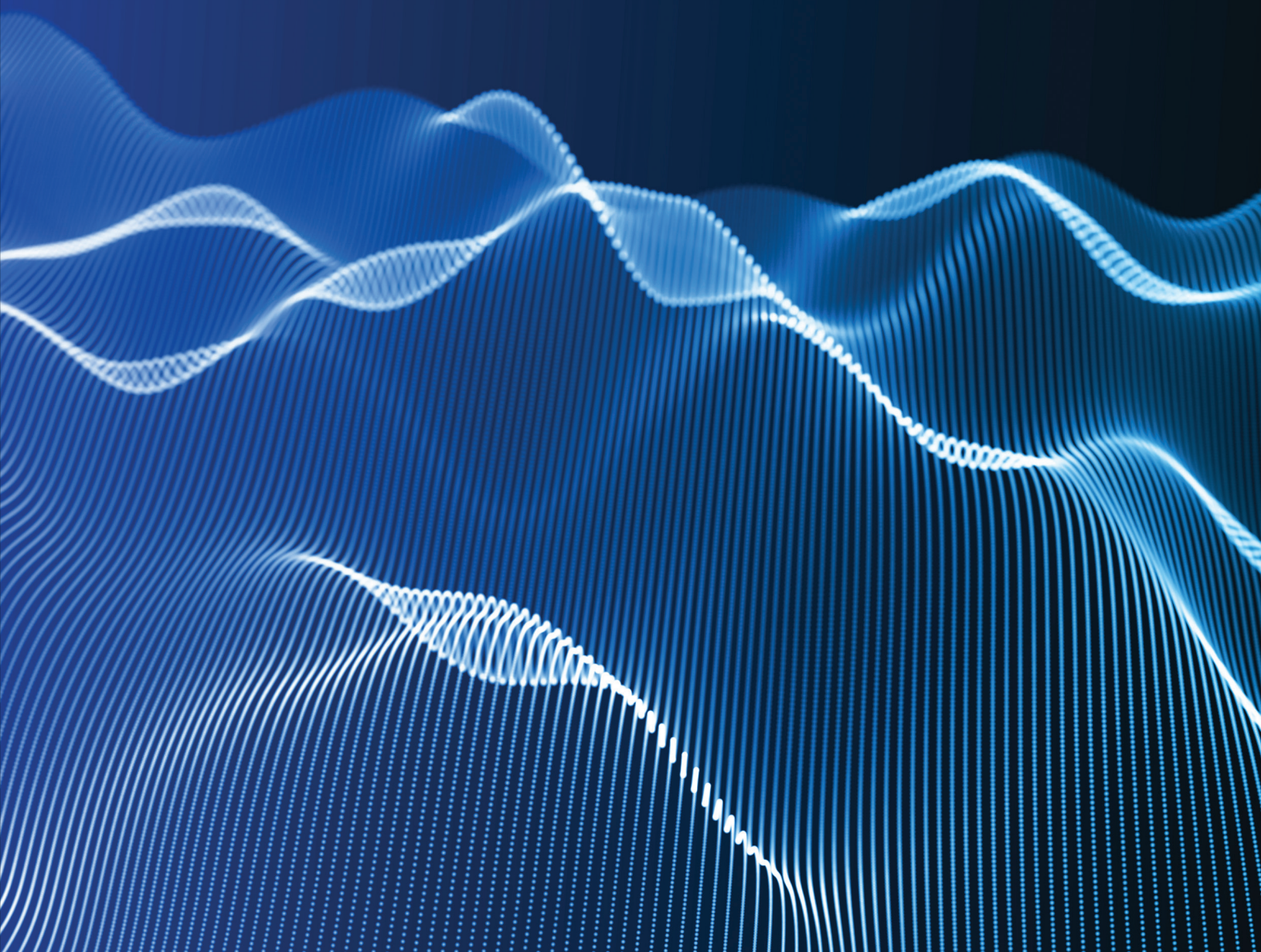
VMS INDUSTRIES LIMITED

ANNUAL REPORT

2025-26



CORPORATE INFORMATION (01.04.2025-31.03.2026)

BOARD OF DIRECTORS:

1.	Mr. Manojkumar Jain	Managing Director
2.	Mrs. Sangeeta Jain	Whole Time Director
3.	Mr. Vinod Rana	Independent Director
4.	Ms. Dhwani Nagar	Independent Director
5.	Ms. Khyati Shah	Independent Director

KEY MANAGERIAL PERSONNEL:

1.	Mr. Manojkumar Jain	Managing Director
2.	Mr. Amit Mandalia	Chief Financial Officer
3.	Mr. Hemal Patel	Company Secretary and Compliance Officer

AUDIT COMMITTEE:

Name of the Director	Designation
Mr. Vinod Rana	Chairman
Ms. Dhwani Nagar	Member
Ms. Khyati Shah	Member
Mr. Manojkumar Jain	Member

NOMINATION & REMUNERATION COMMITTEE:

Name of the Director	Designation
Ms. Dhwani Nagar	Chairman
Ms. Khyati Shah	Member
Mr. Vinod Rana	Member

STAKEHOLDER RELATIONSHIP COMMITTEE:

Name of the Director	Designation
Ms. Khyati Shah	Chairman
Ms. Dhwani Nagar	Member
Mr. Sangeeta Jain	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Name of the Director	Designation
Mr. Manojkumar Jain	Chairman
Ms. Dhwani Nagar	Member
Mrs. Sangeeta Jain	Member

KEY CONTACT PERSON

Mr. Hemal Patel

Company Secretary

Email: cs@vmsil.in, info@vmsil.in

BANKERS

Bank of Baroda, SME Branch, Ahmedabad

Axis Bank, Panchvati Branch, Ahmedabad

STATUTORY AUDITORS

S N Shah & Associates
Chartered Accountants, Ahmedabad

COST AUDITORS

M/s. Anuj Aggarwal & Co.,
Cost Accountants, Ahmedabad

INTERNAL AUDITORS

M/s. N R Kalal & Associates,
Chartered Accountants, Ahmedabad

SECRETARIAL AUDITORS

M/s. Umesh Ved & Associates,

Company Secretaries, Ahmedabad

REGISTERED OFFICE:

808-C Pinnacle Business Park, Corporate Road, Prahladangar, Ahmedabad-380015

CORPORATE IDENTITY NUMBER: L74140GJ1991PLC016714

WEBSITE: www.vmsil.in

EMAIL: info@vmsil.in, cs@vmsil.in

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NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting ("AGM") of the Members of VMS Industries Limited ("the Company") will be held on Monday, 28th September, 2026 at 3:00 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of Members at a common venue, to transact the following businesses:

The deemed venue for the AGM shall be the Registered Office of the Company at 808/C, Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad – 380015, Gujarat, India.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Board of Directors and the Auditors thereon.

2. To appoint Mrs. Sangeeta Jain (DIN: 00125273), Whole-time Director of the Company, who retires by rotation and, being eligible, offers herself for re-election.

