciated accordingly) are charged to profit or loss on consumption.

1.13 Provisions and contingencies

Provisions: Provisions are recognized when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

1.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

1.15 Financial assets

All purchases or sales of financial assets are recognized and de-recognized 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 recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1.15.1. Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

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

A financial asset that meets the following two conditions is measured at amortized cost unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test :** the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristic test :** the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test :** the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- **Cash flow characteristic test :** the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

1.15.2. Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortized cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortized cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognizing the gains or losses on them on different bases.

Investments in debt based mutual funds are measured at fair value through profit and loss.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on re measurement recognized in profit or loss.

1.15.3. Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

1.15.4. Cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement.

1.15.5. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortized cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

1.15.6. Income recognition

Interest Income: Interest income from debt instruments is recognized using the effective interest rate method.

1.16 Financial liabilities

i) Initial Recognition:

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, debt instruments and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables

ii) Subsequent measurement:

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of the subsequent accounting period.

Amortized cost is calculated by taking into account any discount or premium on issue of funds, and transaction costs that are an integral part of the Effective Interest Rate("EIR").

Any fees, paid or received, transaction costs and other premiums or discounts that are included in the calculation of the effective interest rate are amortized over the expected life of the financial instrument.

The carrying amount of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest rate method. Interest expense that is not capitalized as part of costs of an asset is included in the "Finance costs" in Statement of Profit and Loss.

iii) De-recognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

When an existing financial liability is replaced by another from the same lender

a. on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

b. with no substantially different terms, or the terms of an existing liability are not substantially modified, such an exchange or modification is treated as modification of original liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss or amortized as expenses over the period of time.

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in profit or loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss

1.16.1. Debt Securities:

The Optionally Convertible Debentures ("OCD") and Non-Convertible Debentures ("NCD") issued by the Company are Financial Liability because the issuer has an obligation to transfer financial assets to the holder of the debt securities.

The OCDs and NCDs are issued as a part of exchange of existing loan under restructuring agreement. The terms are substantially modified on such exchange i.e. 10% test is passed and the principle of "extinguishment accounting" are applied.

The old loan is de-recognized and the debt securities issued are recognized at fair value. The difference between the carrying value and the fair value of debt securities is charged to the profit and loss account.

The Company has incurred expenses with respect to loan syndication fees and Commitment fees, which relate to restructuring when it was unlikely that the restructuring arrangement will be entered into, are charged to profit and loss account.

The debt securities are subsequently measured at amortized cost using the effective interest rate method. The value of redemption is reduced from carrying value of the debt securities.

1.16.2. Borrowings:

As per the restructuring plan sanctioned, the borrowings are exchanged with the existing borrower for substantially modified terms. The 10% test is passed and the principle of "extinguishment accounting" are applied.

The old loan or borrowings are de-recognized and the new loan or borrowings are recognized at fair value. The difference between the carrying value and the fair value of new loan or borrowings is charged to the profit and loss account.

The Company has incurred expenses with respect to loan syndication fees and Commitment fees, which relate to restructuring when it was unlikely that the restructuring arrangement will be entered into, are charged to profit and loss account. The loans and borrowings are subsequently measured at amortized cost using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

1.16.3. Trade and other payables:

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

1.17. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.18. Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the standard to it's existing lease contracts using the modified retrospective approach under which the ROU Asset is measured based on the remaining lease payments.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

1.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

1.20. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

1.21. Earnings per Share

Basic earnings per share have been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

1.22. Dividends

In order to conserve the financial resources for operational requirements, the Board has not recommended any dividend for the year 2025-26. Also no amount has been transferred to reserves.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

2. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Land	Buildings	Plant & Equipment	Furniture and fixtures	Vehicles	Office Equipment	Electrical Equipment	Tools & Equipment	Lab Equipment	Total	Intangible Assets	Total of PPE and Intangible Assets	Capital Work-in Progress
Year ended March 31, 2025													
Gross carrying amount													
Cost as at April 1, 2024	27,317.97	13,218.70	60,991.26	178.62	684.93	177.77	503.68	121.84	108.60	1,03,303.38	483.34	1,03,786.72	113.84
Additions	–	8.32	294.58	3.97	97.71	15.14	5.31	9.02	4.67	438.70	-	438.70	112.14
Disposal/reversal	(2,553.74)	–	(5.47)	–	(36.19)	(0.37)	(1.28)	–	–	(2,597.06)	-	(2,597.06)	(100.28)
Closing gross carrying amount	24,764.23	13,227.02	61,280.37	182.58	746.45	192.54	507.71	130.86	113.27	1,01,145.02	483.34	1,01,628.36	125.70
Accumulated depreciation													
Opening accumulated depreciation	–	6,730.71	38,311.69	164.23	494.79	161.45	464.94	95.08	100.40	46,523.29	459.17	46,982.46	–
Depreciation charged during the year	–	332.43	1,901.40	1.84	33.36	3.17	2.89	3.42	.80	2,279.30	–	2,279.30	–
Disposals	–	–	(1.34)	–	(34.38)	(0.36)	(0.98)			(37.06)	–	(37.06)	–
Closing Accumulated depreciation	–	7,063.14	40,211.75	166.07	493.77	164.26	466.85	98.50	101.19	48,765.52	459.17	49,224.70	–
Net carrying amount - 31.03.2025	24,764.23	6,163.88	21,068.62	16.51	252.68	28.27	40.86	32.36	12.08	52,379.50	24.17	52,403.66	125.70
Year ended March 31, 2026													
Gross carrying amount													
Cost as at April 1, 2025	24,764.23	13,227.02	61,280.37	182.58	746.45	192.54	507.71	130.86	113.27	1,01,145.02	483.34	1,01,628.36	125.70
Additions	–	–	312.69	4.59	42.63	8.71	21.54	13.97	3.96	408.09	–	408.09	109.36
Disposal/reversal	(788.72)	(392.54)	(26.96)	-	(15.88)	(20.91)	(22.03)			(1,267.04)	–	(1,267.04)	(125.70)
Closing gross carrying amount	**23,975.51**	**12,834.48**	**61,566.10**	**187.17**	**773.20**	**180.34**	**507.22**	**144.83**	**117.23**	**1,00,286.07**	**483.34**	**1,00,769.41**	**109.36**
Accumulated depreciation													
Opening accumulated depreciation	–	7,063.14	40,211.75	166.07	493.77	164.26	466.84	98.50	101.19	48,765.52	459.17	49,224.70	–
Depreciation charged during the year	–	328.78	1,905.15	1.62	39.74	5.37	3.62	3.77	1.09	2,289.14	–	2,289.14	–
Disposals	–	(174.45)	(26.68)	–	(15.15)	(19.02)	(20.60)	–	–	(255.91)	–	(255.91)	
Closing Accumulated depreciation	**–**	**7,217.47**	**42,090.22**	**167.69**	**518.36**	**150.61**	**449.86**	**102.27**	**102.28**	**50,798.76**	**459.17**	**51,257.93**	**–**
Net carrying amount - 31.03.2026	**23,975.51**	**5,617.01**	**19,475.88**	**19.48**	**254.84**	**29.73**	**57.35**	**42.56**	**14.95**	**49,487.31**	**24.17**	**49,511.48**	**109.36**

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

The fair value measurement will be classified under level 3 fair value hierarchy.

Asset	Valuation technique	Significant unobservable inputs
Freehold land	Market approach	The value of land was determined based on condition, location, demand and supply in and around and other infrastructure facilities available at and around the said plot of land.
		Land which was based on government promoted industrial estates, was appraised on the present fair market value depending on the condition of the said estates, its location and availability of such plots in the said industrial estate.

