

YARN SYNDICATE LIMITED

79TH ANNUAL REPORT

2024-25



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Research**

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Company Information

<u>Board of Directors</u>	Mr. Ravi Pandya	Managing Director
	Mr. Tarachand Agrawal	Non – Executive Director
	Mr. Mithlesh Agrawal	Non – Executive Director
	Mr. Rahul Modi	Independent Director
	Ms. Nidhi Bansal	Independent Director
<u>Audit Committee</u>	Ms. Nidhi Bansal	Chairperson
	Mr. Ravi Pandya	Member
	Mr. Rahul Modi	Member
<u>Nomination and Remuneration Committee</u>	Ms. Nidhi Bansal	Chairperson
	Mr. Tarachand Agrawal	Member
	Mr. Rahul Modi	Member
<u>Stakeholder Relationship Committee</u>	Mr. Tarachand Agrawal	Chairperson
	Mr. Nidhi Bansal	Member
	Ms. Ravi Pandya	Member
<u>Key Managerial Personnel</u>	Mr. Ravi Pandya	Managing Director
	Mr. Dharmesh Tripathi	Chief Financial Officer
	Ms. Shwetambery Khurana	Company Secretary
<u>Statutory Auditor</u>	M/s. SSRV & Associates., Chartered Accountants, Mumbai	
<u>Secretarial Auditor</u>	M/s. Jay Pandya & Associates, Company Secretaries, Ahmedabad	
<u>Share Transfer Agent</u>	Cameo Corporate Services Limited, "Subramanian Building", 1, Club House Road, Chennai – 600 002	
<u>Registered Office</u>	13 S No-10 Devraj Estate Nr Balaji, Petrol Pump Pirana Road Piplaj, Saijpur, Ahmedabad, Gujarat, India, 382 405	
<u>Website</u>	www.yarnsyndicate.in	

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NOTICE OF THE 79TH ANNUAL GENERAL MEETING

Notice is hereby given that the 79th Annual General Meeting of the Shareholders of **Yarn Syndicate Limited** will be held on Wednesday, 17th September, 2025 at 4:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a. The Audited Standalone Financial Statement of the Company for the financial year ended on 31st March, 2025 together with and Statement of Profit and Loss together with the notes forming part thereof along with Cash Flow Statement for the financial year ended on that date, and the Reports of the Board of Directors ("The Board") and the Auditors thereon.
- b. The Audited Consolidated Financial Statement of the Company for the financial year ended on 31st March, 2025 and Statement of Profit and Loss Account together with the notes forming part thereof and Cash Flow Statement for the Financial Year ended on that date.

2. To appoint Mr. Tarachand Agrawal (DIN: 00465635), who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT, Mr. Tarachand Agrawal (DIN: 00465635), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

3. To appoint M/s. SSRV & Associates, Chartered Accountants, Mumbai (Firm Registration No. 135901W), as the Statutory Auditor of the Company.

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

"RESOLVED THAT, pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, approval of the Members of the Company, be and is hereby accorded for the appointment of M/s S S R V & Associates, Chartered Accountants, Mumbai (Firm Registration No. 135901W) as the Statutory Auditor of the Company to hold office for 4 years i.e. from financial year 2025-26 to 2028-29, from the conclusion of this 79th Annual General Meeting till of 83rd Annual General Meeting of the Company to be held in the year 2029, on such remuneration as may be decided by the any of Directors in consultation with the Statutory Auditor of the Company.

"RESOLVED FURTHER THAT, any of the Directors of the Company be and are hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

SPECIAL BUSINESS:

4. Appointment Of M/S. Jay Pandya & Associates, Practicing Company Secretaries, Ahmedabad (FRN: S2024GJ963300) As the Secretarial Auditor of the Company for a Period of Five (5) Years:

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

"RESOLVED THAT pursuant to the provisions of Regulation 24A and other applicable Regulations of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), Section 204 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, and based on the recommendation of the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the 'Board'), M/s. Jay Pandya & Associates, Practicing Company Secretaries, Ahmedabad (FRN: S2024GJ963300, Peer Review Certificate No.5532/2024) (Membership No.: ACS – 63213) be and are hereby appointed as the Secretarial Auditors of the Company for an Audit period of five consecutive years commencing from FY 2025-26 until FY 2029-30, on such remuneration as may be mutually agreed upon between the Board and the Secretarial Auditors.

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

5. To approve material related party transactions with M/s. Stitched Textile Limited.

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

"RESOLVED THAT, pursuant to Section 188 of the Companies Act, 2013 read with the rules made thereunder, including any statutory modification(s) or re-enactment thereof ("the Act"), Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the "Listing Regulations") as amended from time to time, the Related Party Transactions policy of the Company, the approval of the Audit Committee, and based on recommendations of the Board; the approval of the Shareholders of the Company be and is hereby given to the Company to enter into the transactions (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with respect to:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property and
- f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
- g) Underwriting the subscription of any securities or derivatives thereof, of the company

with M/s. Stitched Textile Limited, a Related Party under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate amount upto Rs. 50/- Crores (Rupees Fifty Crore)."

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. To approve material related party transactions with M/s. Brand Cluster LLP.

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

"RESOLVED THAT, pursuant to Section 188 of the Companies Act, 2013 read with the rules made thereunder, including any statutory modification(s) or re-enactment thereof ("the Act"), Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the "Listing Regulations") as amended from time to time, the Related Party Transactions policy of the Company, the approval of the Audit Committee, and based on recommendations of the Board; the approval of the Shareholders of the Company be and is hereby given to the Company to enter into the transactions (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with respect to:

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- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property and
- f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
- g) Underwriting the subscription of any securities or derivatives thereof, of the company

with M/s. Brand Cluster LLP, a Related Party under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate amount upto Rs. 50/- Crores (Rupees Fifty Crore)."

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. To approve material related party transactions with M/s. Vaxtex Cotfab Limited.

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

"RESOLVED THAT, pursuant to Section 188 of the Companies Act, 2013 read with the rules made thereunder, including any statutory modification(s) or re-enactment thereof ("the Act"), Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the "Listing Regulations") as amended from time to time, the Related Party Transactions policy of the Company, the approval of the Audit Committee, and based on recommendations of the Board; the approval of the Shareholders of the Company be and is hereby given to the Company to enter into the transactions (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with respect to:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property and
- f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
- g) Underwriting the subscription of any securities or derivatives thereof, of the company

with M/s. Vaxtex Cotfab Limited, a Related Party under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate amount upto Rs. 50/- Crores (Rupees Fifty Crore)."

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

8. To approve material related party transactions with M/s. Vax Enterprise Private Limited.

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

"RESOLVED THAT, pursuant to Section 188 of the Companies Act, 2013 read with the rules made thereunder, including any statutory modification(s) or re-enactment thereof ("the Act"), as amended from time to time, the Related Party Transactions policy of the Company, the approval of the Audit Committee, and based on recommendations of the Board; the approval of the Shareholders of the Company be and is hereby

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given to the Company to enter into the transactions (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with respect to:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property and
- f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
- g) Underwriting the subscription of any securities or derivatives thereof, of the company

with M/s. Vax Enterprise Private Limited, a Related Party under Section 2(76) of the Act, for an aggregate amount upto Rs. 50/- Crores (Rupees Fifty Crore)."

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

9. To approve material related party transactions with M/s. Aarvee Denims and Exports Limited.

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

"RESOLVED THAT, pursuant to Section 188 of the Companies Act, 2013 read with the rules made thereunder, including any statutory modification(s) or re-enactment thereof ("the Act"), as amended from time to time, the Related Party Transactions policy of the Company, the approval of the Audit Committee, and based on recommendations of the Board; the approval of the Shareholders of the Company be and is hereby given to the Company to enter into the transactions (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with respect to:

- h) Sale, purchase or supply of any goods or materials;
- i) Selling or otherwise disposing of, or buying, property of any kind;
- j) Leasing of property of any kind;
- k) Availing or rendering of any services;
- l) Appointment of any agent for purchase or sale of goods, materials, services or property and
- m) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
- n) Underwriting the subscription of any securities or derivatives thereof, of the company

with M/s. Aarvee Denims and Exports Limited, a Related Party under Section 2(76) of the Act, for an aggregate amount upto Rs. 50/- Crores (Rupees Fifty Crore)."

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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Registered Office:

13 S No-10 Devraj Estate Nr Balaji, Petrol
Pump Pirana Road Piplaj, Saijpur,
Ahmedabad, Ahmadabad City, Gujarat,
India, 382405

Place: Ahmedabad

Date: 12th August, 2025

**By the Order of the Board of,
Yarn Syndicate Limited**

Sd/-

**Ravi Pandya
Managing Director
DIN: 09509086**



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NOTES:

1. The relevant statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') read with Section 110 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014 ('Rules'), each as amended, setting out the material facts relating to the aforesaid Resolutions and the reasons thereof is annexed hereto and forms part of this Notice.
2. In compliance with General Circular No. 09/2024 dated September 19, 2024, 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"), other applicable circulars and notifications issued (including any statutory modifications or reenactment thereof) for the time being in force and as amended from time to time and the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 79th Annual General Meeting ("AGM") of the Company is being held through VC/OAVM without the physical presence of Members at a common venue. The deemed venue for the 79th AGM will be the Registered Office of the Company - 13 S No-10 Devraj Estate Nr Balaji, Petrol Pump Pirana Road Piplaj, Saijpur, Ahmedabad, Ahmadabad City, Gujarat, India, 382405
3. This AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.** Members have to attend and participate in the ensuing AGM through VC/OAVM. However, the Body Corporates are entitled to appoint Authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM through VC. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to Email at yvl@yarnsyndicate.in and / or at info@accuratesecurities.com, a certified copy of the Board Resolution / authorization letter authorizing their representative to attend and vote on their behalf at AGM through E-voting.
5. 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 and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. 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 Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 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 National Securities Depository Limited (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.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and Company Website i.e. www.yarnsyndicate.in respectively and the AGM Notice is also available on the website of NSDL agency for providing the Remote e-Voting facility i.e. www.evoting.nsdl.com.
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated

April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

10. The Board of Directors has appointed Mr. Gaurav Bachani (Membership No: 61110 ACS, CP No: 22830), Ahmedabad, Practicing Company Secretary, as the Scrutinizer to scrutinize the remote voting and e-voting process in fair and transparent manner.
11. The Scrutinizer will submit his consolidated report to the Chairman, or any other person authorised by him, after completion of scrutiny of the votes cast, and the result of the voting will be announced by the Chairman or any other person authorized by him. The Scrutinizer's decision on the validity of votes cast will be final.
12. The Results declared along with the Scrutinizer's Report shall be communicated to the Stock Exchange, where the equity shares of the Company are listed viz. BSE Limited and be made available on its website viz. www.bseindia.com.

13. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

In compliance with the MCA Circulars and SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 will be available on website of the Stock Exchange, i.e., BSE Limited at www.bseindia.com, Company Website i.e. www.yarnsyndicate.in and on the website of NSDL at <https://www.evoting.nsdl.com/>. **Annual Report will not be sent in physical form.**

14. Members of the Company holding shares, either in physical form or in Dematerialized form, as on 22nd August, 2025 will receive Annual Report for the financial year 2024-25 through electronic mode only.
15. The Register of Members and Share Transfer Books will remain closed from 10th September, 2025 to 17th September, 2025 (both days inclusive) for the purpose of Annual General Meeting (AGM).
16. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc., to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address: Cameo Corporate Services Limited, Subramanian Building, 1 Club House Road, Chennai, Tamil Nadu – 600 002. Email id: cameo@cameoindia.com.
17. In terms of the provisions of Section 152 of the Act, Mr. Tarachand Agrawal (DIN: 00465635), Director of the Company, who retires by rotation at this Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company re-commend his re-appointment.

Mr. Tarachand Agrawal is interested in the Ordinary Resolutions set out at Item No. 2, of the Notice with regard to his re-appointment. The other relatives of Mr. Tarachand Agrawal being shareholders of the Company may be deemed to be interested in the resolutions set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company/RTA.
19. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation/variation in nomination in the prescribed

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Form SH-14 with the Company's RTA. In respect of shares held in electronic/ demat form, the nomination form may be filed with the respective Depository Participant.

20. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred/traded only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialize.
21. Members are requested to quote their Folio No. or DP ID/Client ID, in case shares are in physical/dematerialized form, as the case may be, in all correspondence with the Company/ Registrar and Share Transfer Agent.
22. Details of Directors retiring by rotation/seeking appointment/re-appointment at this Meeting are provided in the "Annexure" to the Notice as per Regulation 26(4) and 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India.
23. As the AGM is to be held through VC/OAVM, Members seeking any information with regard to the accounts or any documents, are requested to write to the Company at least 10 days before the date of AGM through email on ysl@varnsyndicate.in and/or at info@accuratesecurities.com. The same will be replied/made available by the Company suitably.
24. The business set out in the Notice of AGM will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
25. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
26. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
27. 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. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
28. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
29. The Company has set 10th September, 2025 as the "Cut-off Date" for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing 79th Annual General Meeting', for both E- Voting.

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

The remote e-voting period begins on Sunday, 14th September, 2025 at 9:00 A.M. and ends on Tuesday, 16th September, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 10th September, 2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 10th September, 2025.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is 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 digits 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 options available against company name or e-Voting service provider - 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.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in

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	<p>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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-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.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022 – 2305 8542-43

B) Login Method 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?

- 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, 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.
- 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*****

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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***
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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.co.in 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.

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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 who's 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 General 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 csgauravbachani@gmail.com with a copy marked to evoting@nsdl.co.in.
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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

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 ysl@yarnsyndicate.in.
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 ysl@yarnsyndicate.in. 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.co.in 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.

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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 General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
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 ysl@yarnsyndicate.in. The same will be replied by the company suitably.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Third Amendment Regulations dated December 12, 2024 and Regulation 24A (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary. The Company may appoint an individual as Secretarial Auditor for not more than one term of five consecutive years or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years.

It is proposed to appoint M/s. Jay Pandya & Associates, Practicing Company Secretary, as Secretarial Auditors of the Company for an Audit period of five consecutive years commencing from 2025-26 till 2029-30, at a remuneration as may be mutually agreed upon, between the Board of Directors of the Company and the Secretarial Auditors. The firm has confirmed its eligibility and provided the necessary documents, including the consent letter, peer review certificate, and eligibility confirmation.

The Board and the Audit Committee, while considering the appointment of M/s. Jay Pandya & Associates as Secretarial Auditors of the Company, evaluated the firm's credentials, expertise to manage secretarial audits in the sector that the Company operates, its professional standing, technical competence, and the diversity of its client portfolio. Based on this assessment, M/s. Jay Pandya & Associates was found to be well-qualified to conduct the Secretarial Audit for the Company.

Based on the approval of the Audit Committee, the Board recommends the Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company by way of an Ordinary None of the Directors, KMPs and or their respective relatives, are in any way, concerned or interested, financially or otherwise in this Resolution.

Item No. 5:

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

During the Financial Year 2024-25, the Company recorded a turnover of Rs. 5,415.97 lakhs. In accordance with the criteria as provided in the Regulation 23 of the Listing Regulations, any transaction or series of transactions with a related party shall be considered material if the aggregate value exceeds 10% of the annual turnover—i.e., ₹ 54.16 Crore in this case or Rs. 1000 Crore, whichever is less.

Based on these criteria, the Management anticipates that the aggregate value of transactions with M/s. Stitched Textile Limited during the FY 2025-26 may exceed the aforementioned threshold. Accordingly, it is proposed to seek the approval of the Shareholders for entering into material related party transactions with M/s. Stitched Textile Limited.

The Company undertakes Related Party Transactions as part of a well-considered strategic approach aimed at leveraging the specialized expertise and capabilities of entities within the group. These transactions facilitate seamless access to essential resources, services, and knowledge, thereby enhancing operational efficiency and ensuring alignment with the Company's broader business objectives. All such transactions are conducted in a transparent manner and in compliance with applicable regulatory frameworks to uphold the highest standards of corporate governance.

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The Company seeks approval of the Shareholders for entering into the transactions of i) Sale, purchase or supply of any goods or materials and ii) Selling or otherwise disposing of, or buying, property of any kind iii) Leasing of property of any kind; iv) Availing or rendering the services v) Appointment of any agent for purchase or sale of goods, materials, services or property, vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company vii) underwriting the subscription of any securities or derivatives thereof, of the company its subsidiary company or associate company with M/s. Stitched Textile Limited for an amount not exceeding Rs. 50.00/- Crores (Rupees Fifty Crore).

The consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 5 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as an Ordinary Resolution.

Information required to be disclosed in the Explanatory Statement for Item Nos. 5 pursuant to the SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025, are as follows as per, are as follows as per **Annexure B(i)**.

Item No. 6:

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

During the Financial Year 2024-25, the Company recorded a turnover of Rs. 5,415.97 lakhs. In accordance with the criteria as provided in the Regulation 23 of the Listing Regulations, any transaction or series of transactions with a related party shall be considered material if the aggregate value exceeds 10% of the annual turnover—i.e., ₹ 54.16 Crore in this case or Rs. 1000 Crore, whichever is less.

Based on these criteria, the Management anticipates that the aggregate value of transactions with M/s. Brand Cluster LLP during the FY 2025-26 may exceed the aforementioned threshold. Accordingly, it is proposed to seek the approval of the Shareholders for entering into material related party transactions with M/s. Brand Cluster LLP.

The Company undertakes Related Party Transactions as part of a well-considered strategic approach aimed at leveraging the specialized expertise and capabilities of entities within the group. These transactions facilitate seamless access to essential resources, services, and knowledge, thereby enhancing operational efficiency and ensuring alignment with the Company's broader business objectives. All such transactions are conducted in a transparent manner and in compliance with applicable regulatory frameworks to uphold the highest standards of corporate governance.

The Company seeks approval of the Shareholders for entering into the transactions of i) Sale, purchase or supply of any goods or materials and ii) Selling or otherwise disposing of, or buying, property of any kind iii) Leasing of property of any kind; iv) Availing or rendering the services v) Appointment of any agent for purchase or sale of goods, materials, services or property, vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company vii) underwriting the subscription of any securities or derivatives thereof, of the company its subsidiary company or associate company with M/s. Brand Cluster LLP for an amount not exceeding Rs. 50.00/- Crores (Rupees Fifty Crore).

The consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 6 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as an Ordinary Resolution.

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Information required to be disclosed in the Explanatory Statement for Item Nos. 6 pursuant to the SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025, are as follows as per, are as follows as per **Annexure B(ii)**.

Item No. 7:

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore(Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

During the Financial Year 2024-25, the Company recorded a turnover of Rs. 5,415.97 lakhs. In accordance with the criteria as provided in the Regulation 23 of the Listing Regulations, any transaction or series of transactions with a related party shall be considered material if the aggregate value exceeds 10% of the annual turnover—i.e., ₹ 54.16Crore in this case or Rs. 1000 Crore, whichever is less.

Based on these criteria, the Management anticipates that the aggregate value of transactions with M/s. Vaxtex Cotfab Limited during the FY 2025–26 may exceed the aforementioned threshold. Accordingly, it is proposed to seek the approval of the Shareholders for entering into material related party transactions with M/s. Vaxtex Cotfab Limited.

The Company undertakes Related Party Transactions as part of a well-considered strategic approach aimed at leveraging the specialized expertise and capabilities of entities within the group. These transactions facilitate seamless access to essential resources, services, and knowledge, thereby enhancing operational efficiency and ensuring alignment with the Company's broader business objectives. All such transactions are conducted in a transparent manner and in compliance with applicable regulatory frameworks to uphold the highest standards of corporate governance.

The Company seeks approval of the Shareholders for entering into the transactions of i) Sale, purchase or supply of any goods or materials and ii) Selling or otherwise disposing of, or buying, property of any kind iii) Leasing of property of any kind; iv) Availing or rendering the services v) Appointment of any agent for purchase or sale of goods, materials, services or property, vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company vii) underwriting the subscription of any securities or derivatives thereof, of the company its subsidiary company or associate company with M/s. Vaxtex Cotfab Limited for an amount not exceeding Rs. 50.00/- Crores (Rupees Fifty Crore).

The consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 7 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as an Ordinary Resolution.

Information required to be disclosed in the Explanatory Statement for Item Nos. 7 pursuant to the SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025, are as follows as per, are as follows as per **Annexure B(iii)**.

Item No. 8:

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore(Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial

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statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

During the Financial Year 2024-25, the Company recorded a turnover of Rs. 5,415.97 lakhs. In accordance with the criteria as provided in the Regulation 23 of the Listing Regulations, any transaction or series of transactions with a related party shall be considered material if the aggregate value exceeds 10% of the annual turnover—i.e., ₹ 54.16Crore in this case or Rs. 1000 Crore, whichever is less.

Based on these criteria, the Management anticipates that the aggregate value of transactions with M/s. Vax Enterprise Private Limited during the FY 2025-26 may exceed the aforementioned threshold. Accordingly, it is proposed to seek the approval of the Shareholders for entering into material related party transactions with M/s. Vax Enterprise Private Limited.

The Company undertakes Related Party Transactions as part of a well-considered strategic approach aimed at leveraging the specialized expertise and capabilities of entities within the group. These transactions facilitate seamless access to essential resources, services, and knowledge, thereby enhancing operational efficiency and ensuring alignment with the Company's broader business objectives. All such transactions are conducted in a transparent manner and in compliance with applicable regulatory frameworks to uphold the highest standards of corporate governance.

The Company seeks approval of the Shareholders for entering into the transactions of i) Sale, purchase or supply of any goods or materials and ii) Selling or otherwise disposing of, or buying, property of any kind iii) Leasing of property of any kind; iv) Availing or rendering the services v) Appointment of any agent for purchase or sale of goods, materials, services or property, vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company vii) underwriting the subscription of any securities or derivatives thereof, of the company its subsidiary company or associate company with M/s. Vax Enterprise Private Limited for an amount not exceeding Rs. 50.00/- Crores (Rupees Fifty Crore).

The consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 8 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as an Ordinary Resolution.

Information required to be disclosed in the Explanatory Statement for Item Nos. 8 pursuant to the SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025, are as follows as per, are as follows as per **Annexure B(iv)**.

Item No. 9:

Pursuant to the amended Regulation 23 of the SEBI Listing Regulation, effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore(Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower, and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

During the Financial Year 2024-25, the Company recorded a turnover of Rs. 5,415.97 lakhs. In accordance with the criteria as provided in the Regulation 23 of the Listing Regulations, any transaction or series of transactions with a related party shall be considered material if the aggregate value exceeds 10% of the annual turnover—i.e., ₹ 54.16 Crore in this case or Rs. 1000 Crore, whichever is less.

Based on these criteria, the Management anticipates that the aggregate value of transactions with M/s. Aarvee Denims and Exports Limited during the FY 2025-26 may exceed the aforementioned

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threshold. Accordingly, it is proposed to seek the approval of the Shareholders for entering into material related party transactions with M/s. Aarvee Denims and Exports Limited.

The Company undertakes Related Party Transactions as part of a well-considered strategic approach aimed at leveraging the specialized expertise and capabilities of entities within the group. These transactions facilitate seamless access to essential resources, services, and knowledge, thereby enhancing operational efficiency and ensuring alignment with the Company's broader business objectives. All such transactions are conducted in a transparent manner and in compliance with applicable regulatory frameworks to uphold the highest standards of corporate governance.