3. To consider and, if thought fit, to re-appoint M/s S N SHAH & Associates (Firm Registration No. 109782W), Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration, and in this regard to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, and subject to such approvals as may be required, M/s S N SHAH & Associates (Firm Registration No. 109782W), Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 34th Annual General Meeting until the conclusion of the 35th Annual General Meeting of the Company, at such remuneration plus applicable Goods and Services Tax, reimbursement of out-of-pocket, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS

4. To consider and approve Related Party Transactions with M/s Aditya Ultra Steel Limited ("AUSL") 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 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and subject to such approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into related party transaction(s), including material related party transaction(s), with M/s Aditya Ultra Steel Limited ("AUSL"), for sale, purchase, transfer or receipt of products, goods, materials, assets and/or services, for an aggregate value not exceeding Rs. 100 crore (Rupees One Hundred Crore only) during the financial year 2026-27 and thereafter, subject to the applicable statutory and regulatory limits and approvals, on such terms and conditions as may be mutually agreed between the Company and AUSL and on an arm's length basis and in the ordinary course of business, wherever applicable."

   "RESOLVED FURTHER THAT the Board of Directors or the Managing Director of the Company be and is hereby authorised to determine the nature, value, terms and conditions of the products, goods, materials, assets and/or services to be transacted with AUSL within the aforesaid overall limit, subject to applicable law."

   "RESOLVED FURTHER THAT Mr. Manojkumar Jain (DIN: 02190018), Managing Director of the Company, and/or the Company Secretary be and are hereby severally authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary or expedient for the purpose of giving effect to this resolution."

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred upon it by or under this Resolution to any Committee of Directors, Director(s), officer(s) or employee(s) of the Company, as it may consider appropriate."

5. To consider and approve Related Party Transactions with VMS TMT Limited ("VTL") 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 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable provisions of the SEBI Listing Regulations, as amended from time to time, and subject to such approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into related party transaction(s), including material related party transaction(s), with VMS TMT Limited ("VTL"), for sale, purchase, transfer or receipt of products, goods, materials, assets and/or services, for an aggregate value not exceeding Rs. 100 crore (Rupees One Hundred Crore only) during the financial year 2026-27 and thereafter, subject to applicable statutory and regulatory limits and approvals, on such terms and conditions as may be mutually agreed between the Company and VTL and on an arm's length basis and in the ordinary course of business, wherever applicable."

"RESOLVED FURTHER THAT the Board of Directors or the Managing Director of the Company be and is hereby authorised to determine the nature, value, terms and conditions of the products, goods, materials, assets and/or services to be transacted with VTL within the aforesaid overall limit, subject to applicable law."

"RESOLVED FURTHER THAT Mr. Manojkumar Jain (DIN: 02190018), Managing Director of the Company, and/or the Company Secretary be and are hereby severally authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary or expedient for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred upon it by or under this Resolution to any Committee of Directors, Director(s), officer(s) or employee(s) of the Company, as it may consider appropriate."

6. To consider and approve ratification of remuneration of the Cost Auditor and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, the remuneration payable to M/s Anuj Aggarwal & Co., Cost Accountants, Ahmedabad, having Firm Registration No. 102409, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2026-27, at such remuneration as may be mutually agreed between the Board of Directors and the Cost Auditor, be and is hereby ratified and confirmed."

7. To appoint Mr. Varun Manoj Kumar Jain (DIN: 03502561) as a Non-Executive Director of the Company and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members be and is hereby accorded for the appointment of Mr. Varun Manoj Kumar Jain (DIN: 03502561) as a Non-Executive Director of the Company, liable to retire by rotation, with effect from the date of this Annual General Meeting, on such terms and conditions, including remuneration, as may be determined by the Board of Directors in accordance with the applicable provisions of the Act and SEBI Listing Regulations."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be necessary, proper, expedient or desirable for the purpose of giving effect to this resolution."

By Order of the Board of Directors
For VMS INDUSTRIES LIMITED

Hemal Patel
Company Secretary

Place: Ahmedabad
Date: 27th August, 2026

NOTES

1. The Ministry of Corporate Affairs ("MCA"), vide General Circular No. 03/2025 dated 22nd September, 2025 and other circulars issued from time to time, has permitted companies to conduct AGMs through VC/OAVM, subject to the conditions specified therein. Accordingly, the 34th AGM of the Company is being held through VC/OAVM on Monday, 28th September, 2026 at 3:00 P.M. (IST), without the physical presence of Members at a common venue. The deemed venue shall be the Registered Office of the Company at 808/C, Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad – 380015.
2. Since the AGM is being held through VC/OAVM and in accordance with the MCA Circulars, the facility for appointment of proxies by Members is not available. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the Special Business under Item Nos. 4 to 7 of the Notice, is annexed hereto.
4. Members can join the AGM through VC/OAVM by following the procedure specified in the e-voting/AGM instructions. The facility for participation through VC/OAVM shall be made available in accordance with the applicable MCA Circulars and the arrangements made by CDSL.
5. Institutional Members are requested to ensure that their authorised representative is duly authorised to attend and vote at the AGM and to upload the requisite Board Resolution/authority letter in the manner prescribed by CDSL.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA/SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2025-26 is being sent only through electronic mode to Members whose e-mail addresses are registered with the Company/Depositories/RTA. The Notice and Annual Report shall also be made available on the Company's website and the websites of the Stock Exchanges and CDSL, as applicable.
8. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 18th September, 2026 to Sunday, 27th September, 2026, both days inclusive, subject to applicable law.
9. In accordance with Regulation 40 of the SEBI Listing Regulations, transfer of securities of listed companies is permitted only in dematerialised form, except in cases permitted under applicable law. Members holding securities in physical form are advised to dematerialise their holdings. Members may contact Cameo Corporate Services Limited, the Registrar and Share Transfer Agent of the Company, for assistance.
10. Pursuant to Section 72 of the Act, Members may register a nomination in respect of shares held by them. Members who have not registered their nomination are requested to do so in the prescribed manner.
11. Members wishing to inspect the documents referred to in this Notice may send an e-mail to info@vmsil.in, mentioning their DP ID & Client ID/Folio Number.
12. Members are requested to notify changes in their address, e-mail address, bank mandate and other particulars to the Company/RTA/ Depository Participant, as applicable.
13. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company is providing remote e-voting facility to its Members in respect of the businesses to be transacted at the AGM. The Company has engaged Central Depository Services (India) Limited ("CDSL") for providing the remote e-voting and e-voting facility at the AGM.
14. The remote e-voting period shall commence on Friday, 25th September, 2026 at 9:00 A.M. (IST) and shall end on Sunday, 27th September, 2026 at 5:00 P.M. (IST). The cut-off date for determining the eligibility of Members to vote electronically shall be Friday, 18th September, 2026. Members holding shares in physical or dematerialised form as on the cut-off date may cast their votes electronically.
15. Once a Member has cast a vote on a resolution, the Member shall not be allowed to change it subsequently. Members who have already exercised their vote through remote e-voting may attend the AGM but shall not be entitled to vote again at the AGM.
16. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.
17. The Scrutinizer shall, after conclusion of the voting at the AGM, scrutinize the votes cast through remote e-voting and e-voting at the AGM and submit the Scrutinizer's Report in accordance with applicable law. The results shall be declared and placed on the Company's website and communicated to the Stock Exchanges in accordance with applicable law.
18. In case of any queries or difficulties relating to e-voting, Members may refer to the FAQs and e-voting user manual available on the CDSL e-voting website or contact CDSL through the contact details provided in the e-voting communication accompanying this Notice.
19. The detailed instructions for remote e-voting and participation in the AGM through VC/OAVM are set out below. The EVSN and system-generated credentials, wherever applicable, shall be as communicated by CDSL in the final e-voting notice/email.
20. Members may join the AGM through laptops, smartphones, tablets or iPads. Members are advised to use a stable internet connection. Members wishing to speak/ask questions during the AGM may pre-register in the manner and within the time period specified in the final AGM/e-voting communication.