Information of Revaluation Model

Particulars	**31.3.2026**	31.3.2025
As at 01st April 2025	**23,247.97**	25,599.20
Measurement recognized in reserves		
1. Existing Assets	**–**	–
2. Net Addition due to Revaluation	**–**	–
Less: Depreciation	**–**	–
Less: Disposed / impairment off	**-236.62**	-2351.24
As at 31st March 2026	**23,011.35**	23,247.96

If land were measured using the cost model. The carrying amounts would be as follows

Net Book Value	**As at 31st March 2026**	As at 31st March 2025
Cost		
Freehold Land	**969.55**	1,521.65
	969.55	1,521.65
Accumulated Depreciation		
Freehold Land	**–**	–
	–	–
Net Carrying amount		
Freehold Land	**969.55**	1,521.65
	969.55	1,521.65

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Capital Work-In-Progress (CWIP) ageing schedule for the year ended 31.03.2026 and 31.03.2025 is as follows:

Particulars	Amount in CWIP for the period of 2025 - 26				
	Less than 1 Year	**1-2 years**	**2-3 years**	**More than 3 Years**	**Total**
Projects in Progress	109.36	–	–	–	109.36
Total	**109.36**	**–**	**–**	**–**	**109.36**

Particulars	Amount in CWIP for the period of 2024 - 25				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in Progress	125.70	–	–	–	125.70
Total	125.70	–	–	–	125.70

3 Right of Use (ROU)

Carrying value of ROU Assets for the year ended 31.03.2026				31.03.2025		
Particulars	**Category of ROU Asset**		**Total**	Category of ROU Asset		Total
	Land & Building	**Plant**		Land & Building	Plant	
Balance as at 01.04.2025	**11.26**	**-**	**11.26**	65.45	-	65.45
Adjustments due additions / (deletions)	**117.82**	**-**	**117.82**	11.98	-	11.98
Less : Depreciation	**44.75**	**-**	**44.75**	66.17	-	66.17
Balance as at 31.03.2026	**84.33**	**-**	**84.33**	11.26	-	11.26

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The movement in lease liabilities is as follows:

Particulars	**31.3.2026**	31.3.2025
Balance as at 01.04.2025	**11.21**	56.21
Adjustments due to revision in rental agreements	**117.82**	11.97
Less: Reduction in lease liability	**43.36**	56.97
Balance as at 31.03.2026	**85.67**	11.21

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
4. Investment Properties		
A. LAND - Cost		
Balance at the beginning of the year	**5.28**	5.28
Additions / (Disposal)	**–**	**–**
Balance at the close of the year (A)	**5.28**	5.28
B. BUILDING - Cost		
Balance at the beginning of the year	**10.25**	10.25
Additions / (Disposal)	**–**	–
Balance at the close of the year	**10.25**	10.25
Accumulated depreciation		
Balance at the beginning of the year	**5.73**	5.59
Additions / (Disposal)	**0.23**	0.14
Balance at the close of the year	**5.96**	5.73
Net Block (B)	**4.29**	4.52
Net Block (A) + (B)	**9.57**	9.80

i) Amounts recognised in profit or loss for investment properties

Rental income	**14.26**	14.26
Profit from investment properties before depreciation	**14.26**	14.26
Depreciation	**0.23**	0.14
Profit from investment property	**14.02**	14.12

ii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Within one year	**14.26**	14.26
Later than one year but not later than 5 years	**–**	–
Total	**14.26**	14.26

iii) Fair Value

Investment property	**28.07**	28.30

Estimation of fair value

The fair values of investment properties have been determined based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, for the location at which the property is located adjusted for the depreciated value of buildings.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

	PARTICULARS	31.3.2026	31.3.2025
5	**Other financial assets (non-current)**		
	Deposit - maturity more than 12 months	**113.00**	113.00
	Security Deposits	**175.29**	145.91
	Total Other financial assets (non-current)	**288.29**	258.91
6	**Deferred tax assets / (liabilities)**		
	The balance comprises temporary differences attributable to:		
	Depreciation	**(4,693.89)**	(4,871.21)
	Impact on revaluation	**(161.73)**	(195.57)
	Total deferred tax liabilities	**(4,855.62)**	(5,066.78)
	"Set-off of deferred tax assets pursuant to set-off provisions"		
	Unabsorbed Depreciation and losses	**2,723.13**	3,204.73
	Others including Disallowance u/s 43B	**1,980.16**	2,012.56
	Total deferred tax assets	**4,703.29**	5,217.29
	Net deferred tax assets / (Liability)	**(152.33)**	150.51

Particulars	Depreciation	Unabsorbed Depreciation and Losses	Others including Disallowance u/s 43B	Fair Value Revaluation	Total
Balance as at March 31, 2024	(5115.11)	4263.76	2033.59	–	1182.24
Charged/(credited):					
- to profit or loss	(243.89)	467.27	55.11	–	278.49
- to retained earnings	–	591.76	–	–	591.76
- to other comprehensive income	–	–	(34.08)	–	(34.08)
- to fair value reserve	–	–	–	195.57	195.57
Balance as at March 31, 2025	(4,871.21)	3,204.73	2,012.56	(195.57)	150.50
Charged/(credited):					
- to profit or loss	(177.33)	220.61	34.80	–	78.08
- to retained earnings	–	260.99	–	–	260.99
- to other comprehensive income	–	–	(2.39)	–	(2.39)
- to fair value reserve	–	–	–	33.84	33.84
Balance as at March 31, 2026	**(4,693.89)**	**2,723.13**	**1,980.16**	**(161.73)**	**(152.33)**

Deferred tax asset as shown above has been created, as the Board of Directors of the Company are of the considered view that the Company would be able to generate adequate profits in the immediate future as soon as the cane availability position improves and reaches normal levels.

7	**Other non-current assets**		
	Prepaid Expenses	**17.13**	44.11
	Total other non-current assets	**17.13**	44.11

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
8 Inventories		
Raw material at cost	**565.49**	–
Work-in-progress at cost	**2,022.60**	1,448.96
Finished Goods-at Cost / Net Realisable Value	**12,332.84**	8,795.68
Stock In Trade - Others at Cost	**162.49**	137.71
Stores & Spares at cost	**1,323.61**	1,301.24
Total Inventories	**16,407.03**	11,683.59
9 Trade receivables		
Unsecured and considered good		
Trade receivables	**2,326.31**	2,437.26
Less : Allowance for credit losses	**–**	–
Total receivables	**2,326.31**	2,437.26
Includes due from companies / firms where directors are interested are ₹ Nil		
Current		
Trade Receivables - Considered good - Unsecured	**2,326.31**	2,437.26
Less: Allowance for expected credit loss	**–**	–
Trade Receivables - Considered good - Unsecured	**2,326.31**	2,437.26
Trade Receivables - Credit Impaired - Unsecured	**–**	–
Less: Allowance for credit impairment	**–**	–
Trade Receivables - Credit Impaired - Unsecured	**–**	–

Trade receivables ageing schedule as on March 31, 2026

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed Trade receivables – considered good	–	1,127.47	19.95	11.76	4.89	1,162.23	2,326.31
Undisputed Trade receivables – credit impaired	–	–	–	–	–	–	–
Disputed Trade receivables – considered good	–	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	–	–
Total	**–**	**1,127.47**	**19.95**	**11.76**	**4.89**	**1,162.23**	**2,326.31**

Note : Receivables of more than three years includes differential GST amounting to 11.03 Crores on Alcohol sales receivable from the Customer.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Trade receivables ageing schedule as on March 31, 2025							
Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed Trade receivables – considered good	–	1,194.16	5.93	74.80	7.45	1,154.91	2,437.26
Undisputed Trade receivables – credit impaired	–	–	–	–	–	–	–
Disputed Trade receivables – considered good	–	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	–	–
Total	–	1,194.16	5.93	74.80	7.45	1,154.91	2,437.26

Note : Receivables of more than three years includes differential GST amounting to 11.03 Crores on Alcohol sales receivable from the Customer.

