Velan Hotels Limited, Tirupur.
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com
CIN: L55101TZ1990PLC002653

Statement of Standalone Audited Financial Results for the Quarter / Year Ended 31 March 2026

(Rs. In Lakhs)

Sl. No	Particulars	Quarter Ended			Year Ended	
		31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
		Audited	Unaudited	Audited	Audited	Audited
1	Net Sales (net of duties)/Income from operations	0.23	-	0.18	3.55	0.18
2	Other income	-	-	-	-	-
3	**Total income**	**0.23**	**-**	**0.18**	**3.55**	**0.18**
4						
	a) Cost of materials consumed	-	-	-	-	-
	b) Purchases of Stock-in-trade progress	-	-	-	-	-
	c) Employee benefits expenses	6.77	8.11	5.11	26.65	21.59
	d) Finance costs	675.03	25.24	1,137.95	750.47	1,138.02
	e) Depreciation and amortisation expenses	13.41	13.40	13.41	53.63	53.63
	f) Power & Fuel	-	-	-	-	-
	f) Other expenses	4.86	2.81	30.62	22.84	67.61
	Total expenses	**700.07**	**49.56**	**1,187.09**	**853.59**	**1,280.85**
5	Profit/(loss) before exceptional and tax	(699.84)	(49.56)	(1,186.92)	(850.04)	(1,280.67)
6	Exceptional items (net credit/charge)	-	-	-	-	-
7	**Profit/(loss) before tax**	**(699.84)**	**(49.56)**	**(1,186.92)**	**(850.04)**	**(1,280.67)**
8	Tax expenses					
	a. Current Tax	-	-	-	-	-
	b. Deferred tax credit/(charge)	-	-	-	-	-
	c. Income tax for earlier years	-	-	-	-	-
9	**Profit/(loss) for the period from continuing operations**	**(699.84)**	**(49.56)**	**(1,186.92)**	**(850.04)**	**(1,280.67)**
10	Profit/(loss) from discontinued operations before tax	-	-	-	-	-
11	Tax expenses of discontinued operation	-	-	-	-	-
12	Profit/(loss) from discontinued operations after Tax	-	-	-	-	-
13	**Profit/(loss) for the period**	**(699.84)**	**(49.56)**	**(1,186.92)**	**(850.04)**	**(1,280.67)**
14	Other comprehensive income for the period (net of tax)	-	-	-	-	-
15	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD**	**(699.84)**	**(49.56)**	**(1,186.92)**	**(850.04)**	**(1,280.67)**
16	Paid up equity share capital (face value Rs.10/- per share)	3,196.41	3,196.41	3,196.41	3,196.41	3,196.41
17	Reserves Excluding Revalution reserves	(5,332.71)	(4,634.56)	(4,489.47)	(5,332.71)	(4,489.47)
18	a) Earnings per share					
	Basic	(2.19)	(0.16)	(3.71)	(2.66)	(4.01)
	Diluted	(2.19)	(0.16)	(3.71)	(2.66)	(4.01)

Notes:

1) The financials have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of The Companies Act, 2013 read with Rule 3 of The Companies(Indian Accounting Standards) Rules, 2015 and relevant amendements thereafter.

2) The above Financial results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the company held on 22 May 2026.

3) The company had suspended all the revenue generating operations w.e.f 24 Mar 2020. The company is exploring options of selling a part or all of its revenue generating assets to settle all liabilities. In view of the above, the Company's ability of continuing as a Going concern is dependent on the value that can be generated by the sale of assets and the surplus, if any, available subsequent to the settlement of all liabilities. In view of the uncertainty on the realisable values, the impairment to the value of assets is not ascertainable at this juncture.