INSTRUCTIONS FOR REMOTE E-VOTING AND PARTICIPATION AT THE AGM

The remote e-voting and AGM participation instructions below shall be read together with the final CDSL e-voting communication issued for this AGM. In case of any inconsistency, the system-generated instructions issued by CDSL shall prevail.

A. Access to CDSL e-Voting System

Members may access the CDSL e-voting facility through the website specified by CDSL in the final e-voting communication accompanying this Notice. Members holding shares in dematerialised form may log in using their existing credentials/credentials generated by CDSL, as applicable. Members holding shares in physical form shall use the Folio Number and other credentials as prescribed by CDSL.

B. Voting through CDSL

(i) Select the relevant Electronic Voting Sequence Number **260826015** ("EVSN") and the name of the Company.

(ii) Enter the required credentials and proceed to the voting page.

(iii) Select the resolution(s) on which the Member wishes to vote and choose ASSENT/FOR or DISSENT/AGAINST, as applicable.

(iv) Review the vote and confirm the submission. Once confirmed, the vote cannot be modified.

(v) Members may refer to the CDSL e-voting user manual/FAQs for detailed technical instructions.

C. Participation at the AGM

Members may participate in the AGM through VC/OAVM using the joining link/credentials provided by CDSL. Members intending to speak or ask questions should follow the pre-registration procedure and timelines communicated by the Company/ CDSL.

D. Corporate Members

Corporate Members intending to authorise representatives to attend and vote at the AGM are requested to upload a certified true copy of the relevant Board Resolution/authorisation in the manner prescribed by CDSL.

E. Cut-off Date

The cut-off date for determining eligibility to vote is Friday, 18th September, 2026. Only Members whose names appear in the Register of Members/records of the Depositories as on the cut-off date shall be entitled to exercise voting rights.

F. Remote E-voting Period

Remote e-voting will be available from 9:00 A.M. on Friday, 25th September, 2026 until 5:00 P.M. on Sunday, 27th September, 2026. The e-voting facility shall be disabled by CDSL thereafter.

G. Contact for E-voting

For technical assistance relating to CDSL e-voting, Members should use the contact details provided in the final CDSL e-voting communication. For assistance relating to shares, Members may contact Cameo Corporate Services Limited, the Company's Registrar and Share Transfer Agent.

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

The following Explanatory Statement sets out the material facts relating to the Special Business mentioned in Item Nos. 4 to 6 of the accompanying Notice.

ITEM NO. 4 – RELATED PARTY TRANSACTIONS WITH ADITYA ULTRA STEEL LIMITED

Aditya Ultra Steel Limited ("AUSL") is stated by the Company to be a Related Party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations.

The Audit Committee has considered the proposed transactions and recommended the same to the Board. The Board of Directors, at its meeting held on 12th August, 2026, approved the proposal and seeks the approval of the Members for entering into the proposed related party transaction(s), including material related party transaction(s), in one or more tranches, within the overall limit stated in Item No. 4.

The proposed transactions are intended to be undertaken in the ordinary course of business and on an arm's length basis, wherever applicable. The Company is seeking Members' approval in accordance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations and as an additional governance measure.

Sr No.	Particulars	Details
1	Name of Related Party	M/s Aditya Ultra Steel Limited ("AUSL")
2	Nature of Relationship	As stated above; exact relationship/shareholding/directorship details should be verified against the records prevailing on the date of the Notice.
3	Name of Director/KMP interested	Mr. Manojkumar Jain, Managing Director; Mrs. Sangeeta Jain, Whole-time Director; and Mr. Ajit Jain, Director, to the extent applicable. The exact basis of interest should be verified and stated.
4	Nature of Transactions	Purchase/sale of materials, products, goods, assets and/or services and other transactions falling within the approved categories.
5	Maximum Aggregate Value	Up to Rs. 100 crore during FY 2026-27 and thereafter, subject to applicable law and approvals.
6	Material Terms	Transactions to be undertaken on mutually agreed commercial terms, subject to applicable law, and on an arm's length basis and in the ordinary course of business, wherever applicable.
7	Pricing / Arm's Length Basis	Pricing shall be determined based on prevailing commercial terms and applicable arm's length requirements.
8	Purpose / Business Rationale	To meet the Company's business requirements and operational requirements for purchase/sale of specified products, goods, materials, assets and/or services.
9	Advance, if any	Nil, unless otherwise disclosed in the final transaction-specific disclosure.
10	Tenure	FY 2026-27 and thereafter, subject to the validity of the approval and applicable law.
11	Audit Committee Recommendation	Recommended, subject to the applicable provisions and disclosures.
12	Board Approval	Approved at the Board Meeting held on 12th August, 2026.

The related parties shall abstain from voting on the resolution to the extent required under the applicable provisions of the SEBI Listing Regulations and the Companies Act, 2013.

Except the Directors/KMPs and their relatives who are interested in the transaction, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution, subject to verification of the final interest disclosures.

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval by the Members.

ITEM NO. 5 – RELATED PARTY TRANSACTIONS WITH VMS TMT LIMITED

VMS TMT Limited ("VTL") is stated by the Company to be a Related Party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations.

The Audit Committee has considered the proposed transactions and recommended the same to the Board. The Board of Directors, at its meeting held on 12th August, 2026, approved the proposal and seeks approval of the Members for entering into the proposed related party transaction(s), including material related party transaction(s), in one or more tranches, within the overall limit stated in Item No. 5.