PARTICULARS	31.3.2026	31.3.2025
10 Cash and cash equivalents		
Balances with banks		
- in current accounts	**675.80**	116.07
- in deposit with banks	**–**	–
Cash on hand	**20.19**	17.21
Total cash and cash equivalents	**695.99**	133.28
11 Bank Balances other than cash & cash equivalents		
Unpaid Dividend accounts	**0.40**	0.40
Deposits with maturity of more than 3 months but less than 12 months	**0.65**	0.61
Total bank balances other than cash & cash equivalents	**1.05**	1.01
12 Other financial assets (current)		
Unsecured, considered good		
Income receivable	**487.01**	568.03
Total Other financial assets (current)	**487.01**	568.03
13 Current Tax Assets (Net)		
Income tax refund due / TDS	**38.34**	80.24
Total Current Tax Assets	**38.34**	80.24
14 Other current assets		
Staff and other advance	**14.01**	17.39
Advance to suppliers	**88.03**	121.40
Balance with indirect tax authorities	**216.02**	277.33
Prepaid Expenses	**269.44**	339.20
Total other current assets	**587.50**	755.32

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025

15 Equity share capital

i) Authorised equity share capital

	Number of shares	₹ in lakhs
Balance as at March 31, 2024	3,70,00,000	3,700.00
Balance as at March 31, 2025	3,70,00,000	3,700.00
Increase during the year	–	–
Balance as at March 31, 2026	**3,70,00,000**	**3,700.00**

ii) Movements in paid-up equity share capital

Balance as at March 31, 2024	3,31,35,606	3,313.56
Increase during the year	–	–
Balance as at March 31, 2025	3,31,35,606	3,313.56
Increase during the year	–	–
Balance as at March 31, 2026	**3,31,35,606**	**3,313.56**

iii) Terms and rights attached to equity shares :

Equity Shares : The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The shareholders have rights in proportion to their shareholding for dividend as well as for assets, in case of liquidation.

iv) Shareholding of Promoter / Promoter group:

Promoter Name	Number of shares	% of Total Shares	% of change during the year
Ms. Rajshree Pathy	1,13,35,713	34.21%	0.00%

Promoter Group	Number of shares	% of Total Shares	% of change during the year
Mr. Aditya Krishna Pathy	4,88,303	1.47%	0.00%
Ms. Aishwarya Pathy	2,18,674	0.66%	0.00%
M/s. RSCL Properties Private Limited	14,49,331	4.37%	0.00%

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

ii) Details of shareholders holding more than 5% shares in the company	March 31, 2026	
Shareholder Name	**Number of shares**	**% holding**
Ms. Rajshree Pathy	**1,13,35,713**	**34.21%**
	1,13,35,713	**34.21%**

	March 31, 2025	
	Number of shares	% holding
Ms. Rajshree Pathy	1,13,35,713	34.21%
	1,13,35,713	34.21%

PARTICULARS	**31.3.2026**	31.3.2025
16 Other Equity		
1) Reserves and Surplus		
Securities premium reserves	**1,560.15**	1,560.15
General reserve	**7,575.90**	7,575.90
Capital reserve	**158.70**	158.70
Fair value reserve	**22,849.61**	23,052.39
Retained earnings	**(9,164.30)**	(9,246.41)
Total reserves and surplus	**22,980.07**	23,100.75
a) Securities premium reserves		
Opening balance	**1,560.15**	1,560.15
Additions during the year	**–**	–
Deductions/Adjustments during the year	**–**	–
Closing balance	**1,560.15**	1,560.15
b) Capital reserves		
Opening balance	**158.70**	158.70
Additions during the year	**–**	–
Deductions/Adjustments during the year	**–**	–
Closing balance	**158.70**	158.70

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
c) General reserve		
Opening balance	**7,575.90**	7,575.90
Additions during the year	**–**	–
Deductions/Adjustments during the year	**–**	–
Closing balance	**7,575.90**	7,575.90
d) Fair value Reserve		
Opening balance	**23,052.39**	25,599.20
Addition :		
1. Reversal of fair value reserve on disposal of PPE to Retained earnings	**(236.62)**	(2,351.24)
2. Deferred Tax Liability (Created) / Reversed	**33.84**	(195.57)
Closing balance	**22,849.61**	23,052.39
e) Retained earnings		
Opening balance	**(9,246.41)**	(11,713.65)
Net profit/(loss) for the year	**113.59**	809.10
Transfer from Fair Value Reserve	**236.62**	2,351.24
Deferred Tax Asset Reversal relating to change in revaluation surplus	**(260.99)**	(591.76)
Items of other comprehensive income/(loss) recognised directly in retained earnings	**–**	–
- Remeasurement of post-employment benefit obligation, net of tax	**(7.11)**	(101.34)
Appropriations / Adjustments	**–**	–
Closing balance	**(9164.30)**	(9,246.41)

I) General reserve: Part of retained earnings was earlier utilised for declaration of dividends as per the erstwhile Companies Act, 1956. This is available for distribution to share holders.

ii) Retained earnings: Company's cumulative earnings since its formation minus the dividends/capitalisation and earnings transferred to general reserve

iii) Securities Premium: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

iv) Capital Reserve: Comprises of amount forfeited on lapse of share warrants, the same is not available for distribution .

v) Fair Value Reserve : Fair value reserve is credited when property, plant and equipment's are revalued at fair value and debited on retirement or Impairment or disposal of assets. The reserve is utilised in accordance with the requirements of Ind AS 16.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
17 Borrowings (non-current)		
Secured		
Term Loans		
From Banks	**5,733.39**	6,142.71
Debentures		
0.1%, 9,556 (previous year 9,556) Secured, Unlisted, Non-cumulative Redeemable & Non convertible debentures	**6,518.08**	8,802.21
0.1%, 13,210 (previous year 13,210) Secured, Unlisted, Non-cumulative Redeemable & Optionally convertible debentures	**11,760.25**	12,275.25
Total borrowings (non-current)	**2,4011.72**	27,220.17
18 Provisions		
Provision for employee benefits		
Current		
Leave Encashment	**111.36**	59.47
Gratuity Contribution	**200.09**	176.40
Total Current Provisions	**311.45**	235.87
Non-current		
Gratuity Contribution	**158.39**	35.76
Total Non-current Provisions	**158.39**	35.76
19 Borrowings		
Current - Secured		
Loans repayable on demand from banks		
Kotak Mahindra Bank Ltd. - Cash Credit	**1,973.51**	–
Current maturities of long term debt	**7,105.87**	2,691.98
Total borrowings (Current)	**9,079.38**	2,691.98
20 Trade payables		
Current		
Total outstanding due of Micro & Small Enterprises - Refer Note No.37(5)	**672.37**	514.70
Total outstanding due of creditors other than Micro & Small enterprises	**5,813.18**	8,548.15
Total trade payables	**6,485.55**	9,062.85