The Company seeks approval of the Shareholders for entering into the transactions of i) Sale, purchase or supply of any goods or materials and ii) Selling or otherwise disposing of, or buying, property of any kind iii) Leasing of property of any kind; iv) Availing or rendering the services v) Appointment of any agent for purchase or sale of goods, materials, services or property, vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company vii) underwriting the subscription of any securities or derivatives thereof, of the company its subsidiary company or associate company with M/s. Aarvee Denims and Exports Limited for an amount not exceeding Rs. 50.00/- Crores (Rupees Fifty Crore).

The consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 9 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as an Ordinary Resolution.

Information required to be disclosed in the Explanatory Statement for Item Nos. 9 pursuant to the SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025, are as follows as per, are as follows as per **Annexure B(v)**.

Registered Office:

13 S No-10 Devraj Estate Nr Balaji, Petrol
Pump Pirana Road Piplaj, Saijpur,
Ahmedabad, Gujarat, India, 382405



**By the Order of the Board of
Yarn Syndicate Limited**

Place: Ahmedabad

Date: 12th August, 2025

**Sd/-
Ravi Pandya
Managing Director
DIN: 09509086**

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ANNEXURE TO NOTICE

ANNEXURE - A

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Resolution No. 2 is as under:

Name of the Director	Mr. Tarachand Agrawal (DIN: 00465635)
Date of Birth	28/05/1977
Date of first Appointment on the Board	14/02/2025
Qualifications	Mr. Tarachand Agrawal have passed higher secondary examination from Rajasthan Board.
Experience/Brief Resume/Nature of expertise in specific functional areas	Mr. Tarachand Agrawal has More than 20 Years of experience in the field of Textile Industry and Garments Trading.
Terms and Conditions of Appointment along with remuneration sought to be paid	N.A.
Remuneration last drawn by such person, if any	-
No. of Shares held in the Company as on 31 st March, 2025	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se	N.A.
Number of Meetings of the Board attended during the year	1
Directorship / Designated Partner in other Companies / LLPs	1. Aarvee Denims and Exports Limited 2. Brand Cluster LLP 3. Vaarvee Green Solar Private Limited 4. Steptrade Broking Securities Private Limited
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	Nil

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Annexure B

Relevant details as stipulated under SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 & RPT Industry Standards dated June 26, 2025:

(i) To approve material related party transactions with M/s. Stitched Textile Limited:

Sr. No	Description	Particulars
1	Name of the related party	M/s. Stitched Textile Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Five Year i.e. from 01-04-2025 to 31-03-2030
5	Particulars of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	M/s. Stitched Textile Limited was a Subsidiary Company up to 7 th June 2024, and thereafter, it has been treated as an Associate Company with effect from 8 th June 2024.
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	92.32%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed	Internal accruals and proposed fund raise by the Company, wherever applicable

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	transaction,	
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	<p>The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business.</p> <p>The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.</p> <p>This in turn will contribute towards Company synergy and sustainability.</p>
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations.

(ii) To approve material related party transactions with M/s. Brand Cluster LLP:

Sr. No	Description	Particulars
1	Name of the related party	M/s. Brand Cluster LLP
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of

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		profit in the company, its subsidiary company or associate company <ul style="list-style-type: none"> • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Five Year i.e. from 01-04-2025 to 31-03-2030
5	Particulars of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Tarachand Agrawal, Director is Designated Partner in M/s. Brand Cluster LLP
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	92.31%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> • nature of indebtedness. • cost of funds; and • tenure. 	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-

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10	Justification as to why the RPT is in the interest of the listed entity.	<p>The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business.</p> <p>The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.</p> <p>This in turn will contribute towards Company synergy and sustainability.</p>
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations

(iii) To approve material related party transactions with M/s. Vaxtex Cotfab Limited:

Sr. No	Description	Particulars
1	Name of the related party	M/s. Vaxtex Cotfab Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Five Year i.e. from 01-04-2025 to 31-03-2030

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5	Particulars of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Mithlesh Kumar Agrawal is promoter in M/s. Vaxtex Cotfab Limited
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	92.31%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	<p>The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business.</p> <p>The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.</p> <p>This in turn will contribute towards Company synergy and sustainability.</p>

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11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations

(iv) To approve material related party transactions with M/s. Vax Enterprise Private Limited.

Sr. No	Description	Particulars
1	Name of the related party	M/s. Vax Enterprise Private Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Five Year i.e. from 01-04-2025 to 31-03-2030
5	Particulars of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Mithlesh Kumar Agraval is Director in M/s. Vax Enterprise Private Limited.

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8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	92.31%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable.
	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	<p>The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business.</p> <p>The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.</p> <p>This in turn will contribute towards Company synergy and sustainability.</p>
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations.

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(v) To approve material related party transactions with M/s. Aarvee Denims and Exports Limited.

Sr. No	Description	Particulars
1	Name of the related party	M/s. Aarvee Denims and Exports Limited
2	Nature of relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Entity in which Director/Designated Partner Promoter/KPM/Relative of KMP having significant influence
3	Type of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Five Year i.e. from 01-04-2025 to 31-03-2030
5	Particulars of the proposed transaction	<ul style="list-style-type: none"> • Sale, purchase or supply of any goods or materials • Selling or otherwise disposing of, or buying, property of any kind • Leasing of property of any kind • Availing or rendering the services • Appointment of any agent for purchase or sale of goods, materials, services or property • Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company • Underwriting the subscription of any securities or derivatives thereof, of the company
6	Value of the proposed transaction (INR)	Rs. 50 Crore
7	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Tarachand Agrawal is, Promoter and Whole-Time Director in M/s. Aarvee Denims and Exports Limited.
8	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	92.31%
Following additional disclosures to be made in case of loans, inter - corporate deposits, advances or investments made or given		
9	(i) details of the source of funds in connection with the proposed transaction,	Internal accruals and proposed fund raise by the Company, wherever applicable.

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	(ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness. • cost of funds; and • tenure.	-
	(iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security and	-
	(iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
10	Justification as to why the RPT is in the interest of the listed entity.	<p>The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business.</p> <p>The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity.</p> <p>This in turn will contribute towards Company synergy and sustainability.</p>
11	A copy of the valuation or other external party report, if any such report has been relied upon.	-
12	Percentage of the counter - party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
13	Any other information that may be relevant.	All relevant / important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulation.

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DIRECTOR'S REPORT

To,
The Members,
Yarn Syndicate Limited

Your Directors hereby present the 79th Board's Report on the Business and Operations of the Company together with the Audited Financial Statements along with the Auditor's Report for the Financial Year ended on 31st March, 2025.

1. FINANCIAL RESULTS:

The financial performance of the Company for the Financial Year ended on 31st March, 2025 is summarized as below:

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations	4961.41	247.62	5415.97	390.32
Other Income	0.01	3.91	13.90	108.58
Total Revenue	4961.42	251.53	5429.87	498.89
Total Expenses	4818.68	243.45	5322.20	358.89
Profit / Loss before Exceptional and Extra Ordinary Items and Tax Expenses	142.74	8.08	107.67	140.00
Less: Exceptional and Extra Ordinary Items	0.00	0.00	0.00	0.00
Profit / Loss before Tax Expenses	142.74	8.08	107.67	140.00
Less: Current Tax	4.70	0.00	4.70	0.00
Deferred Tax	0.89	0.00	0.89	0.00
Profit / Loss for the Period	137.15	8.08	102.08	140.00
Earnings Per Share (EPS)				
Basis	1.08	0.17	(0.878)	1.573
Diluted	1.08	0.17	(0.878)	1.549

2. OPERATIONS:

- **Standalone:**

The total revenue for Financial Year 2024-25 is Rs. 4961.42 Lakhs as compared to total revenue from operations of Rs. 251.53 Lakhs for previous Financial Year. The Company has incurred Profit before tax for the Financial Year 2024-25 of Rs. 142.74 as compared to Profit before tax of Rs. 8.08 Lakhs for previous Financial Year. The Net Profit after tax for the Financial Year 2024-25 is Rs. 137.15 as compared to Net Profit after tax Rs. 8.08 Lakhs as compared for previous Financial Year. The Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in the future period.

- **Consolidated:**

The total revenue for Financial Year 2024-25 is Rs. 5429.87 Lakhs as compared to total revenue from operations of Rs. 498.89 Lakhs for previous Financial Year. The Company has incurred Profit before tax for the Financial Year 2024-25 of Rs. 107.67 Lakhs as compared to Profit before tax of Rs. 140.00 Lakhs for previous Financial Year. The Net Loss after tax for the Financial Year 2024-25 is Rs. 102.08 Lakhs as compared to Net Profit after tax of Rs. 140.00 Lakhs for previous Financial Year. The Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in the future period.

3. CHANGE IN NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business during the year under review.

4. WEBLINK OF ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2025 is available on the Company's website at www.yarnsyndicate.in.

5. SHARE CAPITAL:

A. AUTHORISED SHARE CAPITAL:

The Authorised Equity Share Capital of the Company is Rs. 22,00,00,000/- (Rupees Twenty-Two Crores Only) divided into 2,20,00,000 (Two Crores and Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only).

During the year there is no change in the Authorised Equity Share Capital of the Company.

B. PAID-UP SHARE CAPITAL:

The fully paid-up Equity share capital of the Company as on 31st March, 2025 is Rs. 3,75,00,000/- (Rupees Three Crores Seventy-Five Lakhs Only) divided into 37,50,000 (Thirty-Seven Lakhs and Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten Only).

The partly paid-up Equity share capital of the Company as on 31st March, 2025 is Rs. 9,00,00,000/- (Rupees Nine Crores Only) divided into 1,80,00,000 (One Crore and Eighty Lakhs) equity shares of Rs. 5/- (Rupees Five Only).

The Total paid-up Equity share capital of the Company as on 31st March, 2025 is Rs. 12,75,00,000/- (Rupees Twelve Crores Seventy-Five Lakhs Only)

6. DIVIDEND:

In view of losses, your directors do not recommend any dividend for the Financial Year 2024-25 (Previous year - Nil).

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend in the "Unpaid Dividend Account" lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

8. TRANSFER TO RESERVES:

The profit of the Company for the Financial Year ending on 31st March, 2025 is transferred to profit and loss account of the Company under Reserves and Surplus.

9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:

- **Change in Registered Office of the Company:**

Company has changed its Registered Address from one state to another state outside the jurisdiction of the existing ROC. Registered Address of the Company is changed from 86/2/4, S N Banerjee Road, 1st Floor, Flat No. 2, Na, Kolkata, West Bengal, India, 700014 to Shop No. 128, Supermall-2, GH-0 Circle, Infocity, Gandhi Nagar, Gujarat, 382007, w.e.f. 24th May, 2024.

The Board of Directors of the Company, at its meeting held on Friday, 6th September, 2024, considered and

approved the changed of the Company's registered Office from m Shop No 128, Supemall-2 GH-0 Circle Infocity, Sector 7, Gandhinagar, Gujarat, India, 382007 to 13, S. No - 10, Devraj Estate, Nr. Balaji Petrol Pump, Pirana Road, Piplaj, Ahmedabad, Gujarat, India, 382405 i.e. within the local limits of city, w.e.f. 6th September, 2024.

- **Change in Status of Subsidiary Company**

During the year under review, M/s. Stitched Textiles Limited raised funds through a Rights Issue on 8th June, 2024. Pursuant to the said issue, the shareholding of M/s. Yarn Syndicate Limited in M/s. Stitched Textiles Limited was reduced from 50.82% to 49.82%. Consequently, with effect from 8th June, 2024, M/s. Stitched Textiles Limited has ceased to be a subsidiary of the Company and has become an Associate Company.

10. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There is no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.

11. MEETINGS OF THE BOARD OF DIRECTORS:

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 9 (Nine) times viz. 30th May, 2024, 18th July, 2024, 14th August, 2024, 06th September, 2024, 13th November, 2024, 09th December, 2024, 12th December, 2024, 14th February, 2025 and 11th March, 2025.

12. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on 31st March, 2025 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departure from the same;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the financial year ended on 31st March, 2025.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the Annual Accounts on a going concern basis;
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of section 135 of the Companies Act, 2013 is not applicable to your Company as the Company does not fall under the criteria limits mentioned in the said section of the Act.

Hence, the Company has not taken voluntary initiative towards any activity mentioned for Corporate Social Responsibility.

14. EXPLANATIONS / COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

- i. **Auditors' Report:**

The observations of the Statutory Auditor, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

ii. Secretarial Auditor's Report:

The report of the Secretarial auditor has not made any adverse remark in their Audit Report except:

a) The Company's Status is reflected as 'SDD Non-compliant' on the BSE Portal.

Reply: The Company has duly provided records demonstrating its compliance with the SDD requirements. Furthermore, the Company is in communication with the Exchange to resolve the said technical matter, and necessary steps are being taken to rectify the status at the earliest

15. PARTICULARS OF LOANS, GUARANTEES, SECURITIES COVERED OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All the transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. Further, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014, in Form No. AOC-2 is enclosed herewith as **Annexure 1**.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per **Annexure - 2**.

18. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statement across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

During the year, no reportable material weakness was observed.

19. RESERVES & SURPLUS:

		(Amount in Lakhs)
Sr. No.	Particulars	Amount
1.	Opening Balance of Retained Earnings	(846.53)
2.	Opening Balance of Securities Premium	1,946.33
3.	Current Year's Profit / (Loss)	137.15
Total		1236.95

20. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee also reviews the adequacy of the risk management frame work of the Company, the key risks associated with the business and measures and steps in place to minimize the same.

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

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, is not given as the Company has not taken any major step to conserve the energy etc.

There were no foreign exchange earnings or outgo during the year under review.

Sr. No.	Foreign exchange earnings and outgo	F.Y. 2024-25	F.Y. 2023-24
1.	Foreign exchange earnings	Nil	Nil
2.	CIF value of imports	Nil	Nil
3.	Expenditure in foreign currency	Nil	Nil
4.	Value of Imported and indigenous Raw Materials, Spare-parts and Components Consumption	Nil	Nil

22. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The Remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice and is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Company has made adequate disclosures to the members on the remuneration paid to Directors from time to time. The Company's Policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is available on the website of the Company at www.yarnsyndicate.in.

23. DISCLOSURES RELATING TO HOLDING, SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURES:

As on 31st March, 2025, Company has one Associate Company i.e. M/s. Stitched Textiles Limited.

During the year under review, M/s. Stitched Textiles Limited raised funds through a Rights Issue on 8th June, 2024. Pursuant to the said issue, the shareholding of M/s. Yarn Syndicate Limited in M/s. Stitched Textiles Limited was reduced from 50.82% to 49.82%. Consequently, with effect from 8th June, 2024, M/s. Stitched Textiles Limited has ceased to be a subsidiary of the Company and has become an Associate Company. Details of Associate Company in Form No. AOC-1 is enclosed herewith as **Annexure 3**.

24. SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same.

25. REPORTING OF FRAUDS BY THE AUDITORS:

During the year under review, neither the Statutory nor the Secretarial Auditors has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

26. STATE OF COMPANY'S AFFAIRS:

Management Discussion and Analysis Report for the year under review, as stipulated in Regulation 34(2)(e) of SEBI Listing Regulations is given as a separate part of the Annual Report. It contains a detailed write up and explanation about the performance of the Company.

27. STATEMENT ON ANNUAL EVALUATION OF BOARD'S PERFORMANCE:

The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors, pursuant to the provisions of the Act and SEBI Listing Regulations. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition, and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board / Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of the Nomination and Remuneration Committee had one-on-one meetings with each Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/ Committee processes.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the independent directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was discussed.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors.

The evaluation frameworks were the following key areas:

a) For Non-Executive & Independent Directors:

- Knowledge
- Professional Conduct
- Comply Secretarial Standard issued by ICSI Duties
- Role and functions

b) For Executive Directors:

- Performance as leader
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set investment goal
- Professional conduct and integrity
- Sharing of information with Board.
- Adherence applicable government law

The Directors expressed their satisfaction with the evaluation process.

28. MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:

A. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

B. BUSINESS CONDUCT POLICY:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the policy. The objective of the policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

29. PARTICULARS OF EMPLOYEES:

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the Employees of the Company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2024-25.

30. LOAN FROM DIRECTOR / RELATIVE OF DIRECTOR:

During the year under review, the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming the part of the notes to financial statement.

31. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Directors and Key Managerial Personnel of the Company are summarized below:

Sr. No.	Name	Designation	DIN
1.	Mr. Ravi Pandya	Managing Director	09509086
2.	Mr. Nandish Jani ²	Non-Executive and Independent Director	09565657
3.	Ms. Nidhi Bansal	Non-Executive and Independent Director	09693120
4.	Mr. Rahul Modi ⁴	Non-Executive and Independent Director	09483841
5.	Mr. Tarachand Agrawal ⁵	Non-Executive and Non-Independent Director	00465635

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6.	Mr. Mithleshkumar Agrawal ⁶	Non-Executive and Non-Independent Director	03468643
7.	Mr. Chetan Kumar Ojha ¹	Non-Executive Director	09706197
8.	Ms. Shwetambery Khurana ⁷	Company Secretary	BFXPK9276D
9.	Ms. Priya Singh ³	Company Secretary	DIIPS1746G
10.	Mr. Dharmesh Tripathi	Chief Financial Officer	AEBPT6631H

¹ Mr. Chetankumar Ojha had given resignation from the post of Non-Executive Director w.e.f. 15th February, 2025.

² Mr. Nandish Jani had given resignation from the post of Non-Executive and Independent Director w.e.f. 20th February, 2025.

³ Ms. Priya Singh has resigned from the post of the Company w.e.f. 1st May, 2024.

⁴ Mr. Rahul Modi Was appointed as a Non-Executive and Independent Director w.e.f. 14th February, 2025.

⁵ Mr. Tarachand Agrawal was appointed as a Non-Executive Director w.e.f. 14th February, 2025.

⁶ Mr. Mithleshkumar Agrawal was appointed as Non-Executive Director of the Company w.e.f. 11th March, 2025.

⁷ Ms. Shwetambery Khurana was appointed as Company Secretary of the Company w.e.f. 18th July, 2024.

Apart from the above changes, there were no other changes in the composition of the Board of Directors of the Company during the Financial Year 2024-25 and till the date of Board's Report.

As per Companies Act, 2013, the Independent Directors are not liable to retire by rotation.

32. DECLARATION BY INDEPENDENT DIRECTORS:

Mr. Rahul Modi and Ms. Nidhi Bansal, Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be Independent Director. They have also confirmed that they meet the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

33. CORPORATE GOVERNANCE:

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance, and a certificate regarding compliance with the conditions of Corporate Governance are appended to the Annual Report as **Annexure - 4**.

34. DEPOSITS:

As per Section 73 of the Companies Act, 2013, the Company has neither accepted nor renewed any deposits during the financial year. Hence, the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

35. FORMAL ANNUAL EVALUATION PROCESS BY BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried the evaluation of its own performance, performance of Individual Directors, Board Committees, including the Chairman of the Board on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors, the performances of Executive and Non -Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals and the achievements of the expansion plans were too observed and evaluated, the outcome of which was satisfactory for all the Directors of the Company.

36. AUDITORS:

A. Statutory Auditor:

During the financial year, M/s. S. P. Sarda & Co., Chartered Accountants (Firm Registration No. 323054E), the Statutory Auditors of the Company, resigned from their position with effect from 14th November, 2024. To fill the resultant casual vacancy, the Board appointed M/s. Aniket Goyal & Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 022331C), as the Statutory Auditors of the Company on 9th December, 2024.

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Subsequently, M/s. Aniket Goyal & Associates resigned due to exceeding the limits prescribed under Section 141(3)(g) of the Companies Act, 2013. To fill the casual vacancy caused by their resignation, the Company appointed M/s. SSRV & Associates, Chartered Accountants, Mumbai (Firm Registration No. 135901W), as the Statutory Auditors of the Company

The Auditor's report for the Financial Year ended 31st March, 2025 has been issued with an unmodified opinion, by the Statutory Auditor.

B. Secretarial Auditor:

The Board of Directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed Mr. Jay Pandya, Proprietor of M/s. Jay Pandya & Associates, Company Secretaries, as a Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2024-25.

The Secretarial Audit Report for the Financial Year 2024-25 is annexed herewith as **Annexure – 5** in Form MR-3.

C. Internal Auditor:

The Board of directors has appointed M/s. Umesh Khese & Co., Chartered Accountants, as the internal auditor of the Company. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

37. DISCLOSURES:

A. Composition of Audit Committee:

During the year under review, meetings of members of the Audit committee as tabulated below, was held on 30th May, 2024, 14th August, 2024, 13th November, 2024, 9th December, 2024, 12th December, 2024, and 14th February, 2025 the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Ms. Nidhi Bansal	Chairperson	6	6
Mr. Ravi Pandya	Member	6	6
Mr. Rahul Modi ¹	Member	NA	NA
Mr. Nandish Jani ²	Member	6	6

¹ Mr. Rahul Modi had been appointed as member of Member of the Audit Committee w.e.f. 14th February, 2025

² Mr. Nandish Jani had given resignation from the post of Member of Audit Committee w.e.f. 14th February, 2025.

B. Composition of Nomination and Remuneration Committee:

During the year under review, meetings of the members of the Nomination and Remuneration committee, as tabulated below, was held on 18th July, 2024, 14th February, 2025 and 11th March, 2025 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Ms. Nidhi Bansal	Chairperson	3	3
Mr. Tarachand Agrawal ¹	Member	1	1
Mr. Rahul Modih ²	Member	1	1
Mr. Nandish Jani ³	Member	2	2
Mr. Chetan Kumar Ojha ³	Member	2	2

¹ Mr. Tarachand Agrawal had been appointed as the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

² Mr. Rahul Modi had been appointed as the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

³ Mr. Nandish Jani and Chetan Kumar Ojha had given Resignation from the post of the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

C. Composition of Stakeholders' Relationship Committee:

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During the year under review, meetings of members of Stakeholders' Relationship committee as tabulated below, was held on 6th September, 2024 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Ravi Pandya	Member	1	1
Ms. Nidhi Bansal	Member	1	1
Mr. Tarachand Agrawal ¹	Chairperson	NA	NA
Mr. Chetankumar Ojha ²	Chairperson	1	1

¹ Mr. Tarachand Agrawal had been appointed as the Chairperson of the Stakeholder Relationship Committee w.e.f. 14th February, 2025.

² Mr. Chetankumar Ojha had given resignation from the post as Chairperson of the Stakeholder Relationship Committee w.e.f. 14th February, 2025

38. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

The following no. of complaints was received under the POSH Act and the rules framed thereunder during the year:

1. Number of complaints filed during the financial year - Nil
2. Number of complaints disposed of during the financial year - Nil
3. Number of complaints pending as on the end of the financial year – Nil

39. INDUSTRIAL RELATIONS:

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review.

40. MAINTENANCE OF COST RECORDS:

According to information and explanation given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Act in respect of activities carried out by the Company.

41. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code 2016.

42. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE AVAILING LOAN FROM THE BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

43. ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for

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the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

Registered Office:

13 S No-10 Devraj Estate Nr Balaji, Petrol
Pump Pirana Road Piplaj, Saijpur,
Ahmedabad, Gujarat, India, 382 405

**By the Order of the Board of,
Yarn Syndicate Limited**

Place: Ahmedabad

Date: 12th August, 2025

Sd/-

Tarachand Agrawal

Director

DIN: 00465635

Sd/-

Ravi Pandya

Managing Director

DIN: 09509086



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Annexure '1' to Board's Report

FORM NO. AOC - 2

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

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

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

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arms' length basis.