Sr No.	Particulars	Details
1	Name of Related Party	VMS TMT Limited ("VTL")
2	Nature of Relationship	As stated by the Company; exact relationship/shareholding/directorship details should be verified against the records prevailing on the date of the Notice.
3	Name of Director/KMP interested	Mr. Manojkumar Jain, Managing Director; Mrs. Sangeeta Jain, Whole-time Director; and Mr. Ajit Jain, Director, to the extent applicable. The exact basis of interest should be verified and stated.
4	Nature of Transactions	Purchase/sale of materials, products, goods, assets and/or services and other transactions falling within the approved categories.
5	Maximum Aggregate Value	Up to Rs. 100 crore during FY 2026-27 and thereafter, subject to applicable law and approvals.
6	Material Terms	Transactions to be undertaken on mutually agreed commercial terms, subject to applicable law, and on an arm's length basis and in the ordinary course of business, wherever applicable.
7	Pricing / Arm's Length Basis	Pricing shall be determined based on prevailing commercial terms and applicable arm's length requirements.
8	Purpose / Business Rationale	To meet the Company's business requirements and operational requirements for purchase/sale of specified products, goods, materials, assets and/or services.
9	Advance, if any	Nil, unless otherwise disclosed in the final transaction-specific disclosure.
10	Tenure	FY 2026-27 and thereafter, subject to the validity of the approval and applicable law.
11	Audit Committee Recommendation	Recommended, subject to the applicable provisions and disclosures.
12	Board Approval	Approved at the Board Meeting held on 12th August, 2026.

The related parties shall abstain from voting on the resolution to the extent required under the applicable provisions of the SEBI Listing Regulations and the Companies Act, 2013.

Except the Directors/KMPs and their relatives who are interested in the transaction, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution, subject to verification of the final interest disclosures.

The Board recommends the Ordinary Resolution set out at Item No. 5 for approval by the Members.

ITEM NO. 6 – RATIFICATION OF REMUNERATION OF COST AUDITOR

The Board of Directors, upon the recommendation of the Audit Committee, has appointed M/s Anuj Aggarwal & Co., Cost Accountants, Ahmedabad, having Firm Registration No. 102409, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027, at a remuneration to be mutually agreed between the Board of Directors and the Cost Auditor.

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members. Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditor for FY 2026-27.

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

The Board recommends the Ordinary Resolution set out at Item No. 6 for approval by the Members.

ITEM NO. 7 – APPOINTMENT OF MR. VARUN MANOJ KUMAR JAIN AS NON-EXECUTIVE DIRECTOR

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has proposed the appointment of Mr. Varun Manoj Kumar Jain (DIN: 03502561) as a Non-Executive Director of the Company, liable to retire by rotation, with effect from the date of the 34th Annual General Meeting, subject to approval of the Members.

Mr. Varun Manoj Kumar Jain has furnished his consent to act as a Director of the Company and the requisite declarations confirming that he is not disqualified from being appointed as a Director under the provisions of the Companies Act, 2013 and that he satisfies the applicable requirements for appointment as a Non-Executive Director.

Mr. Varun Manoj Kumar Jain is the son of Mr. Manojkumar Jain (DIN: 02190018), Managing Director of the Company, and Mrs. Sangeeta Jain (DIN: 00125273), Whole-time Director of the Company. Accordingly, Mr. Manojkumar Jain and Mrs. Sangeeta Jain are concerned or interested in the resolution to the extent of their relationship with the proposed appointee. Mr. Varun Manoj Kumar Jain is also concerned or interested in the resolution.

The detailed profile, qualifications, experience, terms and conditions of appointment, remuneration proposed, number of meetings of the Board attended, shareholding in the Company, other directorships and committee positions, as applicable, shall be provided in the prescribed disclosure/Annexure to this Notice.

The appointment is subject to approval of the Members and compliance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and other applicable laws.

The Board is of the view that the appointment of Mr. Varun Manoj Kumar Jain as a Non-Executive Director will be in the interest of the Company and accordingly recommends the Special Resolution set out at Item No. 7 for approval by the Members.

Except Mr. Varun Manoj Kumar Jain, Mr. Manojkumar Jain and Mrs. Sangeeta Jain, none of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

By Order of the Board of Directors
For VMS INDUSTRIES LIMITED

Hemal Patel
Company Secretary

Place: Ahmedabad
Date: 27th August, 2026

ANNEXURE TO THE NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Details of Mr. Varun Manoj Kumar Jain – Proposed Non-Executive Director

The following particulars are furnished in relation to the proposed appointment of Mr. Varun Manoj Kumar Jain (DIN: 03502561) as a Non-Executive Director of VMS Industries Limited, pursuant to the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings.

Particulars	Details
Name of Director	Mr. Varun Manoj Kumar Jain
DIN	03502561
Designation / Category	Non-Executive Director
Date of Birth / Age	08/05/1989
Date of first appointment on the Board	Proposed appointment with effect from the date of the 34th Annual General Meeting, subject to approval of Members
Qualification	B.Com., MBA, CA Inter
Brief Resume / Experience	Mr. Varun Manoj Kumar Jain has more than 15 years of experience in the steel industry and related business activities.
Expertise in specific functional areas	Steel industry, business management, commercial and operational matters.
Terms and Conditions of Appointment	Appointment as Non-Executive Director, liable to retire by rotation, with effect from the date of the 34th Annual General Meeting, subject to approval of Members and applicable statutory and regulatory requirements.
Remuneration proposed	Director Setting fees as per Companies AOA
Remuneration last drawn	Not Applicable
Number of Board Meetings attended during FY 2025-26	Not Applicable
Directorships in other companies	1. VMS TMT Limited – Managing Director. 2. Aditya Ultra Steel Limited – Non-Executive Director.
Listed entities in which he holds directorship	1. VMS TMT Limited – Managing Director. 2. Aditya Ultra Steel Limited – Non-Executive Director.
Membership / Chairmanship of Committees of other Boards	5
Shareholding in VMS Industries Limited	6,24,800
Relationship with Directors / KMP	Son of Mr. Manojkumar Jain (DIN: 02190018), Managing Director, and Mrs. Sangeeta Jain (DIN: 00125273), Whole-time Director of the Company.
Listed entities from which resigned in past three years	Not applicable
Whether debarred / disqualified from being appointed as Director	Subject to receipt and verification of the requisite declarations and disclosures from the proposed appointee.

Interest of Directors/KMP: Mr. Varun Manoj Kumar Jain is interested in the proposed resolution. Mr. Manojkumar Jain and Mrs. Sangeeta Jain are concerned or interested in the resolution by reason of their relationship with the proposed appointee. Except the persons stated above, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution.

DIRECTORS' REPORT

To,
The Members,
VMS Industries Limited

The Board of Directors (the "Board") of VMS Industries Limited ("your Company"/ "the Company") is pleased to present the **34th** Annual Report and the Audited Financial Statements of your Company for the financial year ended 31st March, 2026 ("financial year under review").