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Trade payables ageing schedule for the year ended as on March 31, 2026						
Particulars	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 Years**	**Total**
Outstanding dues of MSME	376.96	295.41	-	-	-	672.37
Outstanding dues of creditors other than MSME	-	5,788.22	17.77	6.71	0.48	5,813.18
Total	**376.96**	**6,083.63**	**17.77**	**6.71**	**0.48**	**6,485.55**

Trade payables ageing schedule for the year ended as on March 31, 2025						
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
Outstanding dues of MSME	–	514.70	–	–	–	514.70
Outstanding dues of creditors other than MSME	–	8,534.10	12.57	–	1.48	8,548.15
Total	–	9,048.80	12.57	–	1.48	9,062.85

	PARTICULARS	**31.3.2026**	31.3.2025
21	**Other financial liabilities (current)**		
	Unpaid Dividend	**0.40**	0.40
	Total other financial liabilities (current)	**0.40**	0.40
22	**Other current liabilities**		
	Advance received from Customers	**3,525.32**	1,978.02
	Statutory dues payables	**459.55**	1,012.12
	Total other current liabilities	**3,984.87**	2,990.14

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
23 Revenue from operations		
Sale of products	**54,450.81**	64,092.83
Other operating revenue	**16.93**	88.85
Total revenue from operations	**54,467.74**	64,181.68
24 Other income		
Rental Income	**26.80**	24.93
Interest income	**55.95**	46.92
Interest on Income Tax Refund	**4.32**	2.13
Profit on Sale of Assets	**210.31**	2.78
Miscellaneous income	**105.38**	165.60
Excess provisions of earlier years written back	**23.86**	932.83
Total other income	**426.62**	1,175.19
25 Cost of Materials Consumed		
Raw Materials at the beginning of the year	**–**	108.00
Add: Purchases	**41,777.52**	41,655.55
Less: Raw Materials at the end of the year	**–**	–
Total Cost of Materials Consumed	**41,777.52**	41,763.55
26 Changes in inventories of work-in-progress, Stock-in -Trade and finished goods		
Opening Balance		
Work-In-Progress	**1,448.96**	1,792.26
Finished Goods	**8,795.68**	13,825.73
Traded Goods	**–**	–
Total Opening Balance	**10,244.64**	15,617.99
Closing Balance		
Work-In-Progress	**2,022.61**	1,448.96
Finished Goods	**12,332.84**	8,795.68
Traded Goods	**–**	–
Total Closing Balance	**14,355.45**	10,244.64
Total Changes in inventories of work-in-progress, Stock-in -Trade and finished goods	**(4,110.81)**	5,373.35

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
27 Employee benefit expense		
Salaries, wages and bonus	**4,027.96**	4,008.62
Contribution to provident and other funds	**424.31**	287.93
Staff welfare expenses	**370.66**	449.03
Total employee benefit expense	**4,822.93**	4,745.58
28 Depreciation and amortisation expense		
Depreciation of property, plant and equipment and Amortisation of intangible assets	**2,289.14**	2,279.30
Depreciation on right of use assets	**44.75**	66.16
Depreciation on Investment property	**0.23**	0.14
Total depreciation and amortisation expense	**2,334.12**	2,345.60
29 Other expenses		
Consumption of Stores and Spares	**1,193.35**	1,144.99
Consumption of Packing Materials	**483.88**	477.18
Power & Fuel	**1,599.15**	1,536.05
Building rent	**126.25**	43.72
Repairs:		
Building	**148.00**	86.63
Machinery	**1,193.24**	1,183.55
Insurance Premium	**278.56**	249.61
Licence Fees & Tax	**590.10**	648.63
Cartage & Freight	**348.05**	410.37
Payment to Auditors	**11.18**	11.24
Cost Audit fees	**2.30**	2.29
Selling Expenses	**27.91**	35.36
Managerial Remuneration	**125.50**	127.88
Miscellaneous Expenses	**2,101.10**	2,466.60
Total other expenses	**8,228.57**	8,424.10
Note 29 (a) Details of payment to auditors		
Payment to auditors		
As auditor:		
Audit fee	**9.00**	9.00
In other capacities:		
Taxation matters	**0.50**	–
Certification fees	**1.68**	2.24
Total payment to auditors	**11.18**	11.24

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
30 Finance Cost		
Interest expense - Banks	**1,395.97**	1,200.84
Interest expense - Sugar Development Fund	**–**	392.71
Other borrowing costs	**53.53**	3.57
Total Finance cost	**1,449.50**	1,597.12
31 Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	**–**	–
Adjustments for current tax of prior periods	**–**	19.98
Total current tax expense	**–**	19.98
Deferred tax		
Decrease / (Increase) in deferred tax assets	**(142.53)**	(222.86)
(Decrease) / Increase in deferred tax liabilities	**218.22**	467.27
Total deferred tax expense / (benefit)	**75.69**	244.41
Total Income tax expense	**75.69**	264.39
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	**191.67**	1,107.57
Tax at the Indian tax rate of 25.168% (Previous year - 25.168%)	**48.24**	278.75
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Adjustment on account of set off of previous year's Capital gains against carry forward Long Term Capital Losses	**–**	–
- Adjustment on account of Depreciation / Sale of Assets	**72.54**	(21.66)
- Adjustment on account of Section 43B	**(33.72)**	–
- Adjustment on account of other adjustments	**(11.37)**	(12.68)
- Income tax of earlier years	**–**	19.98
Total Income tax expense	**75.69**	264.39

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

32 Employee benefit obligations

	March 31, 2026		
	Current	**Non-current**	**Total**
Leave Encashment	**111.36**	**–**	**111.36**
Gratuity Contribution	**200.09**	**158.39**	**358.48**
Total employee benefit obligations	**311.45**	**158.39**	**469.84**
	March 31, 2025		
Leave Encashment	59.47	–	59.47
Gratuity Contribution	176.40	35.76	212.16
Total employee benefit obligations	235.87	35.76	271.63

i) Gratuity

The Company extends defined benefit plans in the form of gratuity to employees. The Company has formed "RSCL Gratuity Trust" with Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Ltd. Contribution to gratuity is made to LIC in accordance with the scheme framed by the corporation.The Company has made contribution towards Gratuity based on the actuarial valuation.

ii) Defined contribution plans

Contribution to provident fund is in the nature of defined contribution plan and are made to provident fund account maintained by the Government on its account.

iii) Defined Benefit Plan :

PARTICULARS	Gratuity (Funded)		Earned Leave (Funded)	
	31.03.2026	31.03.2025	**31.03.2026**	31.03.2025
TYPE OF PLAN				
A. Expense recognised in Income Statement				
1. Current Service cost	**71.11**	64.82	**15.37**	9.66
2. Past Service cost	**138.16**	-	**62.71**	-
3. Interest expense	**95.58**	88.25	**10.94**	8.00
4. Interest (Income on plan asset)	**(78.04)**	(77.62)	**(5.90)**	(5.69)
5. Net interest	**17.54**	10.63	**5.04**	2.31
6. Immediate recognition of (gain) / losses	**–**	**–**	**–**	**–**
7. Defined Benefits cost included in P&L	**226.81**	75.45	**83.12**	11.97
B. Expense recognised in Other Comprehensive Income				
1. Actuarial (gain) / Losses on DBO				
a) Due to Experience	**3.63**	112.65	**–**	31.05
b) Due to Change in Financial Assumptions	**(55.19)**	26.54	**–**	2.84
c) Due to Change in demographic assumptions	**–**	–	**–**	–
2. Return on plan assets (Greater) / Less than Discount rate	**61.06**	(3.76)	**–**	0.06
3. Total actuarial (gain) / loss included in OCI	**9.50**	135.43	**–**	33.95