2. Details of material contracts or arrangements or transactions at Arm's length basis.

(Amount in Lakhs)

Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, if any	Amount paid as advances, if any
Stitched Textiles Limited	Associate Company	Purchase of Goods	1 st April, 2024 to 31 st March, 2025	Rs. 431.88/-	As per note below	As per note below
Vax Enterprise Private Limited	Entity in which Director/ Relative of Director having significant influence	Purchase of Goods	1 st April, 2024 to 31 st March, 2025	Rs. 285.72/-	As per note below	As per note below
Stitched Textiles Limited	Associate Company	Sales of Goods	1 st April, 2024 to 31 st March, 2025	Rs. 226.02/-	As per note below	As per note below

Note: Appropriate approvals have been taken for related party transactions wherever necessary. No amount was paid in advance.

Registered Office:

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**By the Order of the Board of,
Yarn Syndicate Limited**

Place: Ahmedabad
Date: 12th August, 2025

Sd/-
Tarachand Agrawal
Director
DIN: 00465635

Sd/-
Ravi Pandya
Managing Director
DIN: 09509086

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Overview of the Global Economy:

The global yarn industry continues to experience steady growth, with recent industry reports estimating the market to be valued at approximately \$14.98 billion in FY 2024–25, reflecting a compound annual growth rate (CAGR) of around 4.5% since 2020. The Asia-Pacific region maintains its dominance in the global yarn market, driven by key players such as China, India, Bangladesh, and Vietnam, which benefit from low labor costs, abundant raw material availability, and well-established textile manufacturing infrastructures. This region accounts for the largest market share globally and remains the hub of both yarn production and export. Other important yarn-producing regions include North America, Europe, and South America, although they face higher production costs and stricter regulatory environments. The industry continues to grapple with challenges such as intense global competition, price volatility in raw materials (especially cotton and synthetic fibers), rising labor and energy costs, and increasing pressure to comply with environmental and sustainability regulations. While the impacts of the COVID-19 pandemic have largely subsided, its aftereffects on supply chains and production efficiency continue to influence market dynamics. Additionally, emerging trends such as eco-friendly yarns, digitalization in textile production, and growing demand from the fashion and athleisure sectors are shaping the future of the industry.

B. Overview of the Indian Economy:

The domestic trading market for yarn is a significant sector for our company. It involves exporting yarn products manufactured in our facilities to various domestic trading partners. This market plays a crucial role in our revenue generation and overall growth strategy. The domestic market for yarn trading offers several advantages for our business. Firstly, it allows us to leverage our existing manufacturing capabilities and infrastructure, ensuring efficient production and supply chain management. Additionally, the domestic market provides proximity, enabling shorter lead times and reduced transportation costs. Furthermore, by targeting domestic traders, we can tap into the growing demand for high-quality yarn products within our country, which has witnessed a surge in textile manufacturing.

C. Outlook:

During the reporting period, our export of yarn to the domestic trading market witnessed positive growth. We experienced an increase in sales volume, leading to a rise in revenue from this segment. The steady demand for quality yarn products in the domestic market contributed to our success.

D. Industry structure and development:

The Indian textile and apparel sector continues to hold a significant position in the national economy, contributing approximately **2.3% to GDP**, **13% to industrial production**, and **12% to total exports**, while providing direct employment to around **45 million people**, with **MSME clusters** forming the backbone of the industry.

In **FY 2023–24**, India's textile and apparel exports stood at **USD 35.9 billion**. A notable highlight was the robust performance of **technical textiles**, with exports reaching **₹24,732.68 crore** (approximately **USD 3 billion**), representing **year-on-year growth of 15.5%** and a **CAGR of nearly 11%** over the past four years.

While official estimates for **FY 2024–25** are awaited, industry projections indicate that the **domestic textile market** is on track to reach **USD 350 billion by 2030**, with exports anticipated to rise to **USD 65 billion by FY 2025–26**.

Policy support remains a key enabler of sectoral growth. In the **Union Budget 2024–25**, the total allocation for the textile sector was approximately **₹4,417.09 crore**. In addition, the **₹10,683 crore Production-Linked Incentive (PLI) Scheme** is expected to significantly boost manufacturing competitiveness,

particularly in **man-made fibre (MMF) apparel** and **MMF fabrics**, with a focus on technology adoption, scale efficiency, and global market penetration

E. Opportunities and Threats:

Opportunities:

1. **Rising Demand in Apparel and Textile Industry:** The global increase in population, urbanization, and fashion-conscious consumers has led to a consistent rise in demand for garments and home textiles, which directly fuels the need for yarn as a base material.
2. **Expansion in Technical and Industrial Textiles:** There's a growing market for technical textiles used in sectors such as automotive, agriculture, healthcare, and sports. These applications often require specialized yarns, providing an opportunity for innovation and high-margin products.
3. **Government Schemes and Incentives:** Many governments are offering financial assistance, tax breaks, and infrastructure support to boost the textile and yarn sector under various development schemes, encouraging expansion and modernization.
4. **Market Research and Development:** Our continuous market research and development efforts have allowed us to identify emerging trends and customer preferences in the domestic market. By aligning our product offerings with these demands, we have managed to stay ahead of the competition.

Threats:

1. **Volatility in Raw Material Prices:** The prices of cotton, polyester, and other essential inputs often fluctuate due to factors like weather conditions, global demand, and supply chain disruptions, which can lead to unstable production costs and profit margins.
2. **High Competition and Market Saturation:** The yarn industry is highly competitive, with many players offering similar products. This intense rivalry can result in price wars, reduced profitability, and the need for constant differentiation.
3. **Stringent Environmental Regulations:** Increased focus on environmental compliance, particularly related to water pollution, chemical use, and carbon emissions, can increase operational costs and require additional investment in eco-friendly technologies.
4. **Emerging Technologies:** Advancements in alternative materials could render existing offerings obsolete.

F. Segment-wise or Product-wise performance:

The Company operates in One Primary Segment i.e. "Manufacturing and Trading in Textiles".

G. Future Outlook:

Looking ahead, we remain optimistic about the prospects of our export of yarn to the domestic trading market. We will focus on the following strategies to sustain growth and capitalize on emerging opportunities:

- Demand for textiles
- Raw material availability and prices
- Technological advancements
- Sustainability and eco-friendly practices
- Global trade and geopolitical factors
- Online Expansion
- Premiumisation and access to global brands
- Further Growth of Private Brands
- Focus on analytics

H. Risks and concerns:

Management recognizes the following principal risks that may influence decisions made by investors given their significant impact on business conditions as stated in the securities report, and among matters

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pertaining to accounting status, consolidated companies' financial status and business performance, as well as cash flows. Our risk management system addresses the increasingly complex risks that we face in our day-to-day operations. The risk management system conducts risk analysis of economic and social changes and implements preventive measures that are best suit for the Company.

I. Internal control systems and their adequacy:

The company has implemented proper system for safeguarding the operations/business of the company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements.

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. The company has internal audit and verification at regular intervals.

The requirement of having internal auditor compulsory by statute in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of company.

H. Discussion on financial performance with respect to operational performance:

The financial performance of the Company for the Financial Year 2023-24 is described in the Directors' Report of the Company.

I. Material developments in Human Resources / Industrial Relations front including number of people employed:

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

J. Caution Statement:

Statements made in the Management Discussion and Analysis describing the various parts may be "forward looking statement" within the meaning of applicable securities laws and regulations. The actual results may differ from those expectations depending upon the economic conditions, changes in Govt. Regulations and amendments in tax laws and other internal and external factors.

Registered Office:

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Ahmedabad, Ahmadabad City, Gujarat,
India, 382 405

**By the Order of the Board of,
Yarn Syndicate Limited**

Place: Ahmedabad
Date: 12th August, 2025

**Sd/-
Mithlesh Agrawal
Director
DIN: 03468643**

**Sd/-
Ravi Pandya
Managing Director
DIN: 09509086**

VALUE RESEARCH PREMIUM

pertaining to accounting status, consolidated companies' financial status and business performance, as well as cash flows. Our risk management system addresses the increasingly complex risks that we face in our day-to-day operations. The risk management system conducts risk analysis of economic and social changes and implements preventive measures that are best suit for the Company.

I. Internal control systems and their adequacy:

The company has implemented proper system for safeguarding the operations/business of the company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements.

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. The company has internal audit and verification at regular intervals.

The requirement of having internal auditor compulsory by statute in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of company.

H. Discussion on financial performance with respect to operational performance:

The financial performance of the Company for the Financial Year 2023-24 is described in the Directors' Report of the Company.

I. Material developments in Human Resources / Industrial Relations front including number of people employed:

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

J. Caution Statement:

Statements made in the Management Discussion and Analysis describing the various parts may be "forward looking statement" within the meaning of applicable securities laws and regulations. The actual results may differ from those expectations depending upon the economic conditions, changes in Govt. Regulations and amendments in tax laws and other internal and external factors.

Registered Office:

13 S No-10 Devraj Estate Nr Balaji, Petrol
Pump Pirana Road Piplaj, Saijpur,
Ahmedabad, Ahmadabad City, Gujarat,
India, 382 405

**By the Order of the Board of,
Yarn Syndicate Limited**

Place: Ahmedabad
Date: 12th August, 2025

**Sd/-
Tarachand Agrawal
Director
DIN: 00465635**

**Sd/-
Ravi Pandya
Managing Director
DIN: 09509086**

FORM NO. AOC-1

**Statement containing salient features of the financial statement of
Subsidiaries/associate companies/joint ventures***(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts)
Rules, 2014)***Part "B": Associate**

Name of Subsidiary Company	(Amount in Lakhs)	
	Stitched Limited	Textiles
1. Latest audited Balance Sheet Date		31-03-2025
2. Shares of Associate/Joint Ventures held by the company on the year end Number		6,30,00,000
Amount of investment in Associates Company		19,84,50,000
Extend of Holding %		49.82%
3. Description of how there is significant influence		Associate
4. Reason why the associate/joint venture is not consolidated		Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet		
6. Profit / Loss for the Year		
a. Considered in Consolidation		
b. Not Considered in Consolidation		

Registered Office:

13 S No-10 Devraj Estate Nr Balaji, Petrol
Pump Pirana Road Piplaj, Saijpur,
Ahmedabad, Gujarat, India, 382 405

**By the Order of the Board of
Yarn Syndicate Limited****Place:** Ahmedabad
Date: 12th August, 2025**Sd/-**
Tarachand Agrawal
Director
DIN: 00465635**Sd/-**
Ravi Pandya
Managing Director
DIN: 09509086

Annexure '4' to Board's Report

REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance is an ethical business process that is committed to value aimed at enhancing an organization's wealth generating capacity. This is ensure by taking ethical business decision and conducting business with firm commitment to values, while meeting stakeholder's expectations. Corporate Governance is globally recognized as a key component for superior long term performance of every corporate entity.

Effective corporate governance practices constitutes the strong foundation on which successful commercial enterprises are built to the last. Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to achieve its vision of being the most respected Company.

We are committed for maximizing stakeholder value by improving good governance, quality and commitment with a spirit of integrity.

Our Corporate Governance framework ensures that we make timely disclosure and share accurate information regarding our financial and performance, as well as leadership and governance of the Company.

The Company's philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieve the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value, over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

A report on compliance with corporate governance principles as prescribed under Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations" or "SEBI (LODR) Regulations, 2015"), as applicable, is given below.

2. BOARD OF DIRECTORS

(a) Composition

Name of Directors	Category of Directorship in the Company	No. of other Directorship @	No. of Committee position in other Companies**		No. of Board Meetings attended during 2024-25
			Member	Chairman	
Mr. Ravi Pandya	Managing Director	-	-	-	9
Mr. Tarachand Agrawal	Non-Executive Director	1	1	-	1
Mr. Rahul Modi	Independent Director	3	4	2	1
Ms. Nidhi Bansal	Independent Director	4	9	2	9
Mr. Mithlesh Agrawal	Non-Executive Director	0	-	-	0

@ Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded.

** for the purpose of reckoning the limit of committees, only chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee has been considered.

(b) Information on Board of Directors

None of the directors on the board is a Member of more than 10 (ten) committees or Chairman of more than 5 (five) committees across all the companies in which he is a director. None of the Independent Directors serve as an Independent Director in more than seven listed entities provided that any Independent Director who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Necessary disclosures regarding their Directorship/ Membership in other companies have been made by all directors.

Chart/Matrix setting out the skills/expertise/ competence of the Board of Directors

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i. Knowledge:

Understand the Company's businesses, policies and culture (including the Mission, Vision and Values) major risks/ threats and potential opportunities and knowledge of the industry in which the Company operates.

ii. Behavioral Skills:

Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

iii. Business Leadership:

Leadership experience including in the areas of Business Strategy, Administration, Decision Making and guiding the Company and its senior management towards its vision and values.

iv. Financial Management skills:

Experience in financial management of large corporations with understanding of capital allocation & funding and financial reporting processes.

v. Sales and Marketing:

Experience in developing strategies to grow sales and market share, build brand awareness and thereby enhance enterprise value.

Name of Director	Knowledge	Behavioral Skills	Business Leadership	Financial Management skills	Sales and Marketing
Mr. Ravi Pandya	Yes	Yes	Yes	Yes	Yes
Mr. Tarachand Agrawal	Yes	Yes	Yes	Yes	Yes
Mr. Rahul Modi	Yes	Yes	Yes	Yes	Yes
Ms. Nidhi Bansal	Yes	Yes	Yes	Yes	Yes
Mr. Mithlesh Agrawal	Yes	Yes	Yes	Yes	Yes

(c) Declaration by the Board

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In terms of Regulation 25(8) of Listing Regulations, each Independent Director has confirmed that he/she meets the criteria of independence in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations and also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. Based on the declaration received from each Independent Director under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of Listing Regulations, Board of Directors has confirmed that the Independent Directors fulfill the conditions specified in these sections and regulations and are independent of the management.

(d) Resignation of Independent Director

During the year under review, Mr. Nandish Jani have resigned from the post of the Independent Director of the Company w.e.f. 20th February, 2025.

(e) Board Membership Criteria

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristic, skills and experience required for the Board as a whole and for individual members. Board Members are expected to possess the expertise, skills, and experience to manage and guide a high growth.

(f) Number of meetings of the Board of Directors held and dates on which held

9 (Nine) Board Meetings were held during the year 2024-25. The dates on which the Board meetings were held are: 30th May, 2024, 18th July, 2024, 14th August, 2024, 06th September, 2024, 13th November, 2024, 09th December, 2024, 12th December, 2024, 14th February, 2025 and 11th March, 2025.

The information as required under Regulation 17(7) of SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach supporting/relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda. As required under Regulation 17 (3) of SEBI (LODR) Regulations, 2015, the Board periodically reviews compliances of various laws applicable to the Company.

Names of the Directors on the Board, their Attendance in the Board Meeting, % of attendance and Attendance in last Annual General Meeting during the year 2024-25 is given below:

No. of Board Meeting held & attended during 2024-25	Name of Director						
	Mr. Ravi Pandya	Mr. Rahul Modi	Mr. Chetan Kumar Ojha	Mr. Tarachand Agrawal	Mr. Mithlesh Agrawal	Mr. Nandish Jani	Ms. Nidhi Bansal
30-05-2024	Yes	NA	Yes	NA	NA	Yes	Yes
18-07-2024	Yes	NA	Yes	NA	NA	Yes	Yes
14-08-2024	Yes	NA	Yes	NA	NA	Yes	Yes
06-09-2024	Yes	NA	Yes	NA	NA	Yes	Yes
13-11-2024	Yes	NA	Yes	NA	NA	Yes	Yes
09-12-2024	Yes	NA	Yes	NA	NA	Yes	Yes
12-12-2024	Yes	NA	Yes	NA	NA	Yes	Yes
14-02-2025	Yes	NA	Yes	NA	NA	Yes	Yes
11-03-2025	Yes	Yes	NA	Yes	NA	NA	Yes
Total attended	9	1	8	1	0	8	9

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% of attendance	100	100	100	100	100	100	100
Whether attended Last AGM held on 06-09-2024	Yes	No	Yes	No	No	Yes	Yes

(h) Disclosure of Relationship between Directors inter se

No Directors of the Company are inter-se related.

(i) Shareholding of Non-Executive Directors

Name of Directors	No. of Shares held	% of shareholding
Mr. Chetan Kumar Ojha	0	0.00
Ms. Nidhi Bansal	0	0.00
Mr. Nandish Jani	0	0.00
Total	0	0.00

(j) Code of Conduct

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 17(5) of the SEBI (LODR) Regulations, 2015. A declaration in respect of affirmation on compliance with Code of Conduct, by the Board Members and senior management personnel for the financial year ended on March 31, 2025, duly signed by Managing Director of the Company is attached herewith and forms part of Corporate Governance Report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

(k) Disclosures regarding appointment/re-appointment of Directors

Mr. Tarachand Agrawal, Director, is retiring at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. An agenda seeking shareholders' approval for his re-appointment forms part of the Notice of the Annual Report.

The brief resume and other information required to be disclosed under Regulation 36(3) of SEBI (LODR) Regulations, 2015 is provided in the Notice of the Annual General Meeting.

(l) Familiarization Programme for Independent Director

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarization programmes have been disclosed on the Company's website.

3. AUDIT COMMITTEE

The Audit Committee serves as the link between the Statutory and internal auditors and the Board of Directors. The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with the view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

(a) Terms of reference and Powers

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Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

With the introduction of SEBI Notification No. SEBI/ LAD-NRO/GN/2021/22 dated 5th May, 2021 amending SEBI (LODR) Regulations, 2015 which will be effective from different dates in phase manner, the role of the Audit Committee has been amended by addition of one new role of Audit Committee i.e. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Committee reviews the information as listed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 read with Schedule II Part C (B) as well as under Section 177 of the Companies Act, 2013 as amended from time to time.

(b) Composition

The Board of Directors of the Company has constituted an Audit Committee. Presently, the Audit Committee comprises qualified and majority independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The present composition of the Audit committee is as follow:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Ms. Nidhi Bansal	Chairperson	6	6
Mr. Ravi Pandya	Member	6	6
Mr. Rahul Modi ¹	Member	NA	NA
Mr. Nandish Jani ²	Member	6	6

¹ Mr. Rahul Modi had been appointed as member of Member of the Audit Committee w.e.f. 14th February, 2025

² Mr. Nandish Jani had given resignation from the post of Member of Audit Committee w.e.f. 14th February, 2025.

(c) Audit Committee Meetings

6 [Six] Audit Committee Meetings were held during the year 2024-25. The dates on which the Audit Committee Meetings were held are: 30th May, 2024, 14th August, 2024, 13th November, 2024, 9th December, 2024, 12th December, 2024, and 14th February, 2025.

The Statutory Auditors, Internal Auditors of the Company and Finance personnel are invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

Company Secretary acts as Secretary to the Committee.

Names of the members on the Committee, their Attendance in the Audit Committee Meetings, % of attendance during the year 2024-25 is given below:

Name of Member	No. of Audit Committee Meeting held & attended during 2024-25						Total attended	% of attendance
	30-05-2024	14-08-2024	13-11-2024	09-12-2024	12-12-2024	14-02-2025		
Ms. Nidhi Bansal	Yes	Yes	Yes	Yes	Yes	Yes	6	100

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Mr. Ravi Pandya	Yes	Yes	Yes	Yes	Yes	Yes	6	100
Mr. Rahul Modi	NA	NA	NA	NA	NA	NA	0	NA
Mr. Nandish Jani	Yes	Yes	Yes	Yes	Yes	Yes	6	100

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Composition:

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, Nomination and Remuneration Committee has been constituted by the Board of Directors. The present composition of the Nomination and Remuneration Committee is as follow:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Ms. Nidhi Bansal	Chairperson	3	3
Mr. Tarachand Agrawal ¹	Member	1	1
Mr. Rahul Modi ²	Member	1	1
Mr. Nandish Jani ³	Member	2	2
Mr. Chetan Kumar Ojha ³	Member	2	2

¹ Mr. Tarachand Agrawal had been appointed as the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

² Mr. Rahul Modi had been appointed as the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

³ Mr. Nandish Jani and Chetan Kumar Ojha had given Resignation from the post of the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

(b) Nomination and Remuneration Committee Meeting:

During the year under review, Nomination and Remuneration Committee ("NRC") Meeting was held on 18th July, 2024, 14th February, 2025 and 11th March, 2025.

Names of the members on the Committee, their Attendance in the Nomination and Remuneration Committee (NRC) Meetings, % of attendance during the year 2024-25 is given below:

Name	No. of Committee Meeting			Total attendance	% of attendance
	18-07-2024	14-02-2025	11-03-2025		
Ms. Nidhi Bansal	Yes	Yes	Yes	3	100
Mr. Tarachand Agrawal	NA	NA	Yes	1	100
Mr. Rahul Modi	NA	NA	Yes	1	100
Mr. Nandish Jani	Yes	Yes	NA	2	100
Mr. Chetan Kumar Ojha	Yes	Yes	NA	2	100

(c) Terms of reference and Powers of the committee inter alia, includes the following:

Terms of Reference and role of the NRC cover the matters specified in SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as amended from time to time, which, inter alia, includes the following:

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

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Mr. Ravi Pandya	Yes	Yes	Yes	Yes	Yes	Yes	6	100
Mr. Rahul Modi	NA	NA	NA	NA	NA	NA	0	NA
Mr. Nandish Jani	Yes	Yes	Yes	Yes	Yes	Yes	6	100

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Composition:

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, Nomination and Remuneration Committee has been constituted by the Board of Directors. The present composition of the Nomination and Remuneration Committee is as follow:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Ms. Nidhi Bansal	Chairperson	3	3
Mr. Tarachand Agrawal ¹	Member	1	1
Mr. Rahul Modi ²	Member	1	1
Mr. Nandish Jani ³	Member	2	2
Mr. Chetan Kumar Ojha ³	Member	2	2

¹ Mr. Tarachand Agrawal had been appointed as the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

² Mr. Rahul Modi had been appointed as the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

³ Mr. Nandish Jani and Chetan Kumar Ojha had given Resignation from the post of the Member of the Nomination and Remuneration Committee w.e.f. 14th February, 2025.

(b) Nomination and Remuneration Committee Meeting:

During the year under review, Nomination and Remuneration Committee ("NRC") Meeting was held on 18th July, 2024, 14th February, 2025 and 11th March, 2025.

Names of the members on the Committee, their Attendance in the Nomination and Remuneration Committee (NRC) Meetings, % of attendance during the year 2024-25 is given below:

Name	No. of Committee Meeting			Total attendance	% of attendance
	18-07-2024	14-02-2025	11-03-2025		
Ms. Nidhi Bansal	Yes	Yes	Yes	3	100
Mr. Tarachand Agrawal	NA	NA	Yes	1	100
Mr. Rahul Modi	NA	NA	Yes	1	100
Mr. Nandish Jani	Yes	Yes	NA	2	100
Mr. Chetan Kumar Ojha	Yes	Yes	NA	2	100

(c) Terms of reference and Powers of the committee inter alia, includes the following:

Terms of Reference and role of the NRC cover the matters specified in SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as amended from time to time, which, inter alia, includes the following:

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

- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and carrying out evaluation of performance of every Director.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommending and determining remuneration of the Executive Directors as per the Policy.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

(d) Performance evaluation criteria for directors:

Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, effective participation, domain knowledge and so on, which are considered by the Committee and/or Board while evaluating the performance of each Director.