FINANCIALS SUMMARY AND HIGHLIGHTS:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Revenue from operations	15,743.05	28,855.88
Other Income	706.23	474.43
Profit/loss before Depreciation, Finance Costs,	**674.83**	**1,265.80**
Exceptional items and Tax Expense		
Less: Depreciation/ Amortisation/ Impairment	70.73	62.96
Profit /loss before Finance Costs, Exceptional items and Tax Expense	**604.10**	**1,202.84**
Less: Finance Costs	392.23	289.98
Profit /loss before Exceptional items and Tax Expense	**211.87**	**912.86**
Add/(less): Exceptional items		-
Profit /loss before Tax Expense	**211.87**	**912.86**
Less: Tax Expense (Current & Deferred)	65.58	232.41
Profit /loss for the year (1)	**146.29**	**680.45**
Total Other Comprehensive Income/loss (2)	-	-
Total Comprehensive Income/loss (1+2)	146.29	680.45
Balance of profit /loss for earlier years	**3,211.13**	**2,653.05**
Less: Transfer to Reserves		-
Less: Dividend paid	-	122.37
Less: Dividend Distribution Tax	-	-
Balance of profit /loss for the year carried forward	**146.29**	**680.45**
Earning per equity shares (Basic & Diluted)	**0.60**	**2.91**

OPERATIONS REVIEW

During the year, under review, the revenue from operations amounted to Rs. 15743.05 Lakhs (as against the previous year figure of Rs.28855.88 Lakhs). The Company was able to generate Net Profit After Tax amounted to Rs.146.29 Lakhs as against the previous year figure of Rs.680.45 lakhs.

CAPITAL STRUCTURE OF THE COMPANY:

The Authorized share capital of the Company is Rs. 26,00,00,000/- (Rupees Twenty Six Crores) i.e. 2,60,00,000 (Two Crores Sixty Lakhs) shares of Rs. 10/- (Rupees Ten) each and Paid up share capital of Rs. 24,47,33,910/- (Rupees Twenty Four Crores Forty Seven Lakhs Thirty Three Thousand Nine Hundred Ten only) i.e. 2,44,73,391(Two Crores Forty Four Lakhs Seventy Three Thousand Three Hundred Ninety One only) shares of Rs. 10/- (Rupees Ten) each.

TRANSFER TO RESERVE:

During the financial year under review no amount transferred to reserves.

DIVIDEND:

In view of the Company's financial position, future business requirements and the need to conserve financial resources for strengthening the Company's operations and meeting its working capital and other business requirements, the Board of Directors has decided not to recommend any dividend for the financial year ended 31 March 2026.

CHANGE IN NATURE OF COMPANY'S BUSINESS:

During the year under review, there is no change in the nature of company's Business.

DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED:

i. Retirement by Rotation:

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Sangeeta Jain (DIN: 00125273), retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Your directors recommend her re-appointment.

ii. Appointment:

During the year under review, there was following change in the constitution of the Board of Directors of the Company.

Name of Director	Designation	Date of Change	Nature of Change
Ms. Dhwani Nagar* (DIN: 10874632)	Independent Director	18.09.2025	Appointment

iii. Cessation:

During the year under review, there was following Directors of the Company have resigned: -

Name of Director	Designation	Date of Change	Nature of Change
Mr. Murari Agarwal (DIN: 10433524)	Independent Director	16.07.2025	Resignation

* Mr. Murari Agarwal has tendered his resignation due to other professional commitment with effect from 16th July, 2025.

Key Managerial Personnel:

During the year, there is no change in Key Managerial Personnel.

DETAILS OF HOLDING / SUBSIDIARY COMPANIES / JOINT VENTURES / ASSOCIATE COMPANIES:

The Company doesn't have any Holding/ Subsidiary/ Joint Ventures/ Associate Companies at the start of the year, during the year or at the end of the year and hence there is no requirement of giving the statement containing the salient feature of the financial statement of the company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures.

DECLARATION BY INDEPENDENT DIRECTORS:

During the Financial year under review, Declarations were received from all the Independent Directors of the Company stating that they satisfy the "criteria of Independence" as defined under Regulation 16(1)(b) & 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 149(6) of the Companies Act, 2013, any other applicable Schedules and Rules framed there-under.

Further in the opinion of the Board, the independent directors possess requisite expertise, experience and integrity.

DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013:

The Company has received the disclosure in Form DIR-8 from its Directors being appointed or re-appointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

DEPOSIT:

The Company has not invited/accepted any Deposit within the meaning of Chapter V of the Companies Act, 2013 other than exempted deposit as prescribed under the Companies Act, 2013. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status or which may have impact on the Company`s operation in future. The details of ongoing litigation against the company are as follows:-

Pending material litigations against our Company:

SR NO	NAME OF THE PARTY / DEPARTMENT	Brief facts of Case	Financial Impact
1.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2019-20 Order U/s. 69C of Income Tax Act, 1961	Disputed Income Tax Demand for A.Y. 2019-20	99.48 Lakhs
2.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2014-15 Order U/s. 147 of Income Tax Act, 1961	Disputed Income Tax Demand for A.Y. 2014-15	12.26 Lakhs

INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

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

Pursuant to Rule 8 (3) of Companies (Accounts) Rules, 2014 and section 134 of the Companies Act, 2013, the Company has effectively taken steps for conservation of resources and all effective measures have been taken to save energy.

(A) Conservation of energy-

Sr. No.	Particulars	Details
1.	The steps taken or impact on conservation of energy	Installation of solar power plant at Plot No.160M Alang Sosiya Ship Breaking Yard Alang-364081 is under process.

(B) Technology absorption-

The Company has taken precautionary steps for technology absorption by implementing various measures & efforts which improve the productivity of the machineries, improve quality of a product, reduce the cost of a manufacturing and no specific investment has been made in reduction in technology absorption.

(C) Foreign exchange earnings and Outgo-

During the period under review foreign exchange earnings or out flow reported as follow:

(₹ in Lacs)

Particulars	Amount In Foreign currency
Out Flow	NIL
Earning	NIL

VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013, the company has adopted Whistle Blower Policy to deal with any instance of fraud and mismanagement. The employees of the company are free to report violations of any laws, rules, regulations and concerns about unethical conduct to the chairperson of Audit Committee under this policy. The policy ensures that strict confidentiality is maintained while dealing with concerns and also that no discrimination with any person for a genuinely raised concern.

NUMBER OF BOARD MEETINGS:

During the financial year 2025-26, 9 meetings of the Board were held. The details of the Board Meetings are provided in the Corporate Governance Report which is been annexed as Annexure to the Report.

AUDIT COMMITTEE

(a) The Committee comprises of 5 members out of which 3 are Non-Executive Director and 1 is Executive Director and the Chairman of committee being an Independent Director. The Composition of the Committee as on 31st March 2026 and attendance of the members is given hereunder:

Sr. No.	Name of Members	Nature of Membership	Nature of Directorship	Meetings Attended
1.	Mr. Vinod Rana	Chairman	Independent Director	5
2.	Mr. Murari Agarwal	Member	Independent Director	1
3.	Ms. Khyati Shah	Member	Independent Director	5
4.	Mr. Manojkumar Jain	Member	Executive Director	5
5.	Ms Dhwani Nagar	Member	Independent Director	4

During the Financial year 2025-26, 5 meetings of the Audit Committee were held on following dates:

22.05.2025, 16.07.2025, 12.08.2025, 13.11.2025, 13.02.2026.