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

	PARTICULARS	TYPE OF PLAN	Gratuity (Funded)		Earned Leave (Funded)	
			31.03.2026	31.03.2025	**31.03.2026**	31.03.2025
C.	**Net Asset / (Liability) recognised in the Balance Sheet**					
1.	Present value of benefit obligation		**1,430.18**	1,339.07	**201.93**	143.95
2.	Fair value of plan assets		**1,071.71**	1,126.91	**90.57**	84.48
3.	Funded Status (Surplus / Deficit)		**(358.47)**	(212.16)	**(111.36)**	(59.47)
4.	Net Asset / (Liability) recognised in Balance Sheet		**(358.47)**	(212.16)	**(111.36)**	(59.47)
D.	**Change in Present value of the obligation during the year**					
1.	Present value of the obligation at beginning year		**1,339.07**	1,223.98	**143.95**	110.91
2.	Current service cost		**71.11**	64.82	**15.37**	9.66
3.	Interest cost		**95.58**	88.25	**10.94**	8.00
4.	Past service Cost - Vested benefits		**138.16**	-	**62.71**	-
5.	Benefits paid		**(162.18)**	(177.17)	**(41.81)**	(18.51)
6.	Actuarial (gain) / loss on obligation					
	a)	Due to Experience	**3.63**	112.65	**18.30**	31.05
	b)	Due to Change in Financial Assumptions	**(55.19)**	26.54	**(7.53)**	2.84
	c)	Due to Change in demographic assumptions	**–**	**–**	**–**	–
7.	Present value of obligation at end of the year		**1,430.18**	1,339.93	**201.93**	143.95
E.	**Reconciliation of opening & closing values of Plan Assets**					
1.	Fair value of plan assets at the beginning of the year		**1,126.91**	1,076.60	**84.48**	78.86
2.	Interest Income		**78.04**	77.62	**5.90**	5.69
3.	Contributions made		**90**	146.10	**-**	-
4.	Benefits paid		**(162.18)**	(177.17)	**-**	-
5.	Actuarial (gain) / loss on plan assets		**(61.06)**	3.76	**0.19**	(0.06)
6.	Fair value of plan assets at the end of the year		**1,071.71**	1,126.91	**90.57**	84.48
F.	**Actuarial Assumptions**					
1.	Discount rate		**7.59%**	6.82%	**7.59%**	–
2.	Salary escalation		**4%**	4%	**4%**	4%
3.	Attrition rate		For service 4 years and below, 18% per annum; For service 5 years and above, 2% per annum			
4.	Expected rate of return on plan assets		**7.59%**	6.82%	**7.59%**	6.80%
5.	Mortality rate		Indian Assured Lives Mortality (2006-08) Ult			

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
(iv) Sensitivity analysis		
Projected Benefit Obligation on Current Assumptions	**(1430.20)**	1339.07
Delta Effect of +1% Change in Rate of Discounting	**(66.98)**	(65.76)
Delta Effect of -1% Change in Rate of Discounting	**75.15**	73.90
Delta Effect of +1% Change in Rate of Salary Increase	**77.12**	75.26
Delta Effect of -1% Change in Rate of Salary Increase	**(69.79)**	(68.06)
Delta Effect of +1% Change in Rate of Employee Turnover	**17.32**	12.61
Delta Effect of -1% Change in Rate of Employee Turnover	**(19.33)**	(14.11)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable as per entity's scheme as detailed in the report.

"Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI).All above reported figures of OCI are gross of taxation."

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.

In absence of specific communication as regards contribution by the entity, Expected Contribution in the Next Year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Qualitative Disclosures

Para 139 (a) Characteristics of defined benefit plan

"The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy."

Para 139 (b) Risks associated with defined benefit plan

"Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a)

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
Financial instruments and risk management		
33 Fair value measurements		
Financial instruments by category		
	Amortised Cost	
Financial assets		
Loans - Deposits of more than 12 months	**113.00**	113.00
Trade Receivables	**2,326.31**	2,437.26
Cash and cash equivalents and other bank balances	**697.03**	134.29
Other financial assets	**662.30**	713.94
Total financial assets	**3,798.64**	3,398.49
Financial liabilities	**Amortised Cost**	
Borrowings	**33,091.10**	29,912.15
Trade payables	**6,485.56**	9,062.85
Other financial liabilities	**0.40**	0.40
Total financial liabilities	**39,577.06**	38,975.40

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

ii) Fair value of assets carried at amortised cost.

The carrying amounts of trade receivables, trade payables, loans, deposits, advances, borrowings, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

34 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

Credit risk on deposit is mitigated by depositing the funds in reputed private sector bank.

For trade receivables, the primary source of credit risk is that these are unsecured. The Company sells the products to customers only when the collection of trade receivables is certain and whether there has been a significant increase in the credit risk on an on-going basis is monitored throughout each reporting period. As at the balance sheet date, based on the credit assessment the historical trend of low default is expected to continue. An impairment analysis is performed at each reporting date on an individual basis for major clients. Any recoverability of receivables is provided for based on the impairment assessment. Historical trends showed as at the transition date, 31st March 2017 and 31st March 2018 company had no significant credit risk.

(B) Liquidity risk

Objective of liquidity risk management is to maintain sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Contractual maturities of financial liabilities:

	Less than 6 months	6 months to 1 year	Between 1 & 2 years	Between 2 & 5 years	Above 5 years	Total
March 31, 2026						
Non-derivatives						
Long term loans	2,788.37	4,317.50	4,505.33	19,506.39	–	31,117.59
Short term Borrowings	–	1,973.51	–	–	–	1,973.51
Trade payables	6,485.56	–	–	–	–	6,485.56
Other financial liabilities	0.40	–	–	–	–	0.40
Lease liabilities	10.03	10.24	17.80	47.60	–	85.67
Total non-derivative liabilities	**9,284.36**	**6,301.25**	**4,523.13**	**19,553.99**	**–**	**39,662.73**
March 31, 2025						
Non-derivatives						
Long term loans	1,278.71	1,413.28	4,678.91	22,541.25	–	29,912.15
Short term Borrowings	–	–	–	–	–	–
Trade payables	9,062.85	–	–	–	–	9,062.85
Other financial liabilities	0.40	–	–	–	–	0.40
Lease liabilities	2.64	2.81	5.76	–	–	11.21
Total non-derivative liabilities	10,344.60	1,416.09	4,684.67	22,541.25	-	38,5986.61
31 March 2024						
Non-derivatives						
Long term loans	863.42	7,100.22	2,571.92	14,016.56	14,647.75	39,199.87
Short term Borrowings	–	–	–	–	–	–
Trade payables	9,274.00	–	–	2,530.80	–	11,804.80
Other financial liabilities	0.40	–	–	–	–	0.40
Lease liabilities	28.20	27.93	0.08	–	–	56.21
Total non-derivative liabilities	10,166.02	7,128.15	2,572.00	16,547.36	14,647.75	51,061.28

35 Capital management

a) Risk management

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet).

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025
The company's strategy is to maintain a optimal gearing ratio. The gearing ratios were as follows:		
Net debt	**3,23,94,06,731**	3,00,44,42,561
Total equity	**2,62,93,63,460**	2,64,14,31,029
Net debt to equity ratio	**1.23**	1.14

(b) Dividends

The Company has not declared any dividends during the current year and the previous year.