For Velan Hotels Limited

Managing Director

Velan Hotels Limited, Tirupur.
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com
CIN: L55101TZ1990PLC002653

Statement of Standalone Audited Financial Results for the Quarter / Year Ended 31 March 2026

4) The Company's account was categorized as NPA by Allahabad Bank and Andhra Bank during the year 2014. In April, 2017, the said Banks assigned the entire debts of the Company alongwith all underlying security interest, all rights, title & benefits to M/s.RARE Asset Reconstruction Limited (previously known as Raytheon Asset Reconstruction Private Limited) under the applicable provisions of the SARFAESI Act. The Company opted for One-Time Settlement offer with the said ARC and obtained in-principle approval from them during March, 2021 and also final approval has been received.

In view of the above, the Company has remitted Rs.82.52 crores to ARC upto 31st March, 2025, from the disposal / sale of assets of company.

During the quarter, the company has additionally repaid Rs.18.43 Crore from the Advance Received on Sale of Hotel at Tiruppur and as on the date of results, the company has fully repaid the loan and obtained No due Certificate from ARC.

5) There has been delay in meeting the statutory obligations and dues relating to Goods & Services Tax, Value Added Taxes and Service Tax are overdue by more than 12 months. The company has already paid dues relating to Provident Fund, Sales Tax and Tax Deducted at sources for Earlier Years amounting to Rs.27.95 Lacs and remitted Rs. 22.02 lacs relating of Goods and Service tax. Company is taking necessary steps to settle the balance Statutory Dues as and when the sale of assets are completed.

6) During this quarter, The Company has only one reportable business segment as it deals only in Operation and running of Hotels in terms of Ind AS 108 Operating Segment". Further, the Company operates only in one geographical segment -India. All the assets of the Company are located in India. The Company monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment. Accordingly, there are no separate reportable segments as per IND-AS 108, "Operating Segment" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

7) Effective 1 April 2019, the Company has adopted "IndAS-116-Leases".This standard is not having any material impact to these financial statements of the company.

8) Confirmation of balances have not obtained for Loans and Advances and Sundry Creditors and accordingly the respective figures have been stated at book values.

9) The status of pending litigations filed by Bankers and Statutory Authorities against the company remains status quo as reported in previous quarters other than the demand which is remitted during the period on as agreed by the Sales Tax Department.

10) No Provision for Gratuity /Leave encashment has been considered during the year due to all the employees of the company except KMP have resigned and there being no eligible employees during the period.

11) In view of the Accumulated Business and Depreciation Loss, and there being no certainty of profits in the near future, provision for Deferred Taxes has not been considered in these financial statements for the Quarter and Year ended 31st March 2026.

12) Effective from November 21, 2025, the Government of India consolidated 2 existing labour regulations into four Labour Codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security,2020 and the Occupational Safety, health and workings Conditions Code, 2020, Collectively referred to as the 'New Labour Codes'. The Company has assessed and accounted the incremental impact of these changes on the basis of information available and present labour policy of the company. It is assessed that the impact of changes in New Labour Code will not be significant since the company has since past many years adopted the Labour policy in line of the draft labour code which is already reflected in costs and expenses. However, the Government of India is in the process of notifying related rules to the New Labour Code and the impact of these requirements will be evaluated and appropriately accounted as and when notified.

13) The figures of the last quarter are the balancing figure between the audited figures in respect of the full financial year ended 31 March 2026 and the published unaudited year to date figures up to the third quarter of the current financial year, which is subject to Limited Review.

14) Previous period/year figures have been regrouped and/or reclassified,wherever necessary.

Date: 22 May 2026
Place: Tirupur

Sd/-
For and on behalf of the Board
Sd.E.V.Muthukumara Ramalingam
Managing Director

For Velan Hotels Limited

Managing Director

Velan Hotels Limited
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com
CIN: L55101TZ1990PLC002653