Requisite quorum was present during the meetings.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process to ensure accurate and timely disclosures, integrity and quality of financial reporting. The Committee oversees related party transactions, the work carried out in the financial reporting process by the management, the Statutory Auditors, Internal Auditor, the Cost Auditor, the Secretarial Auditor and notes the processes and safeguards employed by each of them.

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

(b) Pursuant to resignation of Mr. Murari Agarwal (DIN: 10433524) w.e.f 16th July, 2025 and appointment of Ms. Dhwani Nagar (DIN: 10874632) as independent director of company, the board of directors in their meeting held on 16th July, 2025 has reconstituted composition of Audit committee, the details of which are as follows: -

Sr. No.	Name of Members	Nature of Membership	Nature of Directorship
1.	Mr. Vinod Rana	Chairman	Independent Director
2.	Ms. Khyati Shah	Member	Independent Director
3.	Mr. Manojkumar Jain	Member	Executive Director
4.	Ms. Dhwani Nagar	Member	Independent Director

NOMINATION & REMUNERATION COMMITTEE:

(a) The Committee comprises of 3 Non-Executive Director and the Chairman being an Independent Director. The Composition of the Committee as on 31st March, 2026 and attendance of the members is given hereunder:

Sr. No	Name of Members	Nature of Membership	Nature of Directorship	Meetings Attended
1.	Mr. Murari Agarwal	Chairman	Independent Director	1
2.	Ms. Khyati Shah	Member	Independent Director	5
3.	Mr. Vinod Rana	Member	Independent Director	5
4.	Ms Dwani Nagar	Member	Independent Director	4

During the Financial year 2025-26, 5 meeting dated 08.04.2025, 16.07.2025, 05.08.2025, 11.12.2025, 24.01.2026 of the Nomination and Remuneration Committee were held.

Requisite quorum was present during all the meetings.

The primary objective of the Nomination and Remuneration Committee ("NRC") is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down including remuneration payable to the senior management, recommend to the Board their appointment and carry out evaluation of every director's performance.

(b) Pursuant to resignation of Mr. Murari Agarwal (DIN: 10433524) w.e.f 16th July, 2025 and appointment of Ms. Dhwani Nagar (DIN: 10874632) as independent director of company, the board of directors in their meeting held on 16th July, 2025 has reconstituted composition of Nomination and remuneration committee, the details of which are as follows: -

Sr. No.	Name of Members	Nature of Membership	Nature of Directorship
1.	Ms. Khyati Shah	Chairperson	Independent Director
2.	Mr. Vinod Rana	Member	Independent Director
3.	Ms. Dhwani Nagar	Member	Independent Director

STAKEHOLDER RELATIONSHIP COMMITTEE:

(a) The Committee comprises of 2 Non-Executive Director and 1 Executive Director, the Chairman being An Independent Director. The Composition of the Committee and attendance of the members is given hereunder:

Sr. No	Name of Members	Nature of Membership	Nature of Directorship	Meetings Attended
1.	Ms. Khyati Shah	Chairman	Independent Director	4
2.	Mr. Murari Agarwal	Member	Independent Director	1
3.	Mrs. Sangeeta Jain	Member	Whole Time Director Executive Director	4
4.	Ms. Dhwani Nagar	Member	Independent Director	3

During the Financial year 2025-26, 4 meeting dated 29.05.2025, 15.09.2025, 10.11.2025, 26.02.2026 of the Stakeholder Relationship Committee was held. Requisite quorum was present during the meetings.

The Committee looks into the grievances of the Shareholders related to transfer of shares, and non-receipt of annual report and recommends measure for expeditious and effective investor service. However, there were no Complaints received to the Company during the financial year 2025-26.

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

The Company has duly appointed Registrar and Share Transfer Agent (R&T Agent) to provide services to the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time. There were no complaints received during the year ended 31st March 2026.

(b) Pursuant to resignation of Mr. Murari Agarwal (DIN: 10433524) w.e.f 16th July, 2025 and appointment of Ms. Dhwani Nagar (DIN: 10874632) as independent director of company, the board of directors in their meeting held on 16th July, 2025 has reconstituted composition of Stakeholder relationship committee, the details of which are as follows: -

Sr. No.	Name of Members	Nature of Membership	Nature of Directorship
1.	Ms. Dhwani Nagar	Chairperson	Independent Director
2.	Ms. Khyati Shah	Member	Independent Director
3.	Mrs. Sangeeta Jain	Member	Whole Time Director

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

(a) The CSR Committee comprises of 2 Executive Director and 1 Non-Executive Independent Director. The Composition of the Committee as on 31st March, 2026 and attendance of the members is given hereunder:

CSR Committee:

Sr. No	Name of Members	Nature of Membership	Nature of Directorship	Meetings Attended
1.	Mr. Manojkumar Jain	Chairman	Managing Director	4
2.	Mr. Murari Agarwal	Member	Independent Director	1
3.	Ms. Sangeeta Jain	Member	Whole Time Director	4
4.	Ms. Dhwani Nagar	Member	Independent Director	3

During the Financial year 2025-26, 4 meeting of the CSR Committee Committee was held on 14.06.2025, 26.09.2025, 24.12.2025 and15.03.2026. Requisite quorum was present during the meetings.

The primary objective of the committee is to develop and implement the company's CSR strategy, ensuring that it aligns with the company's values, goals, and business objectives. The committee sets priorities for CSR initiatives and decide on the areas of focus, such as environmental sustainability, social equity, or community development. It is also responsible for creating and updating CSR policies and guidelines. This includes defining the principles and standards the company will follow to ensure ethical behavior and positive social impact.

Further, the committee monitors the execution of CSR programs and projects to ensure they meet the defined objectives. They assess the effectiveness of these initiatives and provide recommendations for improvement.

(b) Pursuant to resignation of Mr. Murari Agarwal (DIN: 10433524) w.e.f 16th July, 2025 and appointment of Ms. Dhwani Nagar (DIN: 10874632) as independent director of company, the board of directors in their meeting held on 16th July, 2025 has reconstituted composition of Corporate Social Responsibility committee, the details of which are as follows: -

Sr. No.	Name of Members	Nature of Membership	Nature of Directorship
1.	Mr. Manojkumar Jain	Chairman	Managing Director
2.	Ms. Sangeeta Jain	Member	Whole Time Director
3.	Ms. Dhwani Nagar	Member	Independent Director

RELATED PARTY TRANSACTIONS:

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (ies) are in ordinary course of business and on arm's length. AOC-2 is forming part of this report as **Annexure I.**

The Details of the Transactions with related parties as per accounting standards are given in the Financial Statement to the note forming part of the accounts.