36 Earnings / (Loss) per share

a) Basic earnings / (loss) per share

Basic earnings/(loss) per share attributable to the equity holders of the Company (Amount in ₹)	**0.34**	2.44
Profit/(loss) attributable to equity holders of the company used in calculating basic earnings per share	**113.59**	809.10
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**3,31,35,606**	3,31,35,606

b) Diluted earnings / (loss) per share

Diluted earnings/(loss) per share attributable to the equity holders of the Company (Amount in ₹)	**0.34**	2.44
Profit/(loss) attributable to equity holders of the company used in calculating basic earnings per share	**113.59**	809.10
Adjustments: Used in calculating diluted earnings per share	**–**	–
Profit attributable to equity holders of the company used in calculating diluted earnings per share	**113.59**	809.10
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**3,31,35,606**	3,31,35,606

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2026	31.3.2025

37 OTHER ADDITIONAL INFORMATION

1. Details of Borrowings :

Loans from Lenders

During the year, the company has been regular in repayment of principal and payment of interest to Consortium Lenders as per the schedule provided in the FRA and to Kotak Mahindra Bank as per their sanction terms.

2. Rate of Interest and Maturity Profile of Long Term Borrowings :

	9.40 %	0.10 %	20.00 %	Total
	TL, WCTL & FITL	OCD & NCD	DLOD	
	Consortium Banks		Kotak Bank	
2026-27	1,916.50	2,365.47	2,823.90	7,105.87
2027-28	2,044.00	2,461.33	–	4,505.33
2028-29	2,044.00	2,461.33	–	4,505.33
2029-30	1,645.39	13,335.74	–	14,981.13
Total	**7,649.89**	**20,623.87**	**2,823.90**	**31,097.66**

3. Security Details for the Borrowings :

i) Rupee Term Loan (RTL), Tranche A Non-Convertible Debentures (NCDs) and Tranche A Optionally Convertible Debentures (OCDs) for State Bank of India is secured by:

a. First pari passu charge over all fixed assets of the Borrower ('the Company") (except the fixed assets over which an exclusive charge is created in favour of Kotak Mahindra Bank Limited, ICICI Bank Limited and State Bank of India).

b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.

c. Second pari passu charge over all current assets of the Borrower except the current assets set out in Section (b) above

d. First pari passu pledge over the Pledged Shares.

"Pledged Shares" means, at the date of the Framework Restructuring Agreement (FRA) ie 12th July 2021, 1,34,92,021 Equity Shares of the Borrower held by the Pledgors (Promoter and Promoter Group) which are pledged to secure the Outstanding Obligations in accordance with the terms of the Share Pledge Agreement , and such additional Equity Shares so that the Pledged Shares shall at all times constitute 100% of the total Equity Shares of the Borrower held by the Promoters at any time.

e. Unconditional and irrevocable Personal Guarantee of the Personal Guarantor (Ms.Rajshree Pathy, Promoter / Chairperson of the Company)

f. Irrevocable Corporate Guarantee provided by RSCL Properties Private Limited (RPPL), to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.

g. First pari passu charge over the Fixed Deposit amount of ₹108 lakhs.

h. First pari passu charge on the land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;

i. First ranking exclusive charge on fixed assets of the Borrower situated at the co-generation plant of Unit II situated at Mundiyampakkam, Tamil Nadu.

j. First pari passu charge on all the fixed assets of the Borrower situated at Unit III, which fixed assets shall be charged to State Bank of India and Kotak Mahindra Bank Limited on a pari passu basis.

k. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms. Rajshree Pathy, Chairperson / Promoter of the Company.

ii) Working Capital Term Loans (WCTL) for State Bank of India is secured by:

a. Second pari passu charge over all fixed assets of the Borrower except the fixed assets over which an exclusive charge is created in favour of Kotak Mahindra Bank Limited, ICICI Bank Limited and State Bank of India.

b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.

c. First pari passu charge over all current assets of the Borrower (except the current assets set out in Section (b) above).

d. First pari passu pledge over the Pledged Shares.

e. Unconditional and irrevocable Personal Guarantee provided by the Personal Guarantor.

f. Irrevocable Corporate Guarantee provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.

g. First pari passu charge over the Fixed Deposit amount of ₹108 lakhs.

h. Second pari passu charge on the land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;

i. First ranking exclusive charge on fixed assets of the Borrower situated at the co-generation plant of Unit II situated at Mundiyampakkam, Tamil Nadu.

j. First pari passu charge on all the fixed assets of the Borrower situated at Unit III, which fixed assets shall be charged to State Bank of India and Kotak Mahindra Bank Limited on a pari passu basis.

k. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

iii) RTL, Tranche D NCDs, Tranche D OCDs and FITL for Bank of India, UCO Bank and Federal Bank Limited is secured by:

a. First pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Kotak Mahindra Bank Limited, ICICI Bank Limited and State Bank of India).

b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.

c. Second pari passu charge over all current assets of the Borrower except the current assets set out in Section(b) above.

d. First pari passu pledge over the Pledged Shares.

e. Unconditional and irrevocable Personal Guarantee provided by the Personal Guarantor.

f. Irrevocable Corporate Guarantee provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.

g. First pari passu charge over the Fixed Deposit amount of ₹108 lakhs

h. First pari passu charge on the land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;

i. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.

j. Second pari passu charge on all fixed assets of the Borrower situated at Unit III.

iv) WCTL for Bank of India and UCO Bank is secured by:

a. Second pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Kotak Mahindra Bank Limited, ICICI Bank Limited and State Bank of India).

b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.

c. First pari passu charge over all current assets of the Borrower except the current assets set out in Section (b) above.

d. First pari passu pledge over the Pledged Shares.

e. Unconditional and irrevocable Personal Guarantee provided by the Personal Guarantor.

f. Irrevocable Corporate Guarantee provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.

g. First pari passu charge over the fixed deposit amount of ₹108 lakhs.

h. Second pari passu charge on the land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu; and

i. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam,

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company

j. Second pari passu charge on all fixed assets of the Borrower situated at Unit III.

v) RTL, Tranche B OCDs, Tranche B NCDs and FITL for ICICI Bank Limited is secured by:

a. First pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Kotak Mahindra Bank Limited, ICICI Bank Limited and State Bank of India).

b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.

c. Second pari passu charge over all current assets of the Borrower (except the current assets set out in Section (b) above).

d. First pari passu pledge over the Pledged Shares.

e. Unconditional and irrevocable Personal Guarantee provided by the Personal Guarantor.

f. Irrevocable Corporate Guarantee provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.

g. First pari passu charge over the fixed deposit amount of ₹108 lakhs

h. First pari passu charge on the land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;

i. First ranking exclusive charge on the 7.295 Acres Land at Pallipuram Village, Allepey District, Kerala;

j. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.

k. Second pari passu charge on all fixed assets of the Borrower situated at Unit III.

vi) RTL, Tranche C NCDs, Tranche C OCDs and FITL from Axis Bank Limited.

All the loans / facilities availed from the Axis Bank Limited have been repaid during the year, subject to Right of Recompense as per Axis Bank Sanction Letter dated 30-06-2021.

vii) DLOD and CC from Kotak Mahindra Bank Limited

a. First pari passu charge on all fixed assets of Unit-III

b. First pari passu charge on all current assets of the Borrower except Cogeneration receivables of Unit-II & III.