The performance evaluation of the Independent Directors was carried out by the entire Board as well as Nomination and Remuneration Committee.

(e) Salient features of policy on remuneration of directors, key managerial personnel & senior employees:

The Company has formulated the remuneration policy for its directors, key managerial personnel and Senior Employees keeping in view the following objectives:

- » To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- » To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- » To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

(1) Criteria for Selection of Directors:

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee ("NRC") satisfies itself with regard to the independence nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. NRC ensures that the candidate identified for Appointment / Re- Appointment as an Independent Director is not disqualified for Appointment / Re-Appointment under Section 164 of the Companies Act, 2013.
- d. NRC considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

1. Qualification, expertise and experience of the Directors in their respective fields;

2. Personal, Professional or business standing;
3. Diversity of the Board.

e. Board of Directors take into consideration the performance evaluation of the Directors and their engagement level.

(2) Criteria for Selection of KMP/Senior Management:

- a. NRC ensures that the candidate possesses the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- b. NRC considers the practice and encourage professionalism and transparent working environment.
- c. NRC considers to build teams and carry the team members along for achieving the goals/ objectives and corporate mission.

(3) Remuneration:

A. Remuneration to Executive Directors and KMP:

- i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- ii) The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the KMP of the Company.
- iii) The remuneration structure to the Executive Directors and KMP shall include the following components:
 - Basic Pay
 - Perquisites and Allowances
 - Stock Options
 - Commission (Applicable in case of Executive Directors)
 - Retiral benefits

B. Remuneration to Non-Executive Directors:

- i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
- ii) Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive and Independent Directors shall also be entitled to remuneration by way of commission in addition to the sitting fees.

C. Remuneration to Senior Employees:

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

5. REMUNERATION OF DIRECTORS

(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity:

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large.

(b) Disclosures with respect to remuneration:

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.

Executive & Managing Directors

The Nomination and Remuneration Committee of the Directors is authorized to decide the remuneration of the Managing Director, subject to the approval of Members, if required. The remuneration structure of the Company comprises salary/remuneration, perquisites & Allowances etc. The nature of employment of all Executive and Managing Directors is contractual as per the Company's policy.

The Company has one Managing Director on its Board, who is eligible to draw remuneration as per the Board and Shareholder's approval. However, the Managerial Person viz. Mr. Ravi Pandya, Managing Director has decided not to draw any remuneration from the Company and accordingly no remuneration including any allowances and/or performance linked Bonus/Commission was paid to the Managerial Persons during financial year 2024-2025.

Terms of Appointment of Directors

As required under Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/reappointment are given in Notice of the 79th Annual General Meeting.

I. Non-Executive & Independent Directors

Commission & Sitting fees to Non-executive Director

The details of payment of commission and sitting fees paid to Non-Executive & Independent Directors for the FY 2024-25 are as under:

(Amount in Lakhs)

Sr. No.	Name of Director	Commission	Sitting Fees
1	Mr. Chetan Kumar Ojha	Nil	0.00
2	Mr. Nandish Jani	Nil	0.37
3	Ms. Nidhi Bansal	Nil	0.41

The Company also reimburses out of pocket expenses incurred by the Directors, if any, for attending Board & Committee meetings.

III. Non-Executive Director

Mr. Chetan Kumar Ojha (Chetan Kumar Ojha has resigned w.e.f 15th February,2025

Terms of remuneration of Mr. Chetan Kumar Ojha as approved by the Shareholders are as under:

Remuneration paid to Mr. Chetan Kumar Ojha during the year 2024-25: Nil

Remuneration of Tarachand Agrawal and Mithlesh Agrawal

Note: As per Regulation 17(6)(ca) of the SEBI (LODR) Regulations, 2015, the approval of the members of the Company by way of special resolution, giving details of remuneration, is required every year for payment of annual remuneration to single non-executive Director exceeding 50% (fifty percent) of the total annual remuneration payable to all non-executive Directors of the Company.

(C) Stock Option

The Company has not granted any stock options to its Directors.

The Criteria of making payment to Non-Executive Directors is placed on the website of the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) Composition

The Company has constituted Stakeholders Relationship Committee. The constitution, composition and functioning of the Stakeholders Relationship Committee also meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The Committee specifically looks into issues relating to various aspects of shareholders, *inter alia*, share related matters and redressal of grievances of Security holders. The Committee comprises 3 [three] members and committee functions under the Chairmanship of the Committee. The present composition of the Stakeholders Relationship Committee is as follow:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Ravi Pandya	Member	1	1
Ms. Nidhi Bansal	Member	1	1
Mr. Tarachand Agrawal ¹	Chairperson	NA	NA
Mr. Chetan Kumar Ojha ²	Chairperson	1	1

¹ Mr. Tarachand Agrawal had been appointed as the Chairperson of the Stakeholder Relationship Committee w.e.f. 14th February, 2025.

² Mr. Chetan Kumar Ojha had given resignation from the post of Member of the Stakeholders' Relationship Committee w.e.f. 14th February, 2025.

(b) Stakeholders' Relationship Committee Meetings:

1 [One] meetings were held during the year 2024-25. The dates on which the Stakeholders' Relationship Committee Meetings were held are: 6th September, 2025.

Names of the members on the Committee, their Attendance in the Stakeholders' Relationship Committee Meetings, % of attendance during the year 2024-25 is given below:

Name	No. of Committee Meeting	Total attendance	% of attendance
	06-09-2025		
Mr. Tarachand Agrawal	NA	NA	NA
Mr. Ravi Pandya	Yes	1	100
Ms. Nidhi Bansal	Yes	1	100
Mr. Chetan Kumar Ojha	Yes	1	100

(c) Terms of reference, Role and Powers

The Company has adopted terms of reference and role of Stakeholders Relationship Committee as per Section 178 the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Role of Stakeholders Relationship Committee:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(d) Other Information

- To expedite the process of share transfer, transmission, split, consolidation, rematerialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the powers of approving the same to the Company's RTA namely Cameo Corporate Services Limited, Tamil Nadu, under the supervision and control of the Company Secretary/ Compliance Officer of the Company, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the said Committee.

• Name, Designation and address of the Company Secretary & Compliance Officer

Ms. Shwetambery Khurana, Company Secretary & Compliance Officer

Yarn Syndicate Limited
Shop No 128 Supermall-2 GH-0 Circle,
Infocity, Gandhinagar, Sector 7,
Gandhinagar, Gujarat, India, 382007



Email: yssl@yarnsyndicate.in

The Company has designated the email id (yssl@yarnsyndicate.in) for grievances redressal and registering complaints by investor.

Quarter-wise Summary of Investors Complaints received and resolved during the Financial Year 2024-25.

Quarter-wise Summary of Investors' Complaints received and resolved

Quarter Period		Opening	Received	Resolved	Pending
From	To				
01-04-2024	30-06-2024	Nil	Nil	Nil	Nil
01-07-2024	30-09-2024	Nil	Nil	Nil	Nil
01-10-2024	31-12-2024	Nil	Nil	Nil	Nil
01-01-2025	31-03-2025	Nil	Nil	Nil	Nil

(e) Non-receipt/Unclaimed dividends

The Company has not declared dividend for any financial year till date and also there are Nil unclaimed dividend as on date.

(f) Amount Transferred to IEPF Account

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As per the provision of Section 124(5) and Section 125 of the Companies Act, 2013, the Company is required to transfer the unclaimed Dividends, remaining unclaimed and unpaid for a period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

7. INFORMATION ABOUT GENERAL MEETINGS:

(a) Annual General Meeting

Details of Venue, Date and Time of the Last Three Annual General Meetings are as follows:

Year	Venue	Date	Time
2021-22	86/2/4, S N Banerjee Road, 1 st Floor, Flat No. 2, Kolkata – 700 014	30-09-2022	11:00 A.M.
2022-23	Through Video Conferencing (VC) / Other Audio Video Means (OAVM)	31-08-2023	4:30 P.M.
2023-24	Through Video Conferencing (VC) / Other Audio Video Means (OAVM)	30-09-2024	4:00 P.M.

(b) Special Resolution (without postal ballot) passed at the Last Three AGM

The Company has passed following special resolutions at Annual General Meeting for 2021-22 on 30th September, 2022: Nil

The Company has passed following special resolutions at Annual General Meeting for 2022-23 on 31st August, 2023:

1. Appointment of Mr. Nandish Jani (DIN: 09565657) as an Independent Director of the Company.
2. Appointment of Ms. Nidhi Bansal (DIN: 09693120) as an Independent Director of the Company.
3. To approve Borrowing Limits under Section 180 (1) (C) of the Companies Act, 2013.
4. To sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of such undertakings.
5. Power under Section 186 of the Companies Act, 2013,
6. Change of Registered Address of the Company.

The Company has passed following special resolutions at Annual General Meeting for 2023-24 on 06th September, 2024:

1. Change of Registered Office of the Company from Gandhinagar in the “State of Gujarat” to Ahmedabad in the “State of Gujarat”.

(c) Postal Ballot Resolutions

The Company did not pass any special resolution through Postal Ballot during the last year.

8. MEANS OF COMMUNICATION

(a) Financial Results

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges and Company website, immediately after the same are taken on record by the Board.

(b) Newspapers wherein results normally published

Results are normally published in Indian Express (English edition) and in Financial Express (Gujarati edition). These are not sent individually to the shareholders.

(c) Website, News Releases, Presentation etc.

The Company's results, annual reports and official news releases are displayed on the Company's website. The said Company's website also containing basic information about the Company includes information about the Company's business, financial information, shareholding pattern, compliance with corporate governance, Company's director, registrar & transfer agent, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc.

The Company had meetings with and made presentations to the institutional investors and analysts during the year and the presentation made to analysts and investors are uploaded on the website of the Company.

BSE Listing Center

BSE Limited has also launched a web-based system for corporates to make their periodic submission of compliances online. Your company is also filing the Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures through the BSE Listing Center.

Processing of investor complaints in SEBI Complaints Redress System (SCORES)

SEBI has commenced processing of investor complaints in a centralized web-based complaints redress system "SCORES". By this facility investors can file their complaints on line and also view online movement of their complaints. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

Price Sensitive Information

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the Shareholders. The said information are also uploaded on the Company's website.

9. OTHER DISCLOSURES:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large

There were no materially significant related party transactions that may have potential conflict with the interests of the Company.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

Your Company has complied with all the requirements of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market.

(c) Vigil Mechanism/ Whistleblower Policy

The Company has adopted the Whistleblower Policy and has established the necessary vigil mechanism for stakeholders, including individual employees and their representative bodies and directors to report concerns about illegal or unethical practices, unethical behavior, actual or suspect fraud or violation of Code of Conduct. It also provides adequate safeguard against the victimization of employees who avail of the mechanism and

allows direct access to the Chairman of the Audit Committee. No person has been denied access to the Chairman of Audit Committee. The said policy is uploaded on the Company's website.

(d) Material Subsidiary

The Company have Associate Company.

The Company has policy for determining "Material Subsidiary" which is uploaded on the website of the Company.

(e) Basis of Related Party Transaction

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large in the financial year 2024-25. Related party transaction during the year have been disclosed vide note no. 29 of notes on financial statement as per requirement of Ind AS 24 on related party disclosure issued by ICAI.

These transactions are not likely to conflict with the interest of the Company at large. All significant transaction with related parties is placed before audit committee periodically.

The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company.

(f) Details of compliance with the mandatory requirements and extent of compliance with non-mandatory requirements

• Compliance with the Corporate Governance Code

As per Notification no. SEBI/LAD-NRO/GN/2018/21 dated May 31 2018 regulations 17 18 19 20 and 21 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 related to Board of Directors Audit Committee Nomination and Remuneration Committee and Stakeholders Relationship Committee respectively shall not be applicable during the insolvency resolution process period in respect of a listed entity which is undergoing CIRP under the Code provided that the role and responsibilities of the Board of Directors as specified under regulation 17 shall be fulfilled by the interim resolution professional or resolution professional in accordance with sections 17 and 23 of the Insolvency and Bankruptcy Code.

• Extent of compliance with the non-mandatory requirements and Discretionary Requirements specified in Part E of Schedule II

o **Shareholder's Rights:** Quarterly and Yearly financial results including summary of significant events are presently not being sent to the shareholders of the Company. However, quarterly financial results are published in the leading newspapers and are also available on the website of the Company.

o **Modified Opinion(s) in Audit Report:** There is no qualification on Auditor's report on standalone and consolidated financial statement to the shareholder of the Company.

o **Reporting of Internal Auditor:** The Board has appointed Internal Auditor of the Company. The Internal Auditor of the Company is regularly invited to the Audit Committee meeting and regularly attends the meeting. The Internal Auditors give quarterly presentation on their audit observation to the Audit Committee.

The Company has obtained a Certificate from Mr. Jay Pandya, Proprietor of M/s. Jay Pandya & Associates, Company Secretaries, Ahmedabad on compliance of conditions of Corporate Governance requirement as required under Schedule V (E) read with Regulation 34 (3) of SEBI (LODR) Regulations, 2015 and has attached the said certificate with the Boards' Report.

(g) Disclosure of accounting treatment in preparation of Financial Statements

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing financial statement.

(h) MDAR

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

(i) CEO/CFO Certificate

In compliance of the Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company give annual Certification on financial reporting and internal Control to the Board. As per the requirement of Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015 the Managing Director and Chief Financial Officer also gives quarterly Certification on financial results while placing the financial results before the Board.

(j) Risk Management Policy

The Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measures and steps in place to minimize the same.

(k) Dividend Distribution Policy

As per amendment made in Regulation 43A of SEBI (LODR) Regulations, 2015 vide SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to formulate Dividend Distribution Policy. The Board has approved the Dividend Distribution Policy in line with said Regulation which is uploaded on the website of the Company.

(l) Other Policies

The Company has also formulated policy for Preservation & Archival of documents and a policy for determining materiality of event and information for disclosures as per Listing Regulation, 2015.
Policy on Criteria of making payment to Non-Executive Directors.

The Board approved policy on Criteria of making payment to Non-Executive Directors as per Companies Act, 2013 and made amended from time to time.

Further, MCA vide its circulars dated 18th March, 2021 notifies amendment in Section 149(9) and Section 197 including Schedule V of the Companies Act, 2013 which allow the Independent Director to take remuneration in case of Company has no profit or inadequate profit subject to the provisions of Schedule V. Hence, the Company has revised Criteria of making payment to Non-Executive Directors to that extent.

The said policies are available on the website of the Company.

(m) Conflict of Interest

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

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

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

(o) Confirmation and Certification

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from Mr. Jay Pandya, Proprietor of M/s. Jay Pandya & Associates, Company Secretaries, Ahmedabad, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

(p) Payment to Statutory Auditors

During 2024-25, total fees for all services paid by the Company and the subsidiaries, on a consolidated basis, to the Statutory Auditors i.e. Rs. 83,000/-

(q) Sexual Harassment of Women at Workplace

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("Sexual Harassment Act"). Internal Complaints Committee (ICC) has been constituted for the Company's various sites and workplace in compliance with the provisions of Sexual Harassment Act to redress complaints received regarding sexual harassment. There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment Act.

(r) SEBI (Prohibition of Insider Trading) Regulations, 2015

The Company has approved/adopted Code of Conduct for Insider Trading, as per SEBI (Prohibition of Insider Trading) Regulations, 2015 ["SEBI (PIT) Regulations"]

(s) Availed services of NSDL to update e-mail ids of shareholders to send notice of 79th Annual General Meeting in compliance with the concern circulars issued by MCA and SEBI

In view of the unprecedented outbreak of COVID-19 pandemic, MCA and SEBI vide their Circulars allowed Companies to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Further, the said circulars have also permit to send Annual Report to Shareholders through email only and dispensed with the printing and dispatch of physical copy of annual reports to shareholders.

Accordingly, Notice of AGM along with the Annual Report for FY 2024-25 was being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. In this regard, as a part of Good Corporate Governance, the Company had availed services of Depository viz. National Securities Depository Limited ("NSDL") to update the e-mail IDs of the shareholders to send Notice of AGM along with the Annual Report for FY 2024-25. By the said services, shareholders can update their email ID directly without approaching their DP, where they maintain their demat account.

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(t) During the year, the Board has accepted all the recommendations made by various committees including Audit Committee. There have been no instances during the year where recommendations of the any Committee were not accepted by the Board.

10. GENERAL SHAREHOLDERS' INFORMATION:

Sr. No.	Particulars	Details
1	Registered Office	13 S No-10 Devraj Estate Nr Balaji, Petrol Pump Pirana Road Piplaj, Saijpur, Ahmedabad, Gujarat, India - 382 405
2	Annual General Meeting	17 th September, 2025 at 4:00 P.M. Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to MCA / SEBI Circulars.
3	Financial Year	1 st April, 2024 to 31 st March, 2025
4	Financial Results	
	1 st Quarter	45 days from end of Quarter 30 th June, 2024
	Half Year ended	45 days from end of Quarter 30 th September, 2024
	Nine Months ended	45 days from end of Quarter 31 st December, 2024
	Year ended	60 days from end of Financial Year i.e. 31 st March, 2025
5	Book Closure Dates	10 th September, 2025 to 17 th September, 2025 (both days inclusive)
6	Dividend Payment Date	Not Applicable
7	Listing of Shares on Stock Exchanges	BSE Limited The Company has paid the annual listing fees for the financial year 2024-25 to the Stock Exchange viz. BSE Limited, where the equity shares of the Company are listed.
8	Stock Exchange Code	Script Code: 514378 and Symbol: YARNSYN
9	Registrar and Share Transfer Agents for both Physical and Demat Segment of Equity Shares of the Company	Cameo Corporate Services Ltd Subramanian Building No. 1, Club House Road, Chennai, Tamil Nadu, 600002

11. Distribution of Shareholding as on 31st March, 2025:

No. of Equity Shares Held	No. of Share Holders	% of Share Holders	No. of Equity Shares Held	% of total Holding
1-5000	9205	87.9063	8689180	3.995
5000-10000	613	5.8604	4982050	2.2906
10001 & above	642	6.0233	203828770	93.71
Total	10460	100.00	217500000	100.00

12. Category of Shareholders as on 31st March, 2025:

Category	No. of Shares held	% of Shareholding
Promoters (Directors, Relatives & Group Companies)	1190555	5.47
LLP	529944	2.44
Corporate Bodies	25,53,064	11.74
Non-Resident Indian	83387	0.38
Resident Individual	16842683	77.44
HUF	529277	2.43
Public (Institutions)	21090	0.10

Total	21750000	100.00
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13. Dematerialization of Shares & Liquidity

The Company's shares are in compulsory demat segment and as on 31st March, 2025, 2,15,39,659 equity shares of the Company, forming 99.03% of the Company's paid-up equity share capital, is in dematerialized form. Company's shares are easily traded on the stock exchange i.e. BSE Limited Main Board.

14. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The Company has no outstanding GDRs/ADRs/ Warrants/Options or any convertible Instruments as on 31st March, 2025.

15. Share Transfer System

All the shares related work is being undertaken by our RTA, Cameo Corporate Services Limited, Tamil Nadu. To expedite the process of share transfer, transmission, split, consolidation, rematerialisation and dematerialisation etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's RTA under the supervision and control of the Company Secretary, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the Stakeholders Relationship Committee.

In terms of Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shares lodged for transfer at the RTA address in physical form are normally processed and approved within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Normally, all the requests for dematerialization of shares are processed and the confirmation is given to the Depository within 15 days. The investors/ shareholders grievances are also taken-up by our RTA.

The Company has obtained and filed with the Stock Exchange(s), the yearly certificates from a Company Secretary in practice for due compliance with the share transfer formalities as required under Clause 40(9) of SEBI (LODR) Regulations, 2015 read with SEBI Circular no. SEBI/ HO/MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020.

16. Reconciliation of Share Capital Audit Report

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/ paid-up capital of the Company were placed before the Stakeholders Relationship Committee every quarter and also submitted to the Stock Exchange(s) every quarter.

CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members of
Yarn Syndicate Limited**

We have examined the compliance of conditions of Corporate Governance by Yarn Syndicate Limited (the Company), for the financial year ended on 31st March, 2025 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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



**FOR, JAY PANDYA & ASSOCIATES,
COMPANY SECRETARIES**

JAY PANDYA
PROPREITOR
ACS No.: 63213
COP No.: 24319
FRN: S2024GJ963300
Peer Review Certificate No.: 5532/2024
UDIN: A063213G000985961

Date: 12th August, 2025
Place: Ahmedabad

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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 Disclosures Requirements) Regulations, 2015)

To,
The Members of
Yarn Syndicate Limited
13 S No-10 Devraj Estate Nr Balaji,
Petrol Pump Pirana Road Piplaj, Saijpur,
Ahmedabad, Gujarat, India – 382 405

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Yarn Syndicate Limited having CIN: L51109GJ1946PLC153972 and having registered office at 13 S No-10 Devraj Estate Nr. Balaji, Petrol Pump Pirana Road Piplaj, Saijpur, Ahmedabad, Ahmadabad City, Gujarat, India, 382405 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1	Mr. Ravi Pandya	09509086	12-05-2023
2	Mr. Tarachand Agrawal	00465635	14-02-2025
3	Mr. Rahul Modi	09483841	14-02-2025
4	Ms. Nidhi Bansal	09693120	12-05-2023
5	Mr. Mithleshkumar Agrawal	03468643	11-03-2025

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

FOR, JAY PANDYA & ASSOCIATES,
COMPANY SECRETARIES

JAY PANDYA
PROPREITOR
ACS No.: 63213
COP No.: 24319
FRN: S2024GJ963300
Peer Review Certificate No.: 5532/2024
UDIN: A063213G000985926

Date: 12th August, 2025
Place: Ahmedabad

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

Schedule V (D) of Regulation 34(3) of SEBI (LODR) Regulations, 2015

This is to certify that the Company has laid down the rules for Code of Conduct for the members of the Board and senior management, as per the Regulation 17 of SEBI (LODR) Regulations, 2015.

I hereby further certify that the Company has received affirmation on compliance with rules of Code of Conduct, from the Board Members and senior management personnel for the financial year ended on March 31, 2025, as per the requirement of Regulation 26(3) of SEBI (LODR) Regulations, 2015.

Registered Office:

13 S No-10 Devraj Estate Nr Balaji,
Petrol Pump Pirana Road Piplaj,
Saijpur, Ahmedabad, Ahmadabad City,
Gujarat, India, 382405

**By the Order of the Board of,
Yarn Syndicate Limited**

Place: Ahmedabad

Date: 12th August, 2025

Sd/-

Tarachand Agrawal

Director

DIN: 00465635

Sd/-

Ravi Pandya

Managing Director

DIN: 09509086



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DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct of Board of Directors and Senior Management for the year ended on 31st March, 2025.