CORPORATE SOCIAL RESPONSIBILITY:

The Board in compliance with the provisions of Section 135(1) of the Companies Act, 2013, and rules made thereunder has constituted CSR Committee consisting of Mr. Manojkumar Jain, Mr. Murari Agarwal and Mrs. Sangeeta Jain and Ms Dhwani Nagar. A brief outline of the CSR Policy and the CSR initiatives undertaken by the Company during the year is given in Annual Report on Corporate Social Responsibility (CSR) activities in the **Annexure II**, which forms part of this report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

A report on Management Discussion and Analysis Report (MDAR) is annexed to this report as **Annexure -III**, inter-alia deals adequately with the operations and also current and future outlook of the Company.

CORPORATE GOVERNANCE REPORT:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on "Corporate Governance" is attached as an **Annexure IV** and forms part of this report.

POLICIES

In accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has framed the following policies:

1. Policy on materiality of dealing with Related Party Transactions.
2. Policy for Preservation of Documents
3. Whistle Blower Policy
4. Policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (UPSI)
5. Content Archiving Policy
6. Criteria for making payments to Non- Executive Directors
7. Dividend Distribution Policy
8. Familiarization programme for independent directors.
9. Code of conduct to regulate, monitor and report trading by insiders.
10. Policy for determining Material Subsidiary
11. Policy on disclosure of material events or information
12. Board Diversity Policy
13. Policy on identification of Group Companies, Material Creditors and Material Litigations.
14. Policy on prevention of sexual harassment
15. Nomination & Remuneration Policy (NR Policy)
16. Code of Conduct for board members and senior management.
17. Corporate Social Responsibility Policy (CSR Policy)

All the above policies have been displayed on the website of the Company viz. https://www.vmsil.in/code-and-policies.html.

AUDITORS:

i. Statutory Auditor and their Report

The auditors M/s. S N SHAH & Associates., Chartered Accountants offers themselves for re-appointment at the ensuing annual general meeting. The company has received a letter from the auditors stating that their appointment if made, will be within the limits of Section 139, 141 of the Companies Act, 2013 and the rules made there under. The Directors recommend for their reappointment.

Further, the report of the Statutory Auditors along with notes to financials is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

ii. INTERNAL AUDITOR

The Board of Directors has appointed M/s. SNDK & Associates LLP, Chartered Accountants, as Internal Auditors of the Company to carry out Internal Audit of the Company for the Financial Year 2025-26. The Audit Committee of the Board of Directors in consultation with the Internal Auditors, formulate the scope, functioning periodicity and methodology for conducting the Internal Audit.

iii. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board of Directors of the Company has in compliance with the provisions of Section 204(1) of the Companies Act, 2013 and rules made therein appointed M/s. Umesh Ved & Associates, Company Secretaries as Secretarial Auditor, to carry out Secretarial Audit of the Company for the financial year 2025-26.

M/s Umesh Ved & Associates, Company Secretaries had appointed as Secretarial Audit firm for a term of five (5) consecutive years, to conduct the Secretarial Audit of five consecutive financial years from 2025-26 to 2029-30.

The Report of the Secretarial Auditor is annexed to the Corporate Governance Report which is self-explanatory and gives complete information. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

iv. COST RECORDS AND COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with relevant rules made thereunder, maintenance of cost records is required and accordingly such accounts and records are made and maintained by the Company.

Further, in accordance with the said applicable provisions, M/s. Anuj Aggarwal & Co., Cost Accountants, (FRN: 102409) appointed as cost auditor to audit the cost records of the Company for the financial year 2025-26.

M/s Anuj Aggarwal & Co, Cost Accountants, Cost auditor were appointed by board of directors in their meeting held on 26th June,2025 to conduct audit for financial year 2025-26. The remuneration of same has been placed before the members of company for ratification at ensuing Annual general meeting. The said agenda is placed in the Notice of the Annual General meeting for consideration of the members of the company.

DIRECTORS RESPONSIBITLY STATEMENT:

As required under the provisions of Section 134 of the Act, to the best of their knowledge and belief the Board of Directors report that:

a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.

c. The Directors have taken proper and sufficient care for the 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 fraud and other irregularities.

d. The Directors have prepared the annual accounts on a going concern basis.

e. The Directors have laid down Internal Financial Controls as required by Explanation to Section 134(5)(e) of the Act) to be followed by the Company and such internal financial controls are adequate and are operating effectively.

f. The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

PARTICULARS OF EMPLOYEES:

None of the employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

COMPLIANCE WITH THE SECRETARIAL STANDARDS:

The Company has complied with all the provisions of Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

ENVIRONMENT AND SAFETY:

The company understands the value of operating in an ecologically friendly and safe manner. The Company's philosophy mandates that activities be carried out in such a way that all parties involved are safe, environmental standards are followed, and natural resources are preserved.

PARTICULARS OF LOANS / GUARANTEES / INVESTMENT:

The Particulars of loans, guarantee or investment made under Section 186 of the Companies Act, 2013 are forming part to the Financial Statements (Note no.8) for the year ended 31st March 2026.

EXTRACT OF THE ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is placed on the website of the company www.vmsil.in

RISK MANAGEMENT POLICY

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. In the opinion of the Board there has been no identification of element of risk that may threaten the existence of the Company.

ANNUAL PERFORMANCE EVALUATION:

In compliance with the provisions of the Act and voluntarily under SEBI (LODR) Regulations, 2015, the performance evaluation was carried out as under:

Board:

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors on a whole was satisfactory.

Committees of the Board:

The performance of the Audit Committee, the Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee was evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act, the Rules framed thereunder and the Listing Agreement.

Individual Directors:

(a) **Independent Directors:** In accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director are a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company. Performance of the Independent Directors was satisfactory.

(b) **Non-Independent Directors**: The performance of each of the non-independent directors was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Independent Directors and the Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership. Performance of the Non-independent Directors was satisfactory.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT;

There are no material changes and commitments, which may have affect the financial position of the Company between the end of the financial year of the company to which the financial statements relate and the date of the report.

SEXUAL HARASSMENT:

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported. The details of sexual harassment complaint received are as under;

Number of Sexual Harassment Complaints received

(ii) Number of Sexual Harassment Complaints disposed off : 0

(iii) Number of Sexual Harassment Complaints beyond 90 days. : 0

(b) Statement that the company has complied with Maternity Benefit Act.

(j) Number of employees as on the closure of financial year :

Female: 0

Male: 185

Transgender : 0

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the provisions of Section 125(2) of the Companies Act, 2013 apply as there was dividend declared and paid during FY 2025-26, but all declared Dividend has been paid so the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to the provision of Section 125 (e) of the Companies Act, 2013 as there is no amounts unclaimed for a period of FY 2025-26.

REPORTING OF FRAUD:

During the year under review there was no instance of any fraud which has been reported by any Auditor to the Audit Committee or the Board.

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 Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

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

COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961:

There has been no incident of granting any maternity benefit as per Maternity Benefit Act, 1961 during the financial year under review.

APPRECIATION:

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the employees, Banks, Financial Institutions, Customers, Business Associates, Government Departments, suppliers, and other stakeholders 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 the commitment displayed by all executive officers and staff at all levels of the company. We look forward for the continued support of all stakeholders in the future and we are very thankful for the confidence shown in the Company.