4. Exceptional item includes:

Exceptional Item represents additional provision of Gratuity and Leave encashment of ₹200.86 lakhs to give effect to incremental impact arises due to change in wage definition as notified by the Central Government on 21.11.2025.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

	PARTICULARS	31.3.2026	31.3.2025
5)	**The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:**		
	Principal amount due and remaining unpaid	**672.37**	514.70
	Interest due on above and the unpaid interest	**61.54**	4.52
	Interest paid	–	–
	Payment made beyond the appointed day during the year	**–**	–
	Interest due and payable for the period of delay	**–**	–
	Interest accrued and remaining unpaid	**–**	–
	Amount of further interest remaining due and payable in succeeding years	**–**	–
6)	**Capital and other commitments:**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for:	**–**	–
7)	**Future minimum lease rentals receivables with respect to leased out properties are as under:**		
	a) Not later than one year	**15.68**	14.26
	b) Later than 1 year and not later than 5 years	**15.68**	31.36
	c) Later than 5 years	**–**	–
	d) Lease receipts recognized in the Statement of Profit & Loss	**14.26**	14.26
8)	Borrowing costs capitalized	**–**	–
9)	Borrowing costs included in Capital Work in progress	**–**	–

10) Contingent Liabilities not provided for

a) Claims against the company not acknowledged as debt:

i. In the case of eligibility of exemption on molasses captively consumed and eligibility of cenvat credit availed on molasses procured from other Units in Unit III for the period from Apr'14 to Jun'17, The Commissioner of GST and Central Excise, Chennai has raised a demand of ₹62.84 Crores (Principal - ₹21.67 Crores and Penalty/Interest - ₹41.17 Crores).The company has filed a writ petition before Madras High Court challenging the demand and the case is pending for disposal.

With regard to show cause notice for a sum of ₹80.38 lacs relating to Apr'12 to Jun'12,the Additional Commissioner of GST & Central Excise has issued an order dated 29.09.2023 with a demand of ₹161 lacs (Principal - ₹80.38 lacs and Penalty - ₹80.38 lacs) in addition to appropriate interest on the same. Aggrieved, the company had filed an appeal before the Commissioner -Appeal and the demand has been confirmed by the order dated 28.11.2025. The company has filed its appeal before appellate tribunal and the same is pending.

ii. The State Electricity Board had demanded parallel operation charges for the period 2014 to 2019 against all the three Cogeneration units. The company had filed its appeal before Appellate Tribunal for Electricity (APTEL).

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

APTEL has rendered its judgment, on 16.06.2025, favorable to the Sugar Cogeneration plants in Tamil Nadu on the demand of Parallel operation Charges by TANGEDCO. Caveat Appeal has been filed on 09.07.2025 by minimum representative members of South Indian Sugar Mills Association (Tamil Nadu), in which the company is a member, before Supreme Court, for not to pass any order without hearing the appellants, as a precautionary measure if TANGEDCO appeals before Supreme Court against the order of the APTEL. Subsequently, TANGEDCO has filed its appeal before the Supreme Court and the case is pending. The total demand for all the 3 of units of RSCL has been at ₹4.99 crores.

iii) Recompense amount payable as per Debt Restructuring Scheme as at the close of the year ending 31.3.2026 is ₹238.34 Crores.

11) In terms of Ind AS-36, the company had carried out an exercise to ascertain the impairment, if any, in the carrying values of its Fixed assets. The exercise has not revealed any impairment of assets.

12) Non-Convertible Debentures

The redemption amount payable, as per Framework Restructuring Agreement, as on 31st March 2026 has been at ₹8,709 lakhs.

13) Optionally Convertible Debentures

The redemption amount payable as per aforesaid agreement as on 31st March 2026 has been at ₹11,914 lakhs.

14) Equity Shares

As per terms of the Debt Restructuring plan approved by the lenders and in terms of provision in Framework Restructuring Agreement (FRA) executed on 12th July 2021, the company has allotted 49,67,926 (15%) equity shares to lenders on 27th August 2021. As on 31st March 2026, the lender banks sold (12.13%) shares in the open market out of the aforesaid allotted shares.

The promoter purchased 18,400 equity shares through off-market purchase on 25th March 2025 and created a pledge with the SBICAP Trustee Company Limited (Security Trustee) during year under review.

15) CSR Activities

Gross amount required to be spent by the company during the year - NIL

Amount spent by the company during the year - NIL

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

16) Transactions with Related Parties

Particulars	Key Management Personnel	Relatives of Key Management personnel	Other Related Parties
Purchase of Goods			
Mr. Adita Krishna Pathy		15.58(12.45)	
Ms. Aishwarya Pathy		14.93(7.24)	
Greenplus Manures LLP			13.29(21.49)
Rajshree Biosolutions LLP			33.20 (40.43)
Rajshree Spinning Mills Private Limited			6.91(16.81)
Other Parties			7.49(9.91)
Purchase of vehicles / vehicle spares			
CAI Auto Industries Private Limited			– (49.95)
Sale of goods			
Rajshree Biosolutions LLP			38.00(15.71)
Remuneration paid*			
Mr. R. Varadarajan			
- Short term Employment Benefits	125.50 (127.88)		
- Post Employment Benefits	–(–)		
Mr.C.S.Sathiyanarayanan			
- Short term Employment Benefits	37.89 (34.48)		
- Post Employment Benefits	0.22 (0.22)		
Mr.M.Ponraj			
- Short term Employment Benefits	18.81 (18.11)		
- Post Employment Benefits	0.22 (0.22)		
Sitting fee paid			
Mr.R.Varadarajan	2.80 (2.80)		
Ms.Rajshree Pathy	2.00 (2.00)		
Mr.Sheilendra Bhansali	2.80 (2.80)		
Mr.K.Ilango	2.80 (2.80)		
Mr.S.Vasudevan	2.80 (2.80)		

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Particulars	Key Management Personnel	Relatives of Key Management personnel	Other Related Parties
Mr.S.Krishnaswami	1.00 (2.00)		
Mr.B.Rajan	1.90 (–)		
Receiving of Services			
Major Corporate Services (India) LLP			411.77 (405.06)
Other Parties			0.19 (0.32)
Services Rendered			
Rajshree Biosolutions LLP			0.37 (0.73)
G.V. Memorial Trust			0.26 (-)
Lease rent received			
Rajshree Biosolutions LLP			21.27(18.19)
Lavik Estates Private Limited			2.00 (3.39)
Other Parties			4.46 (1.75)
Lease rent Paid			
Mr. Adita Krishna Pathy		5.24(–)	
Ms. Aishwarya Pathy		3.71(–)	
RSCL Properties Private Limited		5.80(–)	
Greenplus Manures LLP			7.19(–)
Rajshree Spinning Mills Private Limited			6.77(–)
Other Parties			0.44(–)
Bio-fertiliser received for supply to farmers of the company (less returns)			
Rajshree Biosolutions LLP			335.31(290.96)
Purchase of uniform cloth materials			
The Lakshmi Mills Company Limited			10.79 (10.13)
Outstanding as at 31st March 2026			
Payable	– (–)	4.29(3.81)	240.67(211.14)
Receivable	– (–)	4.47(-)	10.69(1.06)

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Notes:

Names of Related parties and description of relationship

a) Holding Companies: None

b) Subsidiaries: None

c) Fellow Subsidiaries: None

d) Associates: None

e) Key Management Personnel

- a) Ms.Rajshree Pathy, Chairperson
- b) Mr.R.Varadarajan, Wholetime Director
- c) Mr.Sheilendra Bhansali, Independent Director
- d) Mr.K.Ilango, Independent Director
- e) Mr.S.Vasudevan, Independent Director
- f) Mr.S.Krishnaswami, Independent Director (tenure completed on 29.09.2025)
- g) Mr.B.Rajan, Independent Director
- h) Mr.C.S.Sathiyanarayanan, Chief Financial Officer
- i) Mr.M.Ponraj, Company Secretary

f) Relatives of Key Management Personnel :