Registered Office:

13 S No-10 Devraj Estate Nr Balaji, Petrol Pump Pirana Road Piplaj, Saijpur, Ahmedabad, Ahmadabad City, Gujarat, India, 382405

**By the Order of the Board of,
Yarn Syndicate Limited**

Place: Ahmedabad

Date: 12th August, 2025

Sd/-

Tarachand Agrawal

Director

DIN: 00465635

Sd/-

Ravi Pandya

Managing Director

DIN: 09509086





Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members**Yarn Syndicate Limited**

Regd. Office: 13, SNo-10 Devraj Estate, Nr Balaji, Petrol Pump Pirana
Road Piplaj, Saijpur, Ahmedabad-Gujarat, 382405

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Yarn Syndicate Limited [CIN: L51109GJ1946PLC153972]** (*hereinafter called the Company*). The 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 2025 ('*Audit Period*') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, (*subject to the observations/qualification mentioned in this report*) in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 ('*the Act*') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('*SCRA*') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not Applicable to the Company during the Audit Period*);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('*SEBI Act*'): —

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



- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(Not Applicable to the Company during the Audit Period)*;
- (e) The Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021 *(Not Applicable to the Company during the Audit Period)*;
- (f) The Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 *(Not Applicable to the Company during the Audit Period)*;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 *(Not Applicable to the Company during the Audit Period)*; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 *(Not Applicable to the Company during the Audit Period)*;
- (j) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 *(Not Applicable to the Company during the Audit Period)*;

(vi) Other laws as applicable during the audit period.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India; with respect to the Board Meetings and General Meetings.
- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to filing of certain forms with additional fees and certain Compliances of Listing Obligations and Disclosure Requirements) Regulations, 2015 beyond due date except for the below mentioned:

1. The Company's Status is reflected as 'SDD Non-compliant' on the BSE Portal. However, Company has Provided records where it is evident that it is complying with the SDD requirements, further they are in communication with the Exchange to resolve the technical matter.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes that took place in the composition of the Board of Directors were in carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast Seven (7) days in advance (and by complying with prescribed procedure where the meetings are called in less than seven days' notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at Board Meetings and Committee Meetings are passed with requisite approvals, as 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.

**FOR, JAY PANDYA & ASSOCIATES,
COMPANY SECRETARIES**

JAY PANDYA
PROPREITOR
ACS No.: 63213
COP No.: 24319
FRN: S2024GJ963300
Peer Review Certificate No.: 5532/2024
UDIN: A063213G000985981

Date: 12th August, 2025
Place: Ahmedabad



To,
The Members
Yarn Syndicate Limited

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the 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 random test basis to ensure that the correct facts are reflected in the 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 and have relied upon the statutory Auditor report made available by the company to me, as on the date of signing of this report.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on random test basis.
6. The Secretarial Audit Report is neither an assurance nor a confirmation that the list is exhaustive.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR, JAY PANDYA & ASSOCIATES,
COMPANY SECRETARIES**

JAY PANDYA
(PROPREITOR)
ACS No.: 63213
COP No.: 24319
FRN: S2024GJ963300
Peer Review Certificate No.: 5532/2024
UDIN: A063213G000985981
Date: 12th August, 2025
Place: Ahmedabad

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INDEPENDENT AUDITOR'S REPORT

To the Members of Yarn Syndicate Limited

Report on the Indian Accounting Standards (Ind AS) Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Yarn Syndicate Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, 2021, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the Profit and 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 standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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 that there are no key audit matters to be communicated in our report.

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express

INDEPENDENT AUDITORS' REPORTTo the Members of **Yarn Syndicate Limited**

Report on the Standalone Financial Statements

Page 2 of 5

any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

INDEPENDENT AUDITORS' REPORT

To the Members of **Yarn Syndicate Limited**

Report on the Standalone Financial Statements

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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2020' ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

INDEPENDENT AUDITORS' REPORT

To the Members of **Yarn Syndicate Limited**

Report on the Standalone Financial Statements

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2. 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), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2021, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our audit report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to the standalone financial statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditors' 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 as at March 31, 2025 on its financial position in its financial statements - Refer Note 29 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - 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

INDEPENDENT AUDITORS' REPORT

To the Members of **Yarn Syndicate Limited**

Report on the Standalone Financial Statements

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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 dividend during the year.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W



Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Place: Mumbai

Date: May 30, 2025

UDIN: 25403437BMIOWY3568

Annexure A to Auditors' Report

Referred to in Annexure referred to in paragraph (1) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025.

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets as reflected in the books.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) According to the information and explanations given by the management, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder. Hence the reporting requirements under clause (i) (e) of the said order are not applicable.
- ii) (a) The inventory has been physically verified by the Management during the year at regular intervals. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and no material discrepancies were identified on such verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company.
- iii) The company has granted unsecured loans and made investments in other entities:
 - (a) In our opinion and according to the information and explanations given to us and the records produced to us for our verification, during the year the Company has provided loans as follows:

(Rupees in Lakhs)

Particulars	Loans
Aggregate Amount granted / provided during the year	
- Subsidiaries	Nil
- Others	5.00
Balances outstanding as at balance sheet date	
- Subsidiaries	Nil
- Others	5.00

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that rate of interest and other terms and conditions of the investments made and loans granted by the Company are not, prima facie, prejudicial to the interest of Company.
- (c) In respect of loans granted by the company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of repayment of principal and payment of interest.

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Annexure A to Auditors' Report

Referred to in Annexure referred to in paragraph (1) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025.

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.
- (e) There were no loans granted by the company which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment, however none of these are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

<i>(Rupees in Lakhs)</i>	
Particulars	All Parties
Aggregate amount of Loans repayable on demand	5.00
Percentage of loans to the total loans	100%

- iv) In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the companies Act, 2013 in respect of loans, investments, guarantees and security.
- v) The Company has neither accepted deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company and accordingly reporting under clause 3(vi) of the Order is not applicable.
- vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including income tax, goods and service tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as referred to above were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable except as stated below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Due Date	Date of payment
The Gujarat Professions Tax Act, 1976	Professional Tax	0.04	April-24 to September-24	15 th of Next Month	Outstanding

- (b) According to the records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2025 on account of any dispute are given below:

VALUE RESEARCH PREMIUM

Annexure A to Auditors' Report

Referred to in Annexure referred to in paragraph (1) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025.

(Rupees in Lakhs)

Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Amount paid under protest	Period to which the amount relates	Forum where the dispute is pending
Provident Fund Act, 1952	Interest & Damages	1.44	-	February 2011 to December 2021	Assistant Provident Commissioner

- viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any default in repayment of loan from banks or Financial Institution or other borrowings or in the payment of interest thereon (where due) to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and based on our examination of the records of the company, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, we report that, prima facie, no funds raised on short term basis have been used by the company for long-term purposes.
- (e) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, we report that the Company has not taken any funds from any entity or person to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate.
- x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

Annexure A to Auditors' Report

Referred to in Annexure referred to in paragraph (1) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025.

- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by auditors in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) The company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii) In our opinion, the Company is in compliance with Sections 177 and 188 of the Act, where applicable, for all transaction with related parties and details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the year under audit.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them.
- xvi) (a) According to information and explanations given by management and to the best of our knowledge, the company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) In our opinion and according to the information and explanations given to us, the company is not a Core Investing Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) Based on the written representation provided to us by the management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi) (d) of the Order is not applicable.
- xvii) The company has not incurred cash losses during the financial year; and in the immediately preceding financial year.
- xviii) There has been resignation of the statutory auditors during the year and no issues, objections or concerns were raised by the outgoing auditors.
- xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note 27 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its

Annexure A to Auditors' Report

Referred to in Annexure referred to in paragraph (1) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025.

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) According to the information and explanations given to us, the provisions of Section 135(5) of the Act, are not applicable to the company, hence the requirement to report on Clause 3(xx) of the Order is not applicable to the Company.

xxi) The requirement of Clause 3(xxi) is not applicable in respect of these Standalone Financial Statements.

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Place: Mumbai

Date: May 30, 2025

UDIN: 25403437BMIOWY3568



Annexure B to Independent Auditors' Report

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025

Page 1 of 2

Report on the Internal Financial Controls 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 Yarn Syndicate Limited as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management and Board of Directors' Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

Annexure B to Independent Auditors' Report

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the standalone financial statements as of and for the year ended March 31, 2025

Page 2 of 2

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Place: Mumbai

Date: May 30, 2025

UDIN: 25403437BMIOUY3568

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Standalone Balance Sheet as at March 31, 2025



(Rupees in Lakhs)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	111.34	6.21
Intangible Assets	3	0.58	-
<u>Financial Assets</u>			
Investments	4	1,984.50	1,984.50
Total Non Current Assets		2,096.42	1,990.71
Current Assets			
Inventories	5	1,703.14	29.33
<u>Financial assets</u>			
Trade Receivables	6	1,488.74	253.86
Cash and Cash Equivalents	7	67.87	113.68
Loans and Advances	8	5.00	1.02
Other Financial Assets	9	49.70	50.90
Current Tax Assets (Net)	10	19.65	0.15
Other Current Assets	11	1,066.61	307.18
Total Current Assets		4,400.71	756.12
Total Assets		6,497.13	2,746.83
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	12	1,275.00	1,275.00
Other Equity	13	1,236.95	1,099.80
Total Equity		2,511.95	2,374.80
Non Current Liabilities			
<u>Financial liabilities</u>			
Non Current Borrowings	14	115.21	-
Deferred Tax Liabilities (Net)	15	0.89	-
Total Non Current Liabilities		116.10	-
Current liabilities			
<u>Financial liabilities</u>			
Current Borrowings	16	305.48	257.44
Trade payables	17	-	-
Total Outstanding Dues of Micro and Small Enterprises		-	-
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		3,078.61	112.52
Other Current Liabilities	18	484.99	2.07
Total Current Liabilities		3,869.08	372.03
Total Liabilities		3,985.18	372.03
Total Equity & Liabilities		6,497.13	2,746.83
Material Accounting Policies			
	2		



The accompanying notes are an integral part of these financial statements

For, SSRV & Associates
Chartered Accountants
Firm Registration No.: 135901W

For and on behalf of the Board of directors of
Yarn Syndicate Limited

Vishnu Kant Kabra
(Partner)
Membership No.: 403437

Ravi Pandya
Managing Director
DIN: 09509086

Tarachand Agrawal
Director
DIN: 00465635

Place: Mumbai
UDIN: 25403437BMIOWY3568
Date: 30th May, 2025

Dharmesh Tripathi
(Chief Financial Officer)

Shwetambery Khurana
(Company Secretary)

Place: Ahmedabad

Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



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

(Rupees in Lakhs)

Particulars	Notes	For the year ended 31st March 2025	For the year ended 31st March 2024
Income			
Revenue from Operations	19	4,961.41	247.62
Other Income	20	0.01	3.91
Total Income		4,961.42	251.53
Expenses			
Cost of Material Consumed	21	4,709.45	-
Purchases of Stock-in-Trade	22	717.59	247.91
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	23	(947.55)	(29.32)
Employee benefits expense	24	195.35	2.45
Finance costs		-	-
Depreciation and Amortisation Expense	3	7.06	-
Other Expenses	25	136.78	22.41
Total Expenses		4,818.68	243.45
Profit before Tax		142.74	8.08
Tax Expenses			
Current Tax	26	4.70	-
Deferred Tax		0.89	-
Total Tax Expenses		5.59	-
Profit for the year		137.15	8.08
Earnings per Share			
Basic Earnings Per Share (Rs. Per Equity Share of Rs. 10 each)	27	1.076	0.169
Diluted Earnings Per Share (Rs. Per Equity Share of Rs. 10 each)		1.076	0.167

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

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(Company Secretary)

Place: Mumbai

UDIN: 25403437BMIOWY3568

Date: 30th May, 2025

Place: Ahmedabad

Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Standalone Statement of Cash Flows for the year ended March 31, 2025

(Rupees in Lakhs)

Particulars	For the year Ended 31st March 2025	For the year Ended 31st March 2024
Cash Flow from Operating Activities		
Profit before Tax	142.74	8.08
Adjustments for:		
Depreciation and amortization Expenses	7.06	-
Sundry Balance written off	8.78	-
Operating Profit before Working Capital Changes	158.58	8.08
Changes in Working Capital Adjustments		
(Increase) / Decrease in Inventories	(1,673.81)	(29.32)
(Increase) / Decrease in Trade Receivables	(1,237.50)	(253.86)
(Increase) / Decrease in Other Financial Assets	1.20	(49.70)
(Increase) / Decrease in Other Current Assets	(759.43)	(305.16)
(Increase) / Decrease in Trade Payables	2,966.14	109.85
(Increase) / Decrease in Other Current Liabilities	482.92	(12.20)
Cash Generated from / (Used in) Operations	(61.90)	(532.31)
Less: Income Taxes Paid (Net)	(24.20)	(0.15)
Net Cash Flow Generated from / (Used in) Operating Activities [A]	(86.10)	(532.46)
Cash Flow from Investing Activities		
Purchase of Tangible Assets	(118.33)	-
Purchase of Intangible Assets	(0.65)	-
Purchase of Investments	-	(1,984.50)
Loans Given	(5.00)	(1.02)
Loans Given Received Back	1.02	-
Net Cash Flow Generated from / (Used in) Investing Activities [B]	(122.96)	(1,985.52)
Cash Flow from Financing Activities		
Proceeds from / (Repayment of) Short term Borrowings	163.25	214.21
Proceeds from Issuance of Share Capital	-	2,430.00
Right Issue Expenses	-	(21.17)
Net Cash Flow Generated from / (Used in) Financing Activities [C]	163.25	2,623.04
Net Changes in Cash & Cash Equivalents [A+B+C]	(45.81)	105.06
Cash & Cash Equivalents at the beginning of the year	113.68	8.63
Cash & Cash Equivalents at the end of the year	67.87	113.68

Notes:

- The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- Amount in bracket indicates cash outflow.

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Standalone Statement of Cash Flows for the year ended March 31, 2025

(Rupees in Lakhs)

3. Reconciliation of Cash & Cash Equivalents as per Standalone Statement of Cash Flows:

Particulars	As at 31st March 2025	As at 31st March 2024
Cash on Hand	0.49	3.90
Balances with banks	67.38	109.78
	67.87	113.68

4. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

For the year ended 31st March 2025

Particulars	As at April 01, 2024	Cash Flow Changes	Non Cash Changes	As at 31st March 2025
Non Current Borrowings	-	-	-	-
Current Borrowings	257.44	48.04	-	305.48
	257.44	48.04	-	305.48

For the year ended 31st March 2024

Particulars	As at April 01, 2023	Cash Flow Changes	Non Cash Changes	As at 31st March 2024
Non Current Borrowings	-	-	-	-
Current Borrowings	43.23	214.21	-	257.44
	43.23	214.21	-	257.44

The accompanying notes are an integral part of these financial statements

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Place: Mumbai

UDIN: 25403437BMIOWY3568

Date: 30th May, 2025

Dharmesh Tripathi

(Chief Financial Officer)

Shwetambery Khurana

(Company Secretary)

Place: Ahmedabad

Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



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

(Rupees in Lakhs)

A. Equity Share Capital

Particulars	Number of Shares	Amount
Balance as at 1st April, 2023	37,50,000	375.00
Changes in Equity Share Capital during the current year	1,80,00,000	900.00
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at 31st March, 2024	2,17,50,000	1,275.00
Changes in Equity Share Capital during the current year	-	-
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at 31st March, 2025	2,17,50,000	1,275.00

B. Other Equity

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained earnings	
Balance as at 1st April, 2023	437.50	(854.61)	(417.11)
Profit / (Loss) for the year	-	8.08	8.08
Total Comprehensive Income for the year	-	8.08	8.08
	437.50	(846.53)	(409.03)
Securities Premium Received on Issue of Right Shares	1,530.00	-	1,530.00
Issue Expenses	(21.17)	-	(21.17)
Balance as at 31st March, 2024	1,946.33	(846.53)	1,099.80
Profit / (Loss) for the year	-	137.15	137.15
Total Comprehensive Income for the year	-	137.15	137.15
Balance as at 31st March, 2025	1,946.33	(709.38)	1,236.95

As per our report of even date attached

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Dharmesh Tripathi

(Chief Financial Officer)

Shwetambery Khurana

(Company Secretary)

Place: Mumbai

UDIN: 25403437BMIOWY3568

Date: 30th May, 2025

Place: Ahmedabad

Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



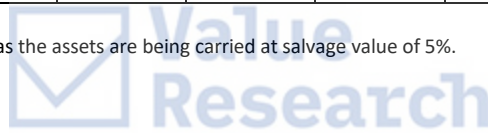
Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

3. Property, Plant and Equipment & Intangible Assets

Particulars	Property, Plant and Equipment							Intangible Assets	
	Freehold Land	Buildings	Plant & Machinery	Electric Equipment	Computer	Furniture & Fittings	Office Equipment	Total	Computer Software
Original Cost									
Balance as at 1st April 2023	5.58	0.62	-	-	2.60	-	-	8.80	-
Additions	-	-	-	-	-	-	-	-	-
Disposals & Adjustments	-	-	-	-	-	-	-	-	-
Balance at 31 March 2024	5.58	0.62	-	-	2.60	-	-	8.80	-
Additions	-	-	86.60	10.71	4.75	11.98	4.29	118.33	0.65
Disposals & Adjustments	(5.58)	(0.62)	-	-	(2.60)	-	-	(8.80)	-
Balance at 31st March 2025	-	-	86.60	10.71	4.75	11.98	4.29	118.33	0.65
Accumulated Depreciation									
Balance at 1 April 2023	-	-	-	-	2.59	-	-	2.59	-
Depreciation for the year (Note)	-	-	-	-	-	-	-	-	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance at 31 March 2024	-	-	-	-	2.59	-	-	2.59	-
Depreciation for the year	-	-	4.21	0.78	0.34	0.87	0.79	6.99	0.07
Eliminated on disposal of assets	-	-	-	-	(2.59)	-	-	(2.59)	-
Balance at 31 March 2025	-	-	4.21	0.78	0.34	0.87	0.79	6.99	0.07
Carrying Amount									
Balance at 31 March 2025	-	-	82.39	9.93	4.41	11.11	3.50	111.34	0.58
Balance at 31 March 2024	5.58	0.62	-	-	0.01	-	-	6.21	-

Note: For FY 2023-24, no depreciation has been provided as the assets are being carried at salvage value of 5%.



Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

4. Investments	As at March 31, 2025	As at March 31, 2024
Investment in Equity Instruments		
Unquoted (At Amortised Cost)		
Subsidiary company		
Nil (PY - 6,30,00,000) Equity shares of Stitched Textiles Limited (Refer Note below)	-	1,984.50
Associate company		
6,30,00,000 (PY - Nil) Equity shares of Stitched Textiles Limited (Refer Note below)	1,984.50	-
	1,984.50	1,984.50

Note:

The Entity had acquired a controlling stake in Stitched Textiles Limited by way of purchase of Equity shares in the FY 2023-24. However, during the current year, Stitched Textiles Limited ceased to be subsidiary of Yarn Syndicate Limited with effect from 8th June 2024 on account of issue of new shares by Stitched Textiles Limited to other entity leading to reduction in controlling interest of Yarn Syndicate Limited from 50.82% to 49.82%.

5. Inventories	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realizable value)		
Raw Materials & Components	755.59	-
Work in Progress	356.17	-
Finished Goods & Stock In Trade	591.38	29.33
	1,703.14	29.33

6. Trade Receivables	As at March 31, 2025	As at March 31, 2024
Unsecured		
Trade Receivables - Considered Good	1,488.74	253.86
Trade Receivables - Considered Doubtful	145.01	145.01
	1,633.75	398.87
Less: Allowance for Doubtful Debts	(145.01)	(145.01)
	1,488.74	253.86



Trade Receivables Ageing as at 31st March 2025

Particulars	Outstanding for the following periods from date of transaction					Total
	Less Than 6 months	6 Months-1 years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables						
Considered Good	1,337.63	32.05	119.06	-	-	1,488.74
Considered Doubtful	-	-	-	-	145.01	145.01
Total	1,337.63	32.05	119.06	-	145.01	1,633.75
Less: Allowance for Doubtful Debts						(145.01)
Total						1,488.74

Trade Receivables Ageing as at 31st March 2024

Particulars	Outstanding for the following periods from date of transaction					Total
	Less Than 6 months	6 Months-1 years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables						
Considered Good	209.80	44.06	-	-	-	253.86
Considered Doubtful	-	-	-	-	145.01	145.01
Total	209.80	44.06	-	-	145.01	398.87
Less: Allowance for Doubtful Debts						(145.01)
Total						253.86

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

	As at March 31, 2025	As at March 31, 2024		
7. Cash and Cash Equivalents				
Cash in Hand	0.49	3.90		
Balances with Banks				
In Current Accounts	67.38	109.78		
	67.87	113.68		
8. Loans and Advances				
(Unsecured, Considered Good)				
Advances recoverable in Cash or kind				
To Others	5.00	1.02		
	5.00	1.02		
9. Other Financial Assets				
Security Deposits	49.70	50.90		
	49.70	50.90		
10. Current Tax Assets (Net)				
Advance Income Tax Paid (Incl. TDS & TCS Receivable)	24.35	0.15		
Less: Provision for Income Tax	(4.70)	-		
	19.65	0.15		
11. Other Current Assets				
Advances for Capital Goods	43.17	-		
Advances to Suppliers	807.22	302.70		
Balances with Government Authorities	216.00	4.48		
Prepaid Expenses	0.22	-		
	1,066.61	307.18		
12. Equity Share Capital				
A. Authorised Share Capital				
2,20,00,000 Equity Shares of Rs. 10 each	2,200.00	2,200.00		
B. Issued, Subscribed and Fully Paid up Share Capital				
37,50,000 Equity Shares of Rs. 10 each	375.00	375.00		
C. Issued, Subscribed and Partly Paid up Share Capital				
1,80,00,000 Equity Shares of Rs. 10 each, Rs. 5 paid up	900.00	900.00		
	1,275.00	1,275.00		
D. Reconciliation of number of Shares outstanding at the beginning and at the end of the reporting year				
Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	2,17,50,000	1,275.00	37,50,000	375.00
Add: Issued during the year (Refer Note Below)	-	-	1,80,00,000	900.00
Outstanding at the end of the year	2,17,50,000	1,275.00	2,17,50,000	1,275.00

Note:

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("the Regulations"), Rights Issue Committee of Directors of the Company in their meeting held on Tuesday, 27th February, 2024 at the Corporate Office of the Company situated at Shop No 128 Supermall-2 GH-0 Circle, Infocity, Gandhinagar – 382007, Gujarat, which commenced at 1:00 P.M. and concluded at 1:45 P.M. inter-alia had considered and approved Allotment of 1,80,00,000 (One Crore Eighty Lakhs) Partly Paid-up Equity Shares with paid-up value of Rs. 5.00 each and face value of Rs. 10.00 each on a Rights basis to the eligible equity shareholders of the Company at a price of Rs. 27.00 (Rupees Twenty Seven Only) per equity share (including a share premium of Rs. 17.00 per equity share) in the ratio of 24 : 5 i.e. 24 (Twenty Four) Rights Equity shares for every 5 (Five) fully paid up Equity shares held by the eligible equity shareholders as on the Record date i.e. Wednesday, 24th January, 2024.

Out of issue price of Rs. 27.00 per rights equity share, Rs. 13.50 per rights equity share including a share premium of Rs. 8.50 per rights equity share had been paid on application and the balance amount shall be payable on 1st and Final call at such time as may be determined by the Board in consultation with the Rights Issue Committee.

The said allotment is pursuant to the Letter of Offer dated 25th January, 2024 and the Basis of Allotment as approved by BSE Limited ("BSE"), the Designated Stock Exchange for this issue.

E. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares				
Somani Ventures and Innovations Limited	22,57,512	10.38	-	-
Sanjay Karanraj Sakaria	19,27,686	8.86	19,10,000	8.78
Ravi Niranjana Pandya	11,90,555	5.47	14,63,646	6.73
Vismay Amitkumar Shah	10,17,575	4.68	13,17,575	6.06
Bishal Pawan More	-	-	28,77,723	13.23

F. Details of promoters shareholding and percentage of Change

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% Change during the year	No. of Shares	% Change during the year
Ravi Niranjana Pandya	11,90,555	(18.66%)	14,63,646	82.96%

G. The Company has only one class of Equity Shares having a par value of Rs. 10.00 per share and each holder of the Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed (if any) by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

H. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

13. Other Equity

	As at March 31, 2025	As at March 31, 2024
Securities Premium		
Opening Balance	1,946.33	437.50
Add: Amount received during the year	-	1,530.00
Less: Amount Utilised during the year	-	(21.17)
	1,946.33	1,946.33
Retained Earnings		
Opening Balance	(846.53)	(854.61)
Add: Profit/(Loss) for the year	137.15	8.08
	(709.38)	(846.53)
	1,236.95	1,099.80

Nature and Purpose of Reserves:

Securities Premium

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings represent the amount that can be distributed as dividend considering the requirements of the Companies Act, 2013. During the year, no dividends are distributed to the equity shareholders by the Company.

14. Non Current Borrowings	As at March 31, 2025	As at March 31, 2024
Unsecured		
Inter Corporate Deposits	115.21	-
	115.21	-

Note: The above loans are interest free & are repayable on demand.

15. Deferred Tax Liabilities (Net)	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities		
Differences between WDV of Property, Plant & Equipment as per Tax Records and Books of Accounts	0.89	-
	0.89	-

Notes:

Movement in Deferred Tax Liabilities (Net) for the year ended March 31, 2025:

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	As at March 31, 2025
Tax effect of items constituting Deferred Tax Liabilities:				
Property, Plant & Equipment & Intangible Assets	-	0.89	-	0.89
Total	-	0.89	-	0.89

Movement in Deferred Tax Liabilities (Net) for the year ended March 31, 2024:

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Tax effect of items constituting Deferred Tax Liabilities:				
Property, Plant & Equipment & Intangible Assets	-	-	-	-
Total	-	-	-	-

16. Current Borrowings	As at March 31, 2025	As at March 31, 2024
Unsecured		
Inter Corporate Deposits	18.71	18.53
From Related Parties	50.95	238.91
From Others	235.82	-
	305.48	257.44

Note: The above loans are interest free & are repayable on demand.

17. Trade payables	As at March 31, 2025	As at March 31, 2024
Dues to Micro and Small Enterprises	-	-
Dues to Others	3,078.61	112.52
	3,078.61	112.52

Trade Payables Ageing as at 31st March 2025

Particulars	Outstanding for the following periods from date of transaction				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Payables					
Dues to Micro and Small Enterprises	-	-	-	-	-
Dues to Others	3,078.61	-	-	-	3,078.61
Total	3,078.61	-	-	-	3,078.61

Trade Payables Ageing as at 31st March 2024

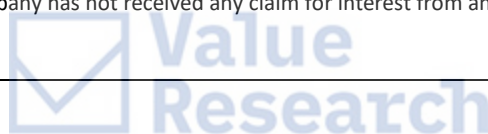
Particulars	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Payables					
Dues to Micro and Small Enterprises	-	-	-	-	-
Dues to Others	112.52	-	-	-	112.52
Total	112.52	-	-	-	112.52

Disclosure under Section 22 of Micro, Small and Medium Enterprise Development (MSMED) Act, 2006

Based on the intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 by the company, disclosures as required under Section 22 of Act are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note: The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the Financial Statements based on the information received and available with the company. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.



18. Other Current Liabilities

	As at March 31, 2025	As at March 31, 2024
Statutory Dues Payable	5.46	0.98
Payable to Employees	26.27	0.35
Advances from Customers	453.26	-
Other Payables	-	0.74
	484.99	2.07

19. Revenue from Operations

	For the year ended 31st March 2025	For the year ended 31st March 2024
Sale of Products	3,699.53	247.62
Sale of Services	1,200.08	-
Other Operating Revenues	61.80	-
	4,961.41	247.62

20. Other Income

	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest on Income Tax Refund	0.01	-
Liabilities no Longer Required written back	-	3.89
Discount Received	-	0.02
	0.01	3.91

(Rupees in Lakhs)

	For the year ended 31st March 2025	For the year ended 31st March 2024
21. Cost of Material Consumed		
Opening Stock	-	-
Add: Purchases during the year	5,168.14	-
Less: Closing Stock	(726.26)	-
	4,441.88	-
Add: Direct Expenses	267.57	-
	4,709.45	-
22. Purchases of Stock-in-Trade		
Purchase of Stock-In-Trade	717.59	247.91
	717.59	247.91
23. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Inventories at the beginning of year		
Work-in-Progress	-	-
Finished Goods & Stock-In-Trade	-	-
Inventories at the end of year		
Work-in-Progress	(356.17)	-
Finished Goods & Stock-In-Trade	(591.38)	(29.32)
	(947.55)	(29.32)
24. Employee benefits expense		
Salaries, Wages and Bonus	195.35	2.45
Staff Welfare Expenses	-	-
	195.35	2.45
25. Other Expenses		
Repairs and Maintenance Expenses	44.20	-
Transportation Expenses	21.09	-
Rent Expenses	24.91	4.08
Security Expenses	13.25	-
Electricity Expenses	-	0.02
Legal and Professional Expenses	14.59	13.59
Payment to Auditors		
Statutory Audit Fees	-	1.50
Other Assurance Services	0.83	1.21
Directors Sitting Fees	0.93	-
Travelling and Conveyance Expenses	0.26	-
Printing & Stationery Expenses	3.02	0.78
Testing Expenses	0.49	-
Advertisement Expenses	0.64	0.24
Bank Charges	-	0.02
Commission Expenses	2.09	-
Communication Cost	0.07	0.01
Donation Expenses	0.10	-
Sundry Balances written off	8.78	-
Miscellaneous Expenses	1.53	0.28
Interest, Penalty and Late fees expenses	-	0.02
Prior Period Expenses	-	0.66
	136.78	22.41

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

26. Tax Expenses	For the year ended 31st March 2025	For the year ended 31st March 2024
Current Tax		
Current Income Tax Charge	4.70	-
Tax Adjustment for earlier years	-	-
	4.70	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	0.89	-
	0.89	-
Total Tax Expenses	5.59	-

Reconciliation of effective tax rate

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit Before Tax as per Statement of Profit & Loss	142.74	8.08
Applicable Tax Rate for Corporate Entity as per Income Tax Act, 1961	25.17%	25.17%
Income tax using the Company's applicable tax rate	35.92	2.03
Tax Effect of:		
Expenses permanently disallowed from Income Tax	0.03	-
Other Adjustments	(31.25)	(2.04)
	4.70	-

27. Earnings per Share

		For the year ended 31st March 2025	For the year ended 31st March 2024
Basic Earnings Per Share			
Profit for the year attributable to Equity Shareholders	(Rupees in Lakhs)	137.15	8.08
Weighted Average Number of Equity Shares Outstanding during the year	(Numbers)	1,27,50,000	47,75,004
Nominal Value per Share	(Rupees)	10.00	10.00
Basic Earnings Per Share	(Rupees)	1.076	0.169
Diluted Earnings Per Share			
Profit for the year attributable to Equity Shareholders	(Rupees in Lakhs)	137.15	8.08
Weighted Average Number of Equity Shares Outstanding during the year	(Numbers)	1,27,50,000.00	48,51,443
Nominal Value per Share	(Rupees)	10.00	10.00
Diluted Earnings Per Share	(Rupees)	1.076	0.167

Yarn Syndicate Limited

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Notes to the Standalone Financial Statements for the year ended 31st March, 2025

28. Additional Regulatory Requirements

(A) Ratios

Sr. No.	Ratios	Numerator	Denominator	March 31, 2025	March 31, 2024	Unit	% Change in Ratio	Reason for Changes more than 25%
1	Current Ratio	Total Current Assets	Total Current Liabilities	1.14	2.03	Times	(44.04%)	Due to business diversification to textile manufacturing operations.
				4,400.71	756.12			
				3,869.08	372.03			
2	Debt Equity Ratio	Total Debt	Shareholders' Equity	0.17	0.11	Times	54.49%	Due to loans taken during the year to support the manufacturing business.
				420.69	257.44			
				2,511.95	2,374.80			
3	Debt Service Coverage Ratio	Not Applicable						
4	Return on Equity	Net Profit After Tax	Average Shareholders' Equity	5.61%	0.51%	%	1000.03%	Due to business diversification to textile manufacturing operations.
				137.15	8.08			
				2,443.38	1,583.47			
5	Inventory Turnover Ratio	Sales	Average Inventory	5.73	16.89	Times	(66.08%)	Due to business diversification to textile manufacturing operations.
				4,961.41	247.62			
				866.24	14.67			
6	Trade Receivables Turnover Ratio	Sales	Average Trade Receivables	5.69	1.95	Times	191.89%	Due to business diversification to textile manufacturing operations.
				4,961.41	247.62			
				871.30	126.93			
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	3.77	4.68	Times	(19.50%)	NA
				6,012.44	269.62			
				1,595.57	57.60			
8	Net Capital Turnover Ratio	Sales	Average Working Capital	10.84	1.44	Times	653.76%	Due to business diversification to textile manufacturing operations.
				4,961.41	247.62			
				457.86	172.25			
9	Net Profit Ratio	Net Profit	Sales	2.76%	3.26%	%	(15.28%)	NA
				137.15	8.08			
				4,961.41	247.62			
10	Return on Capital Employed	Earnings before Interest & Taxes	Capital Employed	4.87%	0.31%	%	1485.15%	Due to business diversification to textile manufacturing operations.
				142.74	8.08			
				2,933.53	2,632.24			
11	Return on Investment	Not Applicable						

(B) Other Statutory Information

- There are no proceedings initiated or pending against the company under Section 24 of The Prohibition of Benami Property, 1988 and rules made thereunder for holding any benami property.
- The company has not been declared wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.
- The company does not have any transactions with struck off under Section 248 of the Companies Act, 2013.
- There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- The company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.
- The company has not entered into any scheme of arrangement in terms of Section 230 to 237 of the Companies Act, 2013.
- The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the intermediary shall, whether directly or indirectly lend or invest in other person / 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 Ultimate Beneficiaries.
- The Company has not received any fund from any other person or entity, including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other person / 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 Ultimate Beneficiaries.
- The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
- The company has not traded or invested in Crypto Currency or Virtual Currency during the reporting periods.
- The company has not been sanctioned working capital limit in form of term loans and overdraft facilities.
- There are no immovable property in the books of the company whose title deed is not held in the name of the company.

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

29. Related Party Disclosures

The company has identified related parties and transactions entered with them as required by Ind AS - 24 issued by ICAI as below:

(i) Name of related parties and description of relationship where control exists

Sr. No.	Name of Related Party	Relationship
1	Stitched Textile Limited	Subsidiary Company (Up to 7th June 2024)
2	Stitched Textile Limited	Associate Company (From 8th June 2024)
3	Ravi Niranjana Pandya	Promotor & Managing Director
4	Rishiraj Patodia	Managing Director (Up to 6th July 2023)
5	Sheela Patodia	Director (Up to 6th July 2023)
6	Namichand Agrawal	Director (Up to 29th September 2023)
7	Chetan Kumar Ojha	Director (Up to 15th February 2025)
8	Tarachand Gangasahay Agrawal	Director (From 14th February 2025)
9	Mithleshkumar M Agrawal	Director (From 11th March 2025)
10	Nidhi Bansal	Independent Director
11	Nandish Jani	Independent Director (Up to 20th February 2025)
12	Rahul Hareshbhai Modi	Independent Director (From 14th February 2025)
13	Dharmesh Vimalkumar Tripathi	Chief Financial Officer
14	Priya Singh	Company Secretary (Up to 1st May 2024)
15	Shwetambery Khurana	Company Secretary (From 18th July 2024)
16	M Sumalatha	Relative of Director (Up to 6th July 2023)
17	R. K. Patodia (HUF)	Director is Karta (Up to 6th July 2023)
18	YS Exports Limited	Managing Director was Director (Up to 6th July 2023)
19	7NR Retail Limited	Director is Director (From 5th February 2025, up to 15th February 2025)
20	Brand Cluster LLP	Director is Partner (From 14th February 2025)
21	Vaxtex Cotfab Limited	Director is Promotor (From 11th March 2025)
22	Vax Enterprise Private Limited	Director is Director (From 11th March 2025)

(ii) Transactions with Related Parties

Sr. No.	Name of Related Party	Transactions	As at	
			March 31, 2025	March 31, 2024
1	Nidhi Bansal	Directors' Sitting Fees	0.41	0.36
2	Nandish Jani	Directors' Sitting Fees	0.37	0.18
3	Rahul Hareshbhai Modi	Directors' Sitting Fees	0.15	-
4	Stitched Textiles Limited	Purchases of Goods	431.88	47.65
5	Vax Enterprise Private Limited	Purchases of Goods	285.72	47.64
6	Stitched Textiles Limited	Sales of Goods	226.02	104.62
7	Stitched Textiles Limited	Investment in Subsidiary Company	-	1,984.50
8	Namichand Agrawal	Loans Taken	-	1.00
9	M Sumalatha	Loans Taken	-	200.00
10	Ravi Niranjana Pandya	Loans Taken	-	4.95
11	Sheela Patodia	Loans Taken	-	14.36
12	Ravi Niranjana Pandya	Loans Repaid	2.00	2.00
13	Sheela Patodia	Loans Repaid	-	2.10
14	Rishiraj Patodia	Loans Repaid	-	2.00
15	Priya Singh	Remuneration	0.35	2.45
16	Shwetambery Khurana	Remuneration	9.07	-

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

(iii) Outstanding Balances at the end of the year

Sr. No.	Name of Related Party	Nature of Balances	As at	As at
			March 31, 2025	March 31, 2024
1	Stitched Textiles Limited	Trade Receivables	237.14	109.80
2	Stitched Textiles Limited	Trade Payables	1,092.17	-
3	Stitched Textiles Limited	Advances to Suppliers	-	37.13
4	Ravi Niranjana Pandya	Outstanding Loans Payables	0.95	2.95
5	Rishiraj Patodia	Outstanding Loans Payables	-	2.34
6	Sheela Patodia	Outstanding Loans Payables	-	23.60
7	Namichand Agrawal	Outstanding Loans Payables	-	1.00
8	Priya Singh	Remuneration Payable	-	0.35
9	Shwetambery Khurana	Remuneration Payable	1.01	-
10	M Sumalatha	Outstanding Loans Payables	-	200.00
11	R.K Patodia (HUF)	Outstanding Loans Payables	-	8.84
12	YS Exports Limited	Outstanding Loans Payables	-	0.18
13	Brand Cluster LLP	Outstanding Loans Payables	50.00	-
14	Vaxtex Cotfab Limited	Trade Receivables	119.06	144.06
15	Vax Enterprise Private Limited	Trade Payables	382.80	-

30. Contingent Liabilities & Capital Commitments

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Contingent Liabilities not provided for		
<u>Claims against the Company not acknowledged as debt</u>		
Interest & Damages under PF Act, 1952	1.44	-
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for in accounts	48.83	-

31. Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

- 1) Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to short-term maturities of these instruments.
- 2) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2:** Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.
- Level 3:** Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

Fair Value Measurements

Particulars	As at 31 March 2025		As at 31 March 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Cash and Cash Equivalents	-	67.87	-	113.68
Investments	-	1,984.50	-	1,984.50
Trade Receivables	-	1,488.74	-	253.86
Loans & advances	-	5.00	-	1.02
Other financial assets	-	49.70	-	50.90
Total Financial Assets	-	3,595.81	-	2,403.96
Financial liabilities				
Borrowings	-	420.69	-	257.44
Trade Payable	-	3,078.61	-	112.52
Total Financial Liabilities	-	3,499.30	-	369.96

32. Financial risk management objectives and policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's activities expose it to market risk, liquidity risk and credit risk which are measured, monitored and managed to abide by the principles of risk management.

i) Credit Risk

Credit risk arises when a customer defaults on its contractual obligations to pay, resulting in financial loss to the Company. The Company has adopted a policy of categorising the customers based on the performance and accordingly credit limit ceiling of each category is defined. The Company's exposure and categorisation of its customers are continuously monitored. Credit exposure is controlled by customer credit limits which are reviewed and approved.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables.

There is no change in estimation techniques or significant assumptions during the reporting period.

ii) Liquidity Risk

The board of directors has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile remaining contractual maturity period at the reporting date:

Particulars	Carrying Value	Due in Less than 1 Year	Due in More than 1 Year
As at March 31, 2025			
Borrowings	420.69	305.48	115.21
Trade Payables	3,078.61	3,078.61	-
	3,499.30	3,384.09	115.21
As at March 31, 2024			
Borrowings	257.44	257.44	-
Trade Payables	112.52	112.52	-
	369.96	369.96	-

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Standalone Financial Statements for the year ended 31st March, 2025

(Rupees in Lakhs)

iii) Market Rate Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The objective of market risk management is to avoid exposure in our foreign currency transactions and interest rate risk.

a) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company has no interest bearing liabilities as on the balance sheet date.

b) Foreign currency risk

During the current financial year the company has not done any transactions with other countries or in other currencies due to which the company is not exposed to any foreign currency risk.

iv) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The Company monitors capital using gearing ratio, which is net debt (borrowings less cash and bank balances) divided by total equity.

Net debt-to-equity ratio as of 31st March 2025

Particulars	31st March 2025	31st March 2024
Short Term Borrowings	305.48	257.44
Long Term Borrowings	115.21	-
Gross Debt (A)	420.69	257.44
Less: Cash & Bank Balance	67.87	113.68
Net Debt (B)	352.82	143.76
Total Equity (C)	2,511.95	2,374.80
Gearing Ratio (B)/(C)	14.05%	6.05%

33. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

An Operating Segment is component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

Manufacturing & Trading in Textile is the Company's only business segment ,hence the disclosure of segment wise information as required by Ind AS 108 on "Segment Reporting" is not applicable. Further, there are no export sales and hence there is no reportable secondary segment as per Ind AS 108.

34. Employee Benefits

The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for cash basis. Also, as per the company's policy, paid absences not utilised for the year are lapsed, hence the provision for the paid absences is not applicable to the company.

35. Audit Trail

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

**Notes to the Standalone Financial Statements for the year ended 31st March, 2025**

(Rupees in Lakhs)

36. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

37. Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

- i) The company does not have any Foreign currency exposures which is not covered by derivative instruments or otherwise as at March 31, 2025 & March 31, 2024.
- ii) The Company does not have any outstanding foreign currency derivative contracts as at March 31, 2025 & March 31, 2024 in respect of various types of derivative hedge instruments and nature of risk being hedged.
- iii) The Company does not enters into derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

38. Events Occuring after the reporting period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of the date of signing of this financial statements, there were no subsequent events to be recognised or reported that are not already disclosed.

39. Previous Year's figures have been regrouped and reclassified, wherever necessary to correspond with the current year's classification/disclosure.

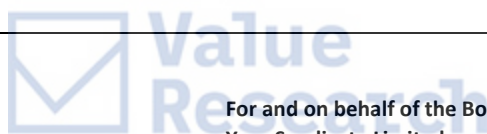
40. The Standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors and are subject to final approval by its Shareholders.

As per our report of even date attached

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W



For and on behalf of the Board of directors of
Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Place: Mumbai

UDIN: 25403437BMIOWY3568

Date: 30th May, 2025

Dharmesh Tripathi

(Chief Financial Officer)

Place: Ahmedabad

Date: 30th May, 2025

Shwetambery Khurana

(Company Secretary)

VALUE RESEARCH PREMIUM

INDEPENDENT AUDITOR'S REPORT

To the Members of Yarn Syndicate Limited

Report on the Indian Accounting Standards (Ind AS) Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Yarn Syndicate Limited ("the Holding Company") and its subsidiary company and associate company (collectively hereinafter referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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, 2021, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2025, the Profit and 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 consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made there under, 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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 that there are no key audit matters to be communicated in our report.

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

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

INDEPENDENT AUDITORS' REPORTTo the Members of **Yarn Syndicate Limited**

Report on the Consolidated Financial Statements

Page 2 of 5

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

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules, 2021 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management and board of directors are responsible for assessing the Group'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 in Group or to cease operations, or has no realistic alternative but to do so.

The Holding company's Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit

INDEPENDENT AUDITORS' REPORT

To the Members of **Yarn Syndicate Limited**

Report on the Consolidated Financial Statements

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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 Group 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information, in respect of the subsidiary company (Up to 7th June 2024) and Associate Company (From 8th June 2024), whose standalone financial statements include total assets of Rs. 13,093.30 Lakhs as at March 31, 2025, total revenue from operations of Rs. 3,557.06 Lakhs, total net loss after taxes of Rs. 400.74 Lakhs, total comprehensive loss of Rs. 400.74 Lakhs and total net cash outflows of Rs. 26.67 Lakhs for the year ended March 31, 2025, as considered in the consolidated financial statements, whose financial statements and other financial information have been audited by other auditor and whose report is furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary company (Up to 7th June 2024) and Associate Company (From 8th June 2024)

INDEPENDENT AUDITORS' REPORT

To the Members of **Yarn Syndicate Limited**

Report on the Consolidated Financial Statements

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is based solely on the reports of such other auditors. Our opinion above on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and based on our review of the books and records of the Group and the information and explanations provided to us, we report that the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable, have been appropriately addressed. The Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements do not contain any qualifications or adverse remarks. Accordingly, the requirement to report under clause 3(xxi) of the Order is not applicable to the Holding Company in respect of the consolidated financial statements.
2. 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 Group 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), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2021, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our audit report expresses an unmodified opinion on the adequacy and operating effectiveness of the group's internal financial controls with reference to the consolidated financial statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group 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 Auditors' 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 Group has disclosed the impact of pending litigations as at March 31, 2025 on its financial position in its financial statements - Refer Note 33 to the consolidated financial statements;

INDEPENDENT AUDITORS' REPORT

To the Members of **Yarn Syndicate Limited**

Report on the Consolidated Financial Statements

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- ii. The Group 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 Group.
- 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 Group 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 Group ("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 group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group 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 Companies in Group has not declared or paid dividend during the year.
- vi. Based on our examination which included test checks, the Companies in Group has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Place: Mumbai

Date: May 30, 2025

UDIN: 25403437BMIOWZ4239

Annexure A to Independent Auditors' Report

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the consolidated financial statements as of and for the year ended March 31, 2025

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Report on the Internal Financial Controls 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 Yarn Syndicate Limited ("the Holding Company) and its subsidiary company and associate company (collectively referred to as "Group") as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management and Board of Directors' Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A group'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 group's internal financial control over financial reporting includes those policies and procedures that

Annexure A to Independent Auditors' Report

Referred to in Annexure referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of **Yarn Syndicate Limited** on the consolidated financial statements as of and for the year ended March 31, 2025

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- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group;
- 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 group are being made only in accordance with authorizations of management and directors of the holding company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group'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.