Statement of Assets and Liabilities as at 31.03.2026

Particulars	Year Ended 31.03.2026 (Audited)	Year Ended 31.03.2025 (Audited)
A. ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5,090.28	5,143.91
NON-CURRENT FINANCIAL ASSETS		
Trade receivables, non current	0.78	0.13
Loans	856.14	766.33
Sub total- Non-current Assets	**5,947.20**	**5,910.37**
CURRENT ASSETS		
Inventories	-	-
Current Financial asset		
Trade receivables, current	-	-
Cash and Cash equivalents	0.87	0.19
Loans-current	7.09	7.20
Sub Total - Current Assets	**7.96**	**7.39**
Total assets	**5,955.16**	**5,917.76**
B. EQUITY AND LIABILITIES		
Equity		
Equity Share capital	3,196.41	3,196.41
Other equity - Reserves & Surplus	(4,782.09)	(3,932.07)
Total equity	**(1,585.68)**	**(735.66)**
LIABILITIES		
Non-current liabilities		
Deferred Tax liabilites (net)	314.96	314.96
Employee Benefit Obligations	4.53	4.53
Tax Liabilities (Net)	-	-
Non-current Financial liabilities		
Borrowings-non-current	5,060.36	6,202.24
Trade payable-Non current	34.81	34.96
Other non -current financial liabilities	63.54	71.73
Other non-current liabilities	2,057.18	19.85
Sub Total Non-current Liabilities	**7,535.38**	**6,648.27**
Current liabilities		
Current financial liabilities		
Borrowings-current	-	-
Trade payable-current	-	-
Other current financial liabilities	5.46	5.15
Sub Total Current Liabilities	**5.46**	**5.15**
Total liabilities	**7,540.84**	**6,653.42**
Total Equity and Liabilities	**5,955.16**	**5,917.76**

For Velan Hotels Limited

Managing Director

Velan Hotels Limited
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com
CIN: L55101TZ1990PLC002653

Statement of Cash flow statement for the Year Ended 31 March 2026

Particulars	For the Year ended 31.03.2026 (Audited)		For the Year ended 31.03.2025 (Audited)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(850.03)		(1,280.67)
Adjustments for:				
Depreciation and amortisation	53.63		53.63	
Finance costs	750.47		1,138.02	
Interest income	-		-	
Exceptional Item	-		-	
Net (gain)/loss on sale of Fixed Assets	-		-	
Liabilities / provisions no longer required written back	-	804.10	-	1,191.65
Operating profit / (loss) before working capital changes		**(45.93)**		**(89.03)**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-		-	
Trade receivables	(0.65)		0.01	
Short-term loans and advances	-		-	
Long-term loans and advances	(89.81)		196.48	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(0.14)		(26.88)	
Other Financial liabilities	(7.86)		(85.04)	
Other long-term liabilities	2,037.32		(70.00)	
Employees Benefit Obligation	-		-	
		1,938.86		**14.58**
Cash flow from extraordinary items				
Cash generated from operations		1,892.93		(74.45)
Net income tax (paid) / refunds		0.10		0.11
Net cash flow from / (used in) operating activities (A)		**1,893.03**		**(74.34)**
B. Cash flow from investing activities				
Proceeds from Sale of Fixed Assets	-		-	
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash flow from financing activities				
(Repayment)/Proceeds of Long Term Borrowings	(1,141.87)		1,208.96	
Interest received	-		-	
Finance cost	(750.47)		(1,138.02)	
Net cash flow from / (used in) financing activities (C)		**(1,892.34)**		**70.95**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**0.68**		**(3.40)**
Cash and cash equivalents at the beginning of the year		0.19		3.59
Cash and cash equivalents at the end of the Year		**0.87**		**0.19**

For Velan Hotels Limited

Managing Director

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submittedalong-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2026

[See **Regulation 33/ 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	3.55	3.55
	2.	Total Expenditure	853.59	853.59
	3.	Net Profit/(Loss)	(850.04)	(850.04)
	4.	Earnings Per Share	(2.66)	(2.66)
	S.	Total Assets	5,955.16	5,955.16
	6.	Total Liabilities	7,540.84	7,540.84
	7.	Net Worth	(1,585.68)	(1,585.68)
	8.	Anyotherfinancialitem(s)(asfeltappropriatebythe management)		