- i. Ms.Aishwarya Pathy (Daughter of Chairperson)
- ii. Mr.Aditya Krishna Pathy, (Son of Chairperson)

g) Enterprises over which key management personnel or their relatives are able to exercise significant influence:

1) Lavik Estates Private Limited
2) Rajshree Spinning Mills Private Limited
3) Raj Fabrics and Accessories (Cbe) Limited
4) The Lakshmi Mills Company Limited
5) RSCL Properties Private Limited
6) Lavik Holdings Private Limited
7) Argead Enterprises Private Limited
8) COCCA Art & Design Institute Private Limited
9) Aloha Tours & Travels (India) Private Limited
10) Sri Krishna Potable Products Private Limited
11) CAI Auto Industries Private Limited
12) Greenplus Manures LLP
13) Major Corporate Services (India) LLP
14) Rajshree Biosolutions LLP
15) G.V.Memorial Trust

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

17. ADDITIONAL REGULATORY INFORMATION:

a) The title deeds in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

c) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets during the year.

d) The Company has not given any Loans or advances in the nature of Loans to promoters directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

e) The Company does not have any intangible assets under development as at 31/03/2026 and as at 31/03/2025.

f) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

g) As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

h) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

i) The Company has not received any fund from any person(s) or entity(is), 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.

j) The Company does not have any 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.

k) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

l) The Company does not have any downstream investments in the form of subsidiary, joint venture and associate companies.

m) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

18) The following are analytical ratios

Particulars	Numerator	Denominator	31.03.2026			31.03.2025			% Variance
			Numerator	**Denominator**	**Ratio**	Numerator	Denominator	Ratio	
1 Current Ratio	Current Assets	Current Liabilities	**20,543.23**	**19,901.78**	**1.03**	15,658.73	14,986.70	1.04	-1.21%
2 Debt-Equity ratio	Total Debt	Shareholders Equity	**33,091.50**	**26,293.63**	**1.26**	29,912.55	26,414.31	1.13	-11.14%
3 Debt Service coverage Ratio	Earnings available for debt service	Debt Service	**3,843.69**	**3,016.08**	**1.27**	4,748.25	10,353.05	0.46	177.87%
4 Return on Equity(ROE)	Net Profits after taxes	Average Shareholder's Equity	**113.59**	**26,353.97**	**0.43%**	809.10	26,454.10	3.06%	85.91%
5 Inventory Turnover Ratio	Sales	Average Inventory	**54,467.74**	**10,714.36**	**5.08**	64,181.68	11,438.21	5.61	-9.40%
6 Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	**54,467.74**	**2,381.78**	**22.87**	64,181.68	2,751.13	23.33	-1.97%
7 Trade Payables Turnover Ratio	Purchases	Average Trade Payables	**45,076.26**	**7,774.20**	**5.80**	44,796.45	10,433.82	4.29	35.05%
8 Net capital turnover ratio	Revenue	Working Capital	**54,467.74**	**641.45**	**84.91**	64,181.68	672.04	95.50	-11.09%
9 Net profit ratio*	Net Profit	Revenue	**113.59**	**54,467.74**	**0.21%**	809.10	64,181.68	1.26%	83.46%
10 Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital Employed	**1,587.64**	**59,537.47**	**0.03**	2,772.84	56,176.36	0.05	-45.98%

19) Relationship with Struck-off Companies

Name of Struck off Company	Nature of transactions	Transactions during the year March 31, 2026	Balance outstanding as at March 31, 2026	Transactions during the year March 31, 2025	Balance outstanding as at March 31, 2025
There are no transactions / Receivables / Payables with Struck Off companies	Nil	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

20) Information about segment: Primary segment – Business segments.

Particulars	31.3.2026					31.3.2025				
	Sugar	**Cogen**	**Distillery**	**Others**	**Total**	Sugar	Cogen	Distillery	Others	Total
REVENUE										
External Sales	**33,941.67**	**7,690.61**	**12,835.46**	**–**	**54,467.74**	42,966.37	8,220.25	12,995.06	–	64,181.68
Inter-segment Sales	**7,061.55**	**2,732.80**	**–**	**–**	**9,794.35**	6,712.82	2,876.63	–		9,589.45
Total Revenue	**41,003.22**	**10,423.41**	**12,835.46**	**–**	**64,262.09**	49,679.19	11,096.88	12,995.06	–	73,771.13
RESULT										
Segment result	**(2,709.97)**	**3,894.61**	**2,033.40**	**–**	**3,218.04**	(3,230.74)	4,557.74	2,591.66	–	3,918.66
Unallocated corporate exps.					**1,376.01**	–	–	–	–	1,213.97
Operating Profit	**–**	**–**	**–**	**–**	**1,842.03**	–	–	–	–	2,704.69
Interest Expenses	**–**	**–**	**–**	**–**	**1,449.50**	–	–	–	–	1,597.12
Interest Income	**–**	**–**	**–**	**–**	**-**	–	–	–	–	–
Income Taxes / Deferred tax	**–**	**–**	**–**	**–**	**78.08**	–	–	–	–	298.47
Profit after tax	**–**	**–**	**–**	**–**	**314.45**	–	–	–	–	809.10
Extraordinary loss / profit - Net	**–**	**–**	**–**	**–**	**200.86**	–	–	–	–	
Net Profit / (Loss)	**–**	**–**	**–**	**–**	**113.59**					809.10
OTHER INFORMATION										
Segment assets	**50,655.15**	**9,034.75**	**10,873.49**	**–**	**70,563.39**	47,242.96	10,957.73	10,311.49	–	68,512.18
Unallocated corporate assets										150.51
Total Assets	**–**	**–**	**–**	**–**	**70,563.39**	–	–	–	–	68,662.69
Segment liabilities	**43,201.57**	**246.25**	**669.61**	**–**	**44,117.43**	40,756.83	325.30	1,166.25	–	42,248.38
Unallocated corporate liabilities	**–**	**–**	**–**	**–**	**26,445.96**					26,414.31
Total Liabilities	**–**	**–**	**–**	**–**	**70,563.39**					68,662.69
Capital Expenditure	**234.63**	**97.84**	**75.62**	**–**	**408.09**	311.65	97.07	29.98	–	438.70
Depreciation	**1,045.11**	**773.60**	**515.41**	**–**	**2,334.12**	1,054.76	774.78	516.07	–	2,345.61
Non-cash expenses other than depreciation										

The Company operates wholly within the geographical limits of India. Revenue from sales to customers outside India is / was nil in the current and previous years. Hence, disclosures on geographical segments are not applicable.

21) Previous year figures have been regrouped wherever necessary to confirm to current year's classification. All figures have been rounded off to lakhs unless stated otherwise. Discrepancies if any in between totals and some of the items forming part of such totals are due to rounding off in the financial statements.

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements
As per our report of even date
For S. Krishnamoorthy & Co.,
Chartered Accountants
Registration No.001496S

V. Indira
Membership No:200817
Auditor, Partner

Place : Coimbatore
Date : 20th May 2026

Sheilendra Bhansali
Independent Director
DIN 00595312

C S Sathiyanarayanan
Chief Financial Officer

R Varadarajan
Wholetime Director
DIN 00001738

M Ponraj
Company Secretary
Membership No. : A29858



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