Other Matters

We did not audit the financial statements of subsidiary company (Up to 7th June 2024) and Associate Company (From 8th June 2024). Our aforesaid report under Section 143 of the Act on the adequacy and operating effectiveness of internal financial controls over financial reporting in so far as it relates to subsidiary company (Up to 7th June 2024) and Associate Company (From 8th June 2024) is based solely on the report of such others auditors. Our Opinion is not qualified in respect of this matter.

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Group 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, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Place: Mumbai

Date: May 30, 2025

UDIN: 25403437BMIOWZ4239

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Consolidated Balance Sheet as at March 31, 2025



(Rupees in Lakhs)

Particulars	Notes	As at	
		March 31, 2025	March 31, 2024
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	111.34	430.96
Intangible Assets	3	0.58	24.86
Goodwill on Consolidation		-	884.76
Financial Assets			
Non Current Investments	4	1,802.14	143.05
Non Current Loans and Advances	5	-	1,813.84
Other Non Current Financial Assets	6	-	29.45
Other Non Current Assets	7	-	71.50
Total Non Current Assets		1,914.06	3,398.42
Current Assets			
Inventories	8	1,703.14	5,033.85
Financial assets			
Trade Receivables	9	1,488.74	2,175.53
Cash and Cash Equivalents	10	67.87	270.17
Loans and Advances	11	5.00	2,402.02
Other Financial Assets	12	49.70	50.90
Current Tax Assets (Net)	13	19.65	6.67
Other Current Assets	14	1,066.61	1,147.62
Total Current Assets		4,400.71	11,086.76
Total Assets		6,314.77	14,485.18
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	15	1,275.00	1,275.00
Other Equity	16	1,054.59	1,166.83
Non Controlling Interests		-	1,129.05
Total Equity		2,329.59	3,570.88
Non Current Liabilities			
Financial liabilities			
Non Current Borrowings	17	115.21	-
Other Non Current Financial Liabilities	18	-	811.75
Deferred Tax Liabilities (Net)	19	0.89	-
Total Non Current Liabilities		116.10	811.75
Current liabilities			
Financial liabilities			
Current Borrowings	20	305.48	1,934.03
Cash & Cash Equivalents at the end of the year	21	-	-
Total Outstanding Dues of Micro and Small Enterprises		-	-
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		3,078.61	6,071.95
Other Current Liabilities	22	484.99	2,096.57
Total Current Liabilities		3,869.08	10,102.55
Total Liabilities		3,985.18	10,914.30
Total Equity & Liabilities		6,314.77	14,485.18

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

For, SSRV & Associates
Chartered Accountants
Firm Registration No.: 135901W

For and on behalf of the Board of directors of
Yarn Syndicate Limited

Vishnu Kant Kabra
(Partner)
Membership No.: 403437

Ravi Pandya
Managing Director
DIN: 09509086

Tarachand Agrawal
Director
DIN: 00465635

Place: Mumbai
UDIN: 25403437BMIOZ4239
Date: 30th May, 2025

Dharmesh Tripathi
(Chief Financial Officer)

Shwetambery Khurana
(Company Secretary)

Place: Ahmedabad
Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



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

(Rupees in Lakhs)

Particulars	Notes	For the year ended 31st March 2025	For the year ended 31st March 2024
Income			
Revenue from Operations	23	5,415.97	390.32
Other Income	24	13.90	108.57
Total Income		5,429.87	498.89
Expenses			
Cost of Material Consumed	25	4,709.45	-
Purchases of Stock-in-Trade	26	1,027.94	552.90
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(1,000.73)	(608.71)
Employee benefits expense	28	247.67	29.45
Finance costs	29	5.08	43.84
Depreciation and Amortisation Expense	3	14.68	2.52
Other Expenses	30	318.11	338.89
Total Expenses		5,322.20	358.89
Profit before Tax		107.67	140.00
Tax Expenses			
Current Tax	31	4.70	-
Deferred Tax		0.89	-
Total Tax Expenses		5.59	-
Profit after Tax		102.08	140.00
Share in Profit / (Loss) of Associate Company (Net of Tax)		(182.19)	-
Profit for the year		(80.11)	140.00
Net profit attributable to:			
Owners of the company		(111.90)	75.13
Non controlling interests		(17.25)	64.87
Loss of Control of Subsidiary		(49.04)	-
Earnings per Share			
Basic Earnings Per Share (Rs. Per Equity Share of Rs. 10 each)	32	(0.878)	1.573
Diluted Earnings Per Share (Rs. Per Equity Share of Rs. 10 each)		(0.878)	1.549

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

Cash & Cash Equivalents at the end of the year

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Dharmesh Tripathi

(Chief Financial Officer)

Shwetambery Khurana

(Company Secretary)

Place: Mumbai

UDIN: 25403437BMIOWZ4239

Date: 30th May, 2025

Place: Ahmedabad

Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Consolidated Statement of Cash Flows for the year ended March 31, 2025

(Rupees in Lakhs)

Particulars	For the year Ended 31st March 2025	For the year Ended 31st March 2024
Cash Flow from Operating Activities		
Profit before Tax	107.67	140.00
Adjustments for:		
Depreciation and amortization Expenses	14.68	2.52
Notional Gain / Loss on Revaluation of Investments	(13.89)	-
Finance Cost	5.08	-
Other Income	-	(108.58)
Sundry Balance written off	8.77	-
Operating Profit before Working Capital Changes	122.31	33.94
Changes in Working Capital Adjustments		
(Increase) / Decrease in Inventories	(1,727.00)	(5,033.85)
(Increase) / Decrease in Trade Receivables	(1,542.59)	(2,175.54)
(Increase) / Decrease in Other Financial Assets	(1.28)	(49.70)
(Increase) / Decrease in Other Current Assets	(788.26)	(1,145.33)
(Increase) / Decrease in Trade Payables	3,027.70	6,042.01
(Increase) / Decrease in Other Financial Liabilities	(33.37)	811.75
(Increase) / Decrease in Other Current Liabilities	463.24	2,109.00
Cash Generated from / (Used in) Operations	(479.25)	592.28
Less: Income Taxes Paid (Net)	(23.03)	(4.17)
Net Cash Flow Generated from / (Used in) Operating Activities [A]	(502.28)	588.11
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(121.32)	(454.39)
Purchase of Intangible Assets	(0.65)	-
Loss of Control of Cash & Cash Equivalents	(65.36)	-
Goodwill on Consolidation	-	(884.73)
Other Income Received	-	108.58
Purchase / (Sales) of Investments	(38.41)	(143.05)
(Increase) / Decrease in Loans & Advances	102.98	(4,316.81)
Net Cash Flow Generated from / (Used in) Investing Activities [B]	(122.76)	(5,690.40)
Cash Flow from Financing Activities		
Proceeds from / (Repayment of) Short term Borrowings	427.82	1,890.80
Proceeds from Issuance of Share Capital	-	3,473.03
Finance Cost Paid	(5.08)	-
Net Cash Flow Generated from / (Used in) Financing Activities [C]	422.74	5,363.83
Net Changes in Cash & Cash Equivalents [A+B+C]	(202.30)	261.54
Cash & Cash Equivalents at the beginning of the year	270.17	8.63
Cash & Cash Equivalents at the end of the year	67.87	270.17

Notes:

- The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- Amount in bracket indicates cash outflow.

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Consolidated Statement of Cash Flows for the year ended March 31, 2025

(Rupees in Lakhs)

3. Reconciliation of Cash & Cash Equivalents as per Consolidated Statement of Cash Flows:

Particulars	As at 31st March 2025	As at 31st March 2024
Cash on Hand	0.49	6.67
Balances with banks	67.38	263.50
	67.87	270.17

4. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

For the year ended 31st March 2025

Particulars	As at April 01, 2024	Cash Flow Changes	Non Cash Changes	As at 31st March 2025
Non Current Borrowings	-	-	-	-
Current Borrowings	1,934.03	427.82	(2,056.37)	305.48
	1,934.03	427.82	(2,056.37)	305.48

For the year ended 31st March 2024

Particulars	As at April 01, 2023	Cash Flow Changes	Non Cash Changes	As at 31st March 2024
Non Current Borrowings	-	-	-	-
Current Borrowings	43.23	1,890.80	-	1,934.03
	43.23	1,890.80	-	1,934.03

The accompanying notes are an integral part of these financial statements

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Place: Mumbai

UDIN: 25403437BMIOWZ4239

Date: 30th May, 2025

Dharmesh Tripathi

(Chief Financial Officer)

Shwetambery Khurana

(Company Secretary)

Place: Ahmedabad

Date: 30th May, 2025

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



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

(Rupees in Lakhs)

A. Equity Share Capital

Particulars	Number of Shares	Amount
Balance as at 1st April, 2023	37,50,000	375.00
Changes in Equity Share Capital during the current year	1,80,00,000	900.00
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at 31st March, 2024	2,17,50,000	1,275.00
Changes in Equity Share Capital during the current year	-	-
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at 31st March, 2025	2,17,50,000	1,275.00

B. Other Equity

Particulars	Reserves & Surplus		Total
	Securities Premium Account	Retained earnings	
Balance as at 1st April, 2023	437.50	(854.63)	(417.13)
Profit / (Loss) for the year	-	140.00	140.00
Less: Profit / (Loss) in relation to Non Controlling Interest	-	(64.87)	(64.87)
Total Comprehensive Income for the year	-	75.13	75.13
	437.50	(779.50)	(342.00)
Securities Premium Received on Issue of Right Shares	1,530.00	-	1,530.00
Issue Expenses	(21.17)	-	(21.17)
Balance as at 31st March, 2024	1,946.33	(779.50)	1,166.83
Profit / (Loss) for the year	-	(80.11)	(80.11)
Less: Profit / (Loss) in relation to Non Controlling Interest	-	17.25	17.25
Total Comprehensive Income for the year	-	(62.86)	(62.86)
	1,946.33	(842.36)	1,103.97
Less: Reduction on Account of Loss of Control of Subsidiary	-	(49.04)	(49.04)
Balance as at 31st March, 2025	1,946.33	(891.40)	1,054.93

As per our report of even date attached

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Cash & Cash Equivalents at the end of the year

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Dharmesh Tripathi

(Chief Financial Officer)

Shwetambery Khurana

(Company Secretary)

Place: Mumbai

UDIN: 25403437BMIOWZ4239

Date: 30th May, 2025

Place: Ahmedabad

Date: 30th May, 2025

VALUE RESEARCH PREMIUM

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025



(Rupees in Lakhs)

3. Property, Plant and Equipment & Intangible Assets

Particulars	Property, Plant and Equipment								Intangible Assets
	Freehold Land	Buildings	Plant & Machinery	Electric Equipment	Computer	Furniture & Fittings	Office Equipment	Total	Computer Software
Original Cost									
Balance as at 1st April 2023	5.58	218.45	13.49	32.49	12.80	161.93	9.83	454.57	32.75
Additions	-	-	0.19	6.96	6.73	27.25	5.62	46.75	3.97
Disposals & Adjustments	-	-	-	(0.04)	(0.15)	(2.25)	(0.20)	(2.64)	-
Balance at 31 March 2024	5.58	218.45	13.68	39.41	19.38	186.93	15.25	498.68	36.72
Additions	-	-	86.60	12.29	5.80	12.25	4.39	121.33	0.65
Reduction on Account of Loss of Control of Subsidiary	-	(217.83)	(13.68)	(40.99)	(17.83)	(187.20)	(15.35)	(492.88)	(36.72)
Disposals & Adjustments	(5.58)	(0.62)	-	-	(2.60)	-	-	(8.80)	-
Balance at 31st March 2025	-	0.00	86.60	10.71	4.75	11.98	4.29	118.33	0.65
Accumulated Depreciation									
Balance at 1 April 2023	-	6.54	2.52	3.63	4.19	17.96	1.93	36.77	6.06
Depreciation for the year	-	7.06	0.75	3.23	2.04	15.90	1.97	30.95	5.80
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance at 31 March 2024	-	13.60	3.27	6.86	6.23	33.86	3.90	67.72	11.86
Depreciation for the year	-	1.33	4.35	1.46	0.95	4.07	1.29	13.45	1.23
Reduction on Account of Loss of Control of Subsidiary	-	(14.93)	(3.41)	(7.54)	(4.25)	(37.06)	(4.40)	(71.59)	(13.02)
Eliminated on disposal of assets	-	-	-	-	(2.59)	-	-	(2.59)	-
Balance at 31 March 2025	-	-	4.21	0.78	0.34	0.87	0.79	6.99	0.07
Carrying Amount									
Balance at 31 March 2025	-	0.00	82.39	9.93	4.41	11.11	3.50	111.34	0.58
Balance at 31 March 2024	5.58	204.85	10.41	32.55	13.15	153.07	11.35	430.96	24.86



Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025



(Rupees in Lakhs)

4. Non Current Investments	As at March 31, 2025	As at March 31, 2024
Investment in Equity Instruments		
Quoted (Fair Value through Profit & Loss)		
Associate company		
6,30,00,000 (PY - Nil) Equity shares of Stitched Textiles Limited (Refer Note below)	1,984.50	-
Less: Proportionate Share of Loss from Associate Company	(182.19)	-
Less: Other Adjustments	(0.17)	
Other company		
344 (PY - Nil) Equity Shares of Reliance Industries Limited	-	10.22
Investment in Alternative Investment Fund		
Unquoted (Fair Value through Profit & Loss)		
9,19,362.697 (PY - Nil) Units of Chanakya Opportunities Fund (Cat-II AIF)	-	132.83
	1,802.14	143.05
Note:		
The Entity had acquired a controlling stake in Stitched Textiles Limited by way of purchase of Equity shares in the FY 2023-24. However, during the current year, Stitched Textiles Limited ceased to be subsidiary of Yarn Syndicate Limited with effect from 8th June 2024 on account of issue of new shares by Stitched Textiles Limited to other entity leading to reduction in controlling interest of Yarn Syndicate Limited from 50.82% to 49.82%.		
5. Non Current Loans and Advances		
	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good)		
To Others		1,813.84
	-	1,813.84
6. Other Non Current Financial Assets		
	As at March 31, 2025	As at March 31, 2024
Security Deposits	-	29.45
	-	29.45
7. Other Non Current Assets		
	As at March 31, 2025	As at March 31, 2024
Advance for Investments	-	71.50
	-	71.50
8. Inventories		
	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realizable value)		
a) Raw Materials & Components	755.59	-
b) Work in Progress	356.17	-
c) Finished Goods & Stock In Trade	591.38	5,033.85
	1,703.14	5,033.85
9. Trade Receivables		
	As at March 31, 2025	As at March 31, 2024
Unsecured		
Trade Receivables - Considered Good	1,488.74	2,175.53
Trade Receivables - Considered Doubtful	145.01	145.01
	1,633.75	2,320.54
Less: Allowance for Doubtful Debts	(145.01)	(145.01)
	1,488.74	2,175.53

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

Trade Receivables Ageing as at 31st March 2025

Particulars	Outstanding for the following periods from date of transaction					
	Less Than 6 months	6 Months-1 years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables						
Considered Good	1,337.63	32.05	119.06	-	-	1,488.74
Considered Doubtful	-	-	-	-	145.01	145.01
Total	1,337.63	32.05	119.06	-	145.01	1,633.75
Less: Allowance for Doubtful Debts						(145.01)
Total						1,488.74

Trade Receivables Ageing as at 31st March 2024

Particulars	Outstanding for the following periods from date of transaction					
	Less Than 6 months	6 Months-1 years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables						
Considered Good	2,131.47	44.06	-	-	-	2,175.53
Considered Doubtful	-	-	-	-	145.01	145.01
Total	2,131.47	44.06	-	-	145.01	2,320.54
Less: Allowance for Doubtful Debts						(145.01)
Total						2,175.53

10. Cash and Cash Equivalents

	As at March 31, 2025	As at March 31, 2024
Cash in Hand	0.49	6.67
Balances with Banks		
In Current Accounts	67.38	263.50
	67.87	270.17

11. Loans and Advances

	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good)		
To Body Corporates	-	842.53
To Related Parties	-	-
To Employees	-	28.42
To Others	5.00	1,531.07
	5.00	2,402.02

12. Other Financial Assets

	As at March 31, 2025	As at March 31, 2024
Security Deposits	49.70	50.90
	49.70	50.90

13. Current Tax Assets (Net)

	As at March 31, 2025	As at March 31, 2024
Advance Income Tax Paid (Incl. TDS & TCS Receivable)	24.35	6.67
Less: Provision for Income Tax	(4.70)	-
	19.65	6.67

14. Other Current Assets

	As at March 31, 2025	As at March 31, 2024
Advances for Capital Goods	43.17	-
Advances to Suppliers	807.22	1,000.55
Balances with Government Authorities	216.00	147.07
Prepaid Expenses	0.22	-
	1,066.61	1,147.62

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

15. Equity Share Capital	As at March 31, 2025	As at March 31, 2024
A. Authorised Share Capital		
2,20,00,000 Equity Shares of Rs. 10 each	2,200.00	2,200.00
B. Issued, Subscribed and Fully Paid up Share Capital		
37,50,000 Equity Shares of Rs. 10 each	375.00	375.00
C. Issued, Subscribed and Partly Paid up Share Capital		
1,80,00,000 Equity Shares of Rs. 10 each, Rs. 5 paid up	900.00	900.00
	1,275.00	1,275.00

D. Reconciliation of number of Shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	2,17,50,000	1,275.00	37,50,000	375.00
Add: Issued during the year (Refer Note Below)	-	-	1,80,00,000	900.00
Outstanding at the end of the year	2,17,50,000	1,275.00	2,17,50,000	1,275.00

Note:

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("the Regulations"), Rights Issue Committee of Directors of the Company in their meeting held on Tuesday, 27th February, 2024 at the Corporate Office of the Company situated at Shop No 128 Supermall-2 GH-0 Circle, Infocity, Gandhinagar – 382007, Gujarat, which commenced at 1:00 P.M. and concluded at 1:45 P.M. inter-alia had considered and approved Allotment of 1,80,00,000 (One Crore Eighty Lakhs) Partly Paid-up Equity Shares with paid-up value of Rs. 5.00 each and face value of Rs. 10.00 each on a Rights basis to the eligible equity shareholders of the Company at a price of Rs. 27.00 (Rupees Twenty Seven Only) per equity share (including a share premium of Rs. 17.00 per equity share) in the ratio of 24 : 5 i.e. 24 (Twenty Four) Rights Equity shares for every 5 (Five) fully paid up Equity shares held by the eligible equity shareholders as on the Record date i.e. Wednesday, 24th January, 2024.

Out of issue price of Rs. 27.00 per rights equity share, Rs. 13.50 per rights equity share including a share premium of Rs. 8.50 per rights equity share had been paid on application and the balance amount shall be payable on 1st and Final call at such time as may be determined by the Board in consultation with the Rights Issue Committee.

The said allotment is pursuant to the Letter of Offer dated 25th January, 2024 and the Basis of Allotment as approved by BSE Limited ("BSE"), the Designated Stock Exchange for this issue.

E. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares				
Somani Ventures and Innovations Limited	22,57,512	10.38%	-	-
Sanjay Karanraj Sakaria	19,27,686	8.86%	19,10,000	8.78
Ravi Niranjana Pandya	11,90,555	5.47%	14,63,646	6.73
Vismay Amitkumar Shah	10,17,575	4.68%	13,17,575	6.06
Bishal Pawan More	-	0.00%	28,77,723	13.23

F. Details of promoters shareholding and percentage of Change

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% Change during the year	No. of Shares	% Change during the year
Ravi Niranjana Pandya	11,90,555	(18.66%)	14,63,646	82.96%

G. The Company has only one class of Equity Shares having a par value of Rs. 10.00 per share and each holder of the Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed (if any) by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

H. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025



(Rupees in Lakhs)

16. Other Equity	As at March 31, 2025	As at March 31, 2024
Securities Premium		
Opening Balance	1,946.33	437.50
Add: Amount received during the year	-	1,530.00
Less: Amount Utilised during the year	-	(21.17)
	1,946.33	1,946.33
Retained Earnings		
Opening Balance	(779.50)	(854.63)
Add: Profit/(Loss) for the year	(62.86)	75.13
Less: Other Adjustments	(0.34)	
Less: Reduction on Account of Loss of Control of Subsidiary	(49.04)	-
	(891.74)	(779.50)
	1,054.59	1,166.83

Nature and Purpose of Reserves:

Securities Premium

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings represent the amount that can be distributed as dividend considering the requirements of the Companies Act, 2013. During the year, no dividends are distributed to the equity shareholders by the Company.

18. Other Non Current Financial Liabilities	As at March 31, 2025	As at March 31, 2024
Refundable Franchisee Security Deposits	-	811.75
	-	811.75

17. Non Current Borrowings	As at March 31, 2025	As at March 31, 2024
Unsecured		
Inter Corporate Deposits	115.21	-
	115.21	-

19. Deferred Tax Liabilities (Net)	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities		
Differences between WDV of Property, Plant & Equipment as per Tax Records and Books of Accounts	0.89	-
	0.89	-

Notes:

Movement in Deferred Tax Liabilities (Net) for the year ended March 31, 2025:

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	As at March 31, 2025
Tax effect of items constituting Deferred Tax Liabilities:				
Property, Plant & Equipment & Intangible Assets	-	0.89	-	0.89
Total	-	0.89	-	0.89

Movement in Deferred Tax Liabilities (Net) for the year ended March 31, 2024:

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Tax effect of items constituting Deferred Tax Liabilities:				
Property, Plant & Equipment & Intangible Assets	-	-	-	-
Total	-	-	-	-

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025



(Rupees in Lakhs)

20. Current Borrowings	As at March 31, 2025	As at March 31, 2024
Unsecured		
Inter Corporate Deposits	18.71	1,478.68
From Related Parties	50.95	238.91
From Others	235.82	216.44
	305.48	1,934.03

Note: The above loans are interest free & are repayable on demand.