II. Audit Qualification (each audit qualification separately):

a. Details of AuditQualification:

i) ***Going Concern***

We draw attention to Note No. 4 of the attached Financial Results for the year ended 31st March 2026. The Company's borrowings were taken over by M/s. RARE Asset Reconstruction Company Limited ("ARC") commencing from April 1, 2017 and out of the final One-time settlement amount of Rs. 115.96 crores agreed with the ARC, the company has made a payment of Rs. 82.52 crore upto 31st March 2025 and during the year, the company has repaid a further sum of Rs.18.43 crore from the Advance received for Sale of Hotel at Tiruppur and as on the date of this report the company has fully repaid the Loan and obtained No Due Certificate form ARC. The company has sold all the Income generating Assets as on date of the report and has some land which is pending to be disposed. In addition, as per the financial statements for the year ended March 31, 2026, the net worth has been eroded indicating the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Further, we draw attention to Note No. 3, the Company having suspended all business operations and with no revenue being generated, the ability of the Company to repay its debts depends on the quantum of realisation from the sale of Assets, there exists a concern on the ability of the Company continuing as a Going Concern.

ii) ***Delays in remittance of statutory dues:***

There has been significant delay in the remittance of Tax Deducted at Source, Goods and Service Tax, Value Added tax, Service Tax, Provident Fund and Employees' State Insurance to appropriate authorities.There were no amount outstanding pertaining to the accounting year 2024-25.

iii) ***Gratuity and Leave Encashment accounted on estimated basis***

The company has not made provision for gratuity and leave encashment on Actuarial Basis.

b. TypeofAuditQualification:QualifiedOpinion/DisclaimerofOpinion/AdverseOpinion

Qualified Opinion

c. Frequencyofqualification:Whetherappearedfirsttime/repetitive/sincehowlongcontinuing

Repetitive

VELAN HOTELS LIMITED Tiruppur-4

d. For Audit Qualification(s) where the impact is quantified by theauditor, Management's Views:

The Company's account was categorized as NPA by Allahabad Bank and Andhara Bank during the year 2014. In April, 2017, the said Banks assigned the entire debts of the Company alongwith all underlying security interest, all rights, title & benefits to M/s.RARE Asset Reconstruction Limited (previously known as Raytheon Asset Reconstruction Private Limited) under the applicable provisions of the SARFAESI Act. The Company opted for One-Time Settlement offer with the said ARC and obtained in-principle approval from them during March, 2021 and the final approval has been received.

In view of the above, the Company has remitted Rs.82.52 crores to ARC upto 31st March, 2025, from the disposal / sale of assets of company.

During the quarter, the company has additionally repaid Rs.18.43 Crore from the Advance Received on Sale of Hotel at Tiruppur and as on the date of results, the company has fully repaid the loan and obtained No due Certificate from ARC.

.

The revenues of the Velan Greenfields Hotel Tirupur was severely impacted due to the ongoing Covid-19 Novel Corona Virus pandemic forcing the closure of operations. With this closure all revenue generating operations of the Company has been suspended. The company is exploring options of selling remaining part of assets. In view of the above, the Company's ability of continuing as a Going concern is dependent on the value that can be generated by the sale of assets and the surplus, if any, available subsequent to the settlement of all liabilities.

The Company is taking necessary steps to regularise the Statutory Dues. During the year, *the company has paid dues relating to Provident Fund, Sales Tax, Service Tax and Tax Deducted at sources for Earlier Years amounting to Rs.54.10 Lacs.*

e. For Audit Qualification(s) where the impact is not quantified by theauditor:

(i) Management's estimation on the impact of auditqualification:

Management is unable to estimate the impact on the above audit qualification. Reason is for same is stated below.

(ii) If management is unable to estimate the impact, reasons for thesame:

Impact on Audit qualification is not estimable due to the following reasons,

a) After COVID-19 pandemic, the business operation of the company has been forced to Closure, With this closure all revenue generating operations of the Company has been suspended. The company is exploring options of selling a part or all of its revenue generating assets to settle all liabilities including Statutory Liabilities. In view of the above, the Company's going Concern is affected.

b) *No Provision for Gratuity /Leave encashment has been considered during the period due to all the employees of the company except KMP have resigned and there are no eligible employees during the year under review.*

(iii) Auditors' Comments on (i) or (ii)above:

a) In respect of Going Concern, the company's ability to run business as going concern is dependent on the value that can be generated by the sale of remaining assets and the surplus, if any, available subsequent to the settlement of all liabilities.

VELAN HOTELS LIMITED Tirupur-4

III. Signatories:

Managing Director

CFO

Audit Committee Chairman :

Statutory Auditor :

Place : Tirupur

Date : 22 /05/2026

Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) To the Board of Directors of Velan Hotels Limited Report on the audit of the Standalone Annual Financial Results

Qualified Opinion

We have audited the accompanying standalone annual financial results of **Velan Hotels Limited** (hereinafter referred to as the "Company") for the year ended 31 March 2026, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2026. ***subject to the notes given below with regard to Going Concern and Other Matters***

Basis for Qualified Opinion on the Audited Standalone Annual Financial Results

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

KRISHAAN & CO. CHENNAI CHARTERED ACCOUNTANTS

Going Concern

We draw attention to Note No. 4 of the attached Financial Results for the year ended 31st March 2026. The Company's borrowings were taken over by M/s. RARE Asset Reconstruction Company Limited ("ARC") commencing from April 1, 2017 and out of the final One-time settlement amount of Rs. 115.96 crores agreed with the ARC, the company has made a payment of Rs. 82.52 crore upto 31st March 2025 and during the year, the company has repaid a further sum of Rs.18.43 crore from the Advance received for Sale of Hotel at Tiruppur and as on the date of this report the company has fully repaid the Loan and obtained No Due Certificate form ARC. The company has sold all the Income generating Assets as on date of the report and has some land which is pending to be disposed. In addition, as per the financial statements for the year ended March 31, 2026, the net worth has been eroded indicating the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Further, we draw attention to Note No. 3, the Company having suspended all business operations and with no revenue being generated, the ability of the Company to repay its debts depends on the quantum of realisation from the sale of Assets, there exists a concern on the ability of the Company continuing as a Going Concern. In view of the above, our opinion is ***Qualified***.

Management's and Board of Directors' Responsibility for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

KRISHAAN & CO. CHENNAI CHARTERED ACCOUNTANTS

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.



- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter(s)

a) We draw attention to Note No. 5 of the attached Statement of Standalone Financial Results for the year ended 31st March 2026 with respect to delays in remittance of statutory dues. There has been significant delays in meeting the statutory obligations, including Service Tax, Goods and Services Tax and Value Added Taxes, which are due in excess of 6 months as on the date of this Report and the company has paid dues relating to Provident Fund, Sales Tax, Goods and Service Tax and Tax Deducted at sources for Earlier Years amounting to Rs.54.10 Lacs. The Company is taking necessary steps to settle the balance Statutory Dues as and when the sale of assets are completed.

b) We draw attention to Note No. 8 of the attached Statement of Standalone Financial Results for the year ended 31st March 2026, Confirmation of balances have not obtained for Loans and Advances and Sundry Creditors and accordingly the respective figures have been stated at book values.



c) We draw attention to Note No. 10 of the attached Statement of Standalone Financial Results for the year ended 31st March 2026, the company has not made provision for gratuity and leave encashment on Actuarial Basis. As all the operations of the company has been suspended all the employees except KMP have resigned, no further provision Gratuity and Leave Encashment is required.

d) The standalone annual financial results include the results for the quarter ended 31st March 2026 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2026 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.



For Krishaan & Co.,
Chartered Accountants
Firm Regn.No : 001453S

K Sundarrajan
Partner
M. No: 208431
UDIN: 26208431NGVYQY5968

Place : Tirupur
Dated : 22nd May 2026