21. Cash & Cash Equivalents at the end of the year	As at March 31, 2025	As at March 31, 2024
Dues to Micro and Small Enterprises	-	-
Dues to Others	3,078.61	6,071.95
	3,078.61	6,071.95

Trade Payables Ageing as at 31st March 2025

Particulars	Outstanding for the following periods from date of transaction				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Payables					
Dues to Micro and Small Enterprises	-	-	-	-	-
Dues to Others	3,078.61	-	-	-	3,078.61
Total	3,078.61	-	-	-	3,078.61

Trade Payables Ageing as at 31st March 2024

Particulars	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Payables					
Dues to Micro and Small Enterprises	-	-	-	-	-
Dues to Others	2,403.06	3,668.89	-	-	6,071.95
Total	2,403.06	3,668.89	-	-	6,071.95

Disclosure under Section 22 of Micro, Small and Medium Enterprise Development (MSMED) Act, 2006

Based on the intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 by the company, disclosures as required under Section 22 of Act are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note: The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the Financial Statements based on the information received and available with the group. The Group has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

22. Other Current Liabilities	As at March 31, 2025	As at March 31, 2024
Statutory Dues Payable	5.46	65.13
Payable to Employees	26.27	0.35
Advances from Customers	453.26	2,030.35
Other Payables	-	0.74
	484.99	2,096.57

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025



(Rupees in Lakhs)

	For the year ended 31st March 2025	For the year ended 31st March 2024
23. Revenue from Operations		
Sale of Products	4,083.76	338.32
Sale of Services	1,270.41	52.00
Other Operating Revenues	61.80	-
	5,415.97	390.32
24. Other Income		
Interest on Income Tax Refund	0.01	-
Notional Gain / Loss on Revaluation of Investments	13.91	-
Gain / Loss on Sales of Investments	(0.02)	-
Marketing Income	-	100.00
Liabilities no Longer Required written back	-	8.55
Discount Received	-	0.02
	13.90	108.57
25. Cost of Material Consumed		
Opening Stock	-	-
Add: Purchases during the year	5,168.14	-
Less: Closing Stock	(726.26)	-
	4,441.88	-
Add: Direct Expenses	267.57	-
	4,709.45	-
26. Purchases of Stock-in-Trade		
Purchase of Stock-In-Trade	1,027.94	552.90
	1,027.94	552.90
27. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Inventories at the beginning of year		
Work-in-Progress	-	-
Finished Goods & Stock-In-Trade	5,004.52	4,425.14
Inventories as at the date of loss of control of subsidiaries		
Finished Goods & Stock-In-Trade	(5,057.70)	-
Inventories at the end of year		
Work-in-Progress	(356.17)	-
Finished Goods & Stock-In-Trade	(591.38)	(5,033.85)
	(1,000.73)	(608.71)
28. Employee benefits expense		
Salaries, Wages and Bonus	247.67	29.45
	247.67	29.45
29. Finance costs		
Finance Costs	4.67	43.82
Bank Charges	0.41	0.02
	5.08	43.84



Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)



Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

	For the year ended 31st March 2025	For the year ended 31st March 2024
30. Other Expenses		
Repairs and Maintenance Expenses	44.98	0.51
Packing Material Consumption	-	1.07
Transportation Expenses	28.39	2.81
Insurance Expenses	-	0.93
Rent Expenses	43.59	12.27
Security Expenses	16.46	-
Electricity Expenses	2.72	0.55
Legal and Professional Expenses	19.29	86.60
Payment to Auditors		
Statutory Audit Fees	-	1.50
Other Assurance Services	1.08	1.21
Directors Sitting Fees	0.93	-
Office Expenses	9.00	3.26
Travelling and Conveyance Expenses	1.44	6.23
Printing & Stationery Expenses	3.41	1.05
Testing Expenses	0.49	-
Advertisement Expenses	1.17	134.36
Commission Expenses	132.21	85.13
Communication Cost	1.74	0.19
Donation Expenses	0.10	-
Sundry Balances written off	8.10	-
Miscellaneous Expenses	3.01	0.54
Interest, Penalty and Late fees expenses	-	0.02
Prior Period Expenses	-	0.66
	318.11	338.89
31. Tax Expenses		
Current Tax		
Current Income Tax Charge	4.70	-
Tax Adjustment for earlier years	-	-
	4.70	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	0.89	-
	0.89	-
Total Tax Expenses	5.59	-
Reconciliation of effective tax rate		
Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit Before Tax as per Statement of Profit & Loss	107.67	140.00
Less: (Profit) / Loss of Subsidiary	35.07	(131.89)
Profit Before Tax as per Statement of Profit & Loss	142.74	8.11
Applicable Tax Rate for Corporate Entity as per Income Tax Act, 1961	25.17%	25.17%
Income tax using the Company's applicable tax rate	35.92	2.04
Tax Effect of:		
Expenses permanently disallowed from Income Tax	0.03	-
Other Adjustments	(31.25)	(2.04)
	4.70	-

Yarn Syndicate Limited

(CIN: L51109GJ1946PLC153972)

Notes to the Consolidated Financial Statements for the year ended March 31, 2025



(Rupees in Lakhs)

32. Earnings per Share		For the year ended 31st March 2025	For the year ended 31st March 2024
Basic Earnings Per Share			
Profit for the year attributable to Equity Shareholders	(Rupees in Lakhs)	(111.90)	75.13
Weighted Average Number of Equity Shares Outstanding during the year	(Numbers)	1,27,50,000	47,75,004
Nominal Value per Share	(Rupees)	10.00	10.00
Basic Earnings Per Share	(Rupees)	(0.878)	1.573
Diluted Earnings Per Share			
Profit for the year attributable to Equity Shareholders	(Rupees in Lakhs)	(111.90)	75.13
Weighted Average Number of Equity Shares Outstanding during the year	(Numbers)	1,27,50,000.00	48,51,443
Nominal Value per Share	(Rupees)	10.00	10.00
Diluted Earnings Per Share	(Rupees)	(0.878)	1.549



Yarn Syndicate Limited

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025

33. Additional Regulatory Requirements

(A) Ratios

Sr. No.	Ratios	Numerator	Denominator	March 31, 2025	March 31, 2024	Unit	% Change in Ratio	Reason for Changes more than 25%
1	Current Ratio	Total Current Assets	Total Current Liabilities	1.14	1.10	Times	3.64%	NA
				4,400.71	11,086.76			
				3,869.08	10,102.55			
2	Debt Equity Ratio	Total Debt	Shareholders' Equity	0.18	0.54	Times	(66.66%)	Due to Loss of Control of Subsidiary.
				420.69	1,934.03			
				2,329.59	3,570.88			
3	Debt Service Coverage Ratio	Not Applicable						
4	Return on Equity	Net Profit After Tax	Average Shareholders' Equity	3.46%	7.93%	%	(56.39%)	Due to Loss of Control of Subsidiary.
				102.08	140.00			
				2,950.24	1,764.38			
5	Inventory Turnover Ratio	Sales	Average Inventory	1.61	0.16	Times	936.79%	Due to business diversification to textile manufacturing operations.
				5,415.97	390.32			
				3,368.50	2,516.93			
6	Trade Receivables Turnover Ratio	Sales	Average Trade Receivables	2.96	0.36	Times	723.82%	Due to business diversification to textile manufacturing operations.
				5,415.97	390.32			
				1,832.14	1,087.77			
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	1.42	0.29	Times	387.91%	Due to business diversification to textile manufacturing operations.
				6,503.62	884.88			
				4,575.28	3,037.32			
8	Net Capital Turnover Ratio	Sales	Average Working Capital	7.15	0.83	Times	764.68%	Due to business diversification to textile manufacturing operations.
				5,415.97	390.32			
				757.92	472.31			
9	Net Profit Ratio	Net Profit	Sales	1.88%	35.87%	%	(94.75%)	Due to business diversification to textile manufacturing operations.
				102.08	140.00			
				5,415.97	390.32			
10	Return on Capital Employed	Earnings before Interest & Taxes	Capital Employed	4.10%	3.34%	%	22.72%	NA
				112.75	183.84			
				2,751.17	5,504.91			
11	Return on Investment	Not Applicable						

(B) Other Statutory Information

- There are no proceedings initiated or pending against the group under Section 24 of The Prohibition of Benami Property, 1988 and rules made thereunder for holding any benami property.
- The group entities has not been declared wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.
- The group does not have any transactions with struck off under Section 248 of the Companies Act, 2013.
- There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- The group has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.
- The group has not entered into any scheme of arrangement in terms of Section 230 to 237 of the Companies Act, 2013.
- The group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the intermediary shall, whether directly or indirectly lend or invest in other person / entities identified in any manner whatsoever by or on behalf of the group("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of Ultimate Beneficiaries.
- The Group has not received any fund from any other person or entity, including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the group shall directly or indirectly lend or invest in other person / 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 Ultimate Beneficiaries.
- The Group does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
- The Group has not traded or invested in Crypto Currency or Virtual Currency during the reporting periods.
- The Group has not been sanctioned working capital limit in form of term loans and overdraft facilities.
- There are no immovable property in the books of the group whose title deed is not held in the name of the group.

Yarn Syndicate Limited

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

34. Related Party Disclosures

The group has identified related parties and transactions entered with them as required by Ind AS - 24 issued by ICAI as below:

(i) Name of related parties and description of relationship where control exists

Sr. No.	Name of Related Party	Relationship
[A]	Related Parties of Holding Company	
1	Stitched Textile Limited	Associate Company (From 8th June 2024)
2	Ravi Niranjana Pandya	Promotor & Managing Director
3	Rishiraj Patodia	Managing Director (Up to 6th July 2023)
4	Sheela Patodia	Director (Up to 6th July 2023)
5	Namichand Agrawal	Director (Up to 29th September 2023)
6	Chetan Kumar Ojha	Director (Up to 15th February 2025)
7	Tarachand Gangasahay Agrawal	Director (From 14th February 2025)
8	Mithleshkumar M Agrawal	Director (From 11th March 2025)
9	Nidhi Bansal	Independent Director
10	Nandish Jani	Independent Director (Up to 20th February 2025)
11	Rahul Hareshbhai Modi	Independent Director (From 14th February 2025)
12	Dharmesh Vimalkumar Tripathi	Chief Financial Officer (From 9th September 2023)
13	Priya Singh	Company Secretary (Up to 1st May 2024)
14	Shwetambery Khurana	Company Secretary (From 18th July 2024)
15	M Sumalatha	Relative of Director (Up to 6th July 2023)
16	R. K. Patodia (HUF)	Director is Karta (Up to 6th July 2023)
17	YS Exports Limited	Managing Director was Director (Up to 6th July 2023)
18	7NR Retail Limited	Director is Director (From 5th February 2025, Up to 15th February 2025)
19	Brand Cluster LLP	Director is Partner (From 14th February 2025)
20	Vaxtex Cotfab Limited	Director is Promotor (From 11th March 2025)
21	Vax Enterprise Private Limited	Director is Director (From 11th March 2025)
[B]	Related Parties of Subsidiary Company (From 9th March 2024, Up to 8th June 2024)	
22	Jaimin Kailash Gupta	Managing Director
23	Chetan Kumar Ojha	Director
24	Rushabh Anilkumar Shah	Independent Director
25	Premaram Jaitaram Patel	Independent Director
26	Bharti Gupta	Relative of Managing Director
27	Kresha Gupta	Relative of Managing Director
28	Brand Cluster LLP	Managing Director is Partner
29	Vaxtex Cotfab - Partnership Firm	Managing Director is Partner
30	Gupta KK & Associates	Relative of Managing Director is Proprietor
31	Steptrade Share Services Private Limited	Relative of Managing Director is Director and having substantial Interest
32	Stephead Advisors Private Limited	Relative of Managing Director is Director and having substantial Interest
33	Urra Happy Life Creation Pvt Ltd	Managing Director is Director
34	Dizaynio Creative Studio Pvt Ltd	Managing Director is having substantial interest

and Cash Equivalents at the end of the year

(ii) Transactions with Related Parties

Sr. No.	Name of Related Party	Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
1	Chetan Kumar Ojha	Remuneration	10.10	0.75
2	Chetan Kumar Ojha	Loans Given Received Back	0.72	0.06
3	Dharmesh Vimalkumar Tripathi	Remuneration	-	0.96
4	Dharmesh Vimalkumar Tripathi	Loans Given Received Back	-	0.17
5	Dizaynio Creative Studio Pvt Ltd	Expenses incurred by Group on behalf of entity	0.00	-
6	Jaimin Kailash Gupta	Loans Given	-	40.42
7	Jaimin Kailash Gupta	Loans Given Received Back	150.00	56.34
8	M Sumalatha	Loans Taken	-	200.00
9	Namichand Agrawal	Loans Taken	-	1.00

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(Rupees in Lakhs)

(ii) Transactions with Related Parties

Sr. No.	Name of Related Party	Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
10	Nandish Jani	Directors' Sitting Fees	0.37	0.18
11	Nidhi Bansal	Directors' Sitting Fees	0.41	0.36
12	Premaram Jaitaram Patel	Directors' Sitting Fees	0.18	-
13	Priya Singh	Remuneration	0.35	2.45
14	Rahul Hareshbhai Modi	Directors' Sitting Fees	0.15	-
15	Ravi Niranjana Pandya	Loans Taken	-	4.95
16	Ravi Niranjana Pandya	Loans Repaid	2.00	2.00
17	Rishiraj Patodia	Loans Repaid	-	2.00
18	Rushabh Anilkumar Shah	Directors' Sitting Fees	-	0.12
19	Sheela Patodia	Loans Taken	-	14.36
20	Sheela Patodia	Loans Repaid	-	2.10
21	Shwetambery Khurana	Remuneration	9.07	-
22	Stephead Advisors Private Limited	Expenses incurred by Group on behalf of entity	0.10	-
23	Steptrade Share Services Private Limited	Loans Given	-	0.06
24	Steptrade Share Services Private Limited	Loans Given Received Back	50.00	-
25	Steptrade Share Services Private Limited	Expenses incurred by Group on behalf of entity	0.01	-
26	Stitched Textiles Limited	Purchases of Goods	431.88	47.65
27	Stitched Textiles Limited	Sales of Goods	226.02	104.62
28	Stitched Textiles Limited	Investment in Subsidiary Company	-	1,984.50
29	Vax Enterprise Private Limited	Purchases of Goods	285.72	-

(iii) Outstanding Balances at the end of the year

Sr. No.	Name of Related Party	Nature of Balances	As at March 31, 2025	As at March 31, 2024
1	Bharti Gupta	Outstanding Loans Receivables	-	384.00
2	Brand Cluster LLP	Outstanding Loans Payables	50.00	-
3	Brand Cluster LLP	Trade Receivables	-	86.20
4	Chetan Kumar Ojha	Outstanding Loans Receivables	-	4.04
5	Dharmesh Vimalkumar Tripathi	Outstanding Loans Receivables	-	0.43
6	Dizaynio Creative Studio Pvt Ltd	Outstanding Loans Receivables	-	7.21
7	Gupta KK & Associates	Trade Receivables	-	1.50
8	Gupta KK & Associates	Outstanding Loans Receivables	-	5.00
9	Jaimin Kailash Gupta	Outstanding Loans Receivables	-	310.96
10	Kresha Gupta	Outstanding Loans Receivables	-	246.04
11	M Sumalatha	Outstanding Loans Payables	-	200.00
12	Namichand Agrawal	Outstanding Loans Payables	-	1.00
13	Priya Singh	Remuneration Payable	-	0.35
14	R.K Patodia (HUF)	Outstanding Loans Payables	-	8.84
15	Ravi Niranjana Pandya	Outstanding Loans Payables	0.95	2.95
16	Rishiraj Patodia	Outstanding Loans Payables	-	2.34
17	Sheela Patodia	Outstanding Loans Payables	-	23.60
18	Shwetambery Khurana	Remuneration Payable	1.01	-
19	Steptrade Share Services Private Limited	Outstanding Loans Receivables	-	769.44
20	Stitched Textiles Limited	Trade Receivables	237.14	109.80
21	Stitched Textiles Limited	Trade Payables	1,092.17	-
22	Stitched Textiles Limited	Advances to Suppliers	-	37.13
23	Urra Happy Life Creation Pvt Ltd	Outstanding Loans Receivables	-	70.01
24	Vax Enterprise Private Limited	Trade Payables	382.80	-
25	Vaxtex Cotfab - Partnership Firm	Outstanding Loans Receivables	-	6.07
26	Vaxtex Cotfab Limited	Trade Receivables	119.06	144.06
27	YS Exports Limited	Outstanding Loans Payables	-	0.18

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

35. Contingent Liabilities & Capital Commitments

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Contingent Liabilities not provided for		
<u>Claims against the Group not acknowledged as debt</u>		
Interest & Damages under PF Act,1952	1.44	-
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for in accounts	48.83	-

36. Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

- 1) Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans approximate their carrying amounts largely due to short-term maturities of these instruments.
- 2) Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

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

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

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

Fair Value Measurements

Particulars	As at 31 March 2025		As at 31 March 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Cash and Cash Equivalents	-	67.87	-	270.17
Investments	-	1,802.14	-	143.05
Trade Receivables	-	1,488.74	-	2,175.53
Loans & advances	-	5.00	-	4,215.86
Other Financial assets	-	49.70	-	80.35
Total Financial Assets	-	3,413.45	-	6,884.96
Financial liabilities				
Borrowings	-	420.69	-	1,934.03
Trade Payable	-	3,078.61	-	6,071.95
Other Financial liabilities	-	-	-	811.75
Total Financial Liabilities	-	3,499.30	-	8,817.73

37. Financial risk management objectives and policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's activities expose it to market risk, liquidity risk and credit risk which are measured, monitored and managed to abide by the principles of risk management.

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

i) Credit Risk

Credit risk arises when a customer defaults on its contractual obligations to pay, resulting in financial loss to the group. The Group has adopted a policy of categorising the customers based on the performance and accordingly credit limit ceiling of each category is defined. The Group's exposure and categorisation of its customers are continuously monitored. Credit exposure is controlled by customer credit limits which are reviewed and approved.

The Group applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables.

There is no change in estimation techniques or significant assumptions during the reporting period.

ii) Liquidity Risk

The board of directors has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile remaining contractual maturity period at the reporting date:

Particulars	Carrying Value	Due in Less than 1 Year	Due in More than 1 Year
As at March 31, 2025			
Borrowings	535.90	305.48	230.42
Trade Payables	3,078.61	3,078.61	-
	3,614.51	3,384.09	230.42
As at March 31, 2024			
Borrowings	1,934.03	1,934.03	-
Trade Payables	6,071.95	6,071.95	-
	8,005.98	8,005.98	-

iii) Market Rate Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The objective of market risk management is to avoid exposure in our foreign currency transactions and interest rate risk.

a) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs. The Group has no interest bearing liabilities as on the balance sheet date.

b) Foreign currency risk

During the current financial year the group has not done any transactions with other countries or in other currencies due to which the group is not exposed to any foreign currency risk.

iv) Capital management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The Group monitors capital using gearing ratio, which is net debt (borrowings less cash and bank balances) divided by total equity.

Net debt-to-equity ratio as of 31st March 2025

Particulars	31st March 2025	31st March 2024
Short Term Borrowings	305.48	1,934.03
Long Term Borrowings	115.21	-
Gross Debt (A)	420.69	1,934.03
Less: Cash & Bank Balance	67.87	270.17
Net Debt (B)	352.82	1,663.86
Total Equity (C)	2,329.59	3,570.88
Gearing Ratio (B)/(C)	15.15%	46.60%

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**Notes to the Consolidated Financial Statements for the year ended March 31, 2025**

(Rupees in Lakhs)

38. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

An Operating Segment is component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available.

Manufacturing & Trading in Textile is the Company's only business segment ,hence the disclosure of segment wise information as required by Ind AS 108 on "Segment Reporting" is not applicable. Further, there are no export sales and hence there is no reportable secondary segment as per Ind AS 108.

39. Employee Benefits

The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for cash basis. Also, as per the company's policy, paid absences not utilised for the year are lapsed, hence the provision for the paid absences is not applicable to the company.

40. Audit Trail

The Group uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

41. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Companies w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

42. Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

- i) The Group does not have any Foreign currency exposures which is not covered by derivative instruments or otherwise as at March 31, 2025 & March 31, 2024.
- ii) The Group does not have any outstanding foreign currency derivative contracts as at March 31, 2025 & March 31, 2024 in respect of various types of derivative hedge instruments and nature of risk being hedged.
- iii) The Group does not enters into derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Yarn Syndicate Limited

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

43. Group Companies considered in the consolidated Financial Statements

Name of Company	% of Holding	Relationship	Country Incorporation	Method of Accounting
Stitched Textiles Limited (Up to 7th June, 2024)	50.82%	Subsidiary Company	India	NA
Stitched Textiles Limited (From 8th June, 2024)	49.82%	Associate Company	India	Equity Method

Summarised Financial Position of Group's Investment in Associate Stitched Textile Limited

Particulars	31st March 2025	31st March 2024 (Refer Note below)
Non Current Assets		
i) Financial Liabilities	1,717.93	
ii) Non Financial Liabilities	489.08	
Total Non Current Assets (A)	2,207.01	-
Current Assets		
i) Cash & Cash Equivalents	129.82	
ii) Others	10,756.47	
Total Current Assets (B)	10,886.29	-
Total Assets (A+B)	13,093.30	-
Non Current Liabilities		
i) Financial Liabilities	596.30	
ii) Non Financial Liabilities	7.36	
Total Non Current Liabilities (A)	603.66	-
Current Liabilities		
i) Financial Liabilities	8,949.48	
ii) Non Financial Liabilities	1,566.34	
Total Current Liabilities (B)	10,515.82	-
Total Liabilities (A+B)	11,119.48	-
Total Equity (Net Assets)	1,973.82	
Total Equity & Liabilities	13,093.30	-
Contingent Liabilities and Capital Commitments	91.81	-



Summarised Financial Result of Group's Investment in Associate Stitched Textile Limited (From 08/06/2024 to 31/03/2025)

Particulars	31st March 2025	31st March 2024
Revenue	3,872.93	-
Other Income	221.37	-
Total Income	4,094.30	-
Purchases of Stock-in-Trade	3,910.97	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(285.20)	-
Employee Benefit Expense	278.19	-
Depreciation & Amortisation	40.94	-
Finance Costs	92.38	-
Other Expense	375.78	-
Total Expense	4,413.06	-
Profit / (Loss) Before Tax	(318.76)	-
Provision for Tax	7.65	-
Profit / (Loss) After Tax	(326.41)	-
Other Comprehensive Income	-	-
Total Comprehensive Income	(326.41)	-

Yarn Syndicate Limited

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025

(Rupees in Lakhs)

Note: Disclosure in respect of the Associate Company for the year ended March 31, 2024, has not been provided, as Stitched Textiles Limited (STL) was a subsidiary and not an associate company of Yarn Syndicate Limited during the previous year. STL ceased to be a subsidiary with effect from June 8, 2024, pursuant to the issuance of new shares by STL to another entity, which resulted in a reduction of Yarn Syndicate Limited's controlling interest from 50.82% to 49.82%.

44. Disclosure of additional information pertaining to Group Companies as per Schedule III of the Companies Act, 2013

Name of Group Company	Net Assets (Total Assets - Total Liabilities)		Share in Profit / (Loss)	
	As % of Total Consolidated Net Assets	Amount	As % of Total Profit / (Loss)	Amount
Parent				
Yarn Syndicate Limited	107.83%	2,511.94	(171.20%)	137.15
Subsidiary				
Stitched Textiles Limited (Up to 7th June, 2024)	97.04%	2,260.75	43.76%	(35.06)
Associate				
Stitched Textiles Limited (From 8th June, 2024)	77.36%	1,802.14	227.42%	(182.19)
Adjustments arising out of consolidation	(182.23%)	(4,245.24)	0.00%	-
Total	100.00%	2,329.59	100.00%	(80.11)

45. Events Occuring after the reporting period

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of the date of signing of this financial statements, there were no subsequent events to be recognised or reported that are not already disclosed.

46. Previous Year's figures have been regrouped and reclassified, wherever necessary to correspond with the current year's classification/disclosure.

47. The Consolidated financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors and are subject to final approval by its Shareholders.

As per our report of even date attached

For, SSRV & Associates

Chartered Accountants

Firm Registration No.: 135901W

For and on behalf of the Board of directors of

Yarn Syndicate Limited

Vishnu Kant Kabra

(Partner)

Membership No.: 403437

Ravi Pandya

Managing Director

DIN: 09509086

Tarachand Agrawal

Director

DIN: 00465635

Place: Mumbai

UDIN: 25403437BMIOWZ4239

Date: 30th May, 2025

Dharmesh Tripathi

(Chief Financial Officer)

Place: Ahmedabad

Date: 30th May, 2025

Shwetambery Khurana

(Company Secretary)