For and on behalf of Board of Directors of
VMS INDUSTRIES LIMITED

Regd Office:
808 C Pinnacle Business Park,
Corporate Road Prahladnagar,
Ahmedabad-380015

MANOJKUMAR JAIN
MANAGING DIRECTOR
DIN: 02190018

Annexure-I

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 transactions under third proviso thereto

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

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts/arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) Date of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

(a)	Name(s) of the related party and nature of relationship	**VMS TMT LTD** Relation- Director Relatives are interested
(b)	Nature of contracts/arrangements/transactions	Sales of Goods Purchase of Goods
(c)	Duration of the contracts/arrangements/transactions	Repayment on Demand
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Advances given: ₹ 6,447.10 lakh Advances received back: ₹ 9,878.40 lakh Loans/advances taken: ₹ 1,498.20 lakh Loans/advances repaid: ₹ 1,498.20 lakh Rent income: ₹ 6.60 lakh Interest received: ₹ 232.40 lakh
(e)	Justification for entering into such contracts or arrangements or transactions	NA
(f)	Date of approval by the Board	08.04.2025
(g)	Amount paid as advances, if any:	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	18.09.2025

On behalf of the Board of Directors

Manojkumar Jain
Managing Director
(DIN: 02190018)

Sangeeta Jain
Whole Time Director
(DIN: 00125273)

Date: 27.08.2026
Place: -Ahmedabad

[Annexure -II]

Annual Report on CSR Activities for the Financial Year ending 31st March, 2026

1. Brief outline on/salient features of CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy of a company, as mandated by the Companies Act 2013, aims to promote sustainable development and enhance community welfare through responsible business practices. Under Section 135, companies meeting specific criteria are required to allocate a percentage of their net profits towards CSR activities.

The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.

The Projects/activities will be undertaken either by direct involvement by company or through external agencies.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Manojkumar Jain	Chairman	4	3
2	Mr. Murari Agarwal	Member	1	1
3	Mrs. Sangeeta Jain	Member	4	4
4	Ms Dhwani Nagar	Member	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The web-link where Composition of CSR committee, CSR Policy and CSR Projects are disclosures is at https://www.vmsil.in/code-and-policies.html

4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of Companies (Corporate Social Responsibility) Rules, 2014, if applicable: Not Applicable

5. Details of amount available for set off in pursuance of sub rule (3) of Rule 7 of Companies (Corporate Social Responsibility) Rules, 2014 and amount required for set off for the financial year, if any:

Particulars	Amount (in ₹)
Average net profit of the company as per section 135(5)	6,14,90,939/-
Two percent of average net profit of the company as per section 135(5)	12,29,819/-
Surplus arising out of the CSR projects or programmes or activities of the previous financial years	10,688/-
Amount required to be set off for the financial year, if any	0
Total CSR obligation for the financial year	12,50,000/-

6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 12,50,000	Nil	N. A	Nil	Nil	N. A

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹) in Lakhs	Mode of implem-entation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1	Promoting Education in Rural and Semi-Rural Area	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Gujarat	Ahmedabad	12.50	No	Shri Umiya Education and Charitable Trust	CSR00032772
	Total					**12.50**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year: ₹ 12,50,000/-

(g) Excess amount for set off: ₹20,181/-

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

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): The Company does not have any ongoing projects.

8. Details relating to the asset so created or acquired through CSR spent in the financial year: Nil

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Company has duly met its CSR obligation.

Regd Office:
808 C Pinnacle Business Park,
Corporate Road,
Prahladnagar,
Ahmedabad-380015
Date: 27.08.2026

For and on behalf of Board of Directors of
VMS Industries Limited

Manojkumar Jain
Chairman & Managing Director
DIN: 02190018

ANNEXURE – III

MANAGEMENT DISCUSSION AND ANALYSIS

DISCLAIMER STATEMENT:

Certain statements in this report on Management Discussion and Analysis may be forward looking statements and have been issued in terms of the applicable security laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed in the statements or implied due to the influence of external and internal factors, which are beyond the control of the Company. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information's or events.

BACKGROUND:

VMS Industries Ltd was originally incorporated on December 2, 1991 as a Private Limited Company in the name and style of "Varun Management Services Private Limited" by its Promoters. The Company acquired a Ship Breaking Plot in the year 2007 and to reflect the business of the Company the name was changed to "VMS Industries Private Limited". The constitution of the Company was changed to Public limited Company with effect from January 29, 2010 and consequently the name was changed to "VMS Industries Limited".

BUSINESS OVERVIEW:

Our present business mainly Ship Recycling Activities:-

During the year 2004, Gujarat Maritime Board auctioned vacant plots and under open bid we have been allotted vacant Plot No. 160 at Alang-Sosiya Ship Breaking Yard admeasuring 1350 sq. meter on a lease basis. However, our Company could not start ship breaking activities due to change in policy for ship recycling plant, requiring higher size (2700 sq mtrs) of plot and therefore we could not get permission for utilization of plot from GMB. Meanwhile, in the year 2007, the plot size was enlarged to 2700 sq. meter as per the instructions given by the Inter Ministerial Committee constituted by Hon. Supreme Court, by merging the adjoining Plot No. 159 and our Company was permitted to use the merged Plot No. 160M for a period of 5 years and subject to renewal thereafter.

INDUSTRY OVERVIEW: SHIP BREAKING INDUSTRY: Overview

Scrap from ship breaking fetches a very good price in the market. If prices express consumer preference, then there is a strong preference for the ship-recycling scrap. This is because of the high quality of steel that comes in the form of re-rollable scrap from ships. Ships are manufactured with acute specifications. The manufacture of ships is done usually in the developed countries and the specifications are monitored closely in order to avoid accidents. The general features of steels that are used to manufacture ships are ability to withstand pressure, high impact and strain on account of severe cold. These features if translated into manufacture of bars and rods may give us similar qualities of steel with equal strength.

The material processed from ship breaking scrap is better in terms of yield strength, notch impact strength and through thickness ductility. In terms of chemical composition it is consistent and has low sulphur and phosphorus content. In terms of metallurgical properties, steel from ships are normalized, fully killed and has finer and more compact grain structure, free from inclusions, pores and cracks and austenitic properties. Hence for all kinds of applications those require impact resistance, corrosion resistance, mach inability, bend ability, and formability, steel from ship breaking scrap has been found to be more suitable than steel from ingots and billets. Incidentally, everywhere else in the world the scrap from the demolished ships are usually sent into melting furnaces, India is probably only country that has the technique of re-rolling scrap into producing construction steel without having to first cast scrap as billets and ingots.

In order to produce a tonne of steel through the integrated steel plants one tends to consume more power and fuel and non-replenish able resources like coal, iron ore and limestone and other minerals. The sunk costs in terms of capital employed are higher in the integrated steel plants and the integrated plants create far less employment. Indeed, we can obtain our required input material from the ship recycling industry at (Reference taken from http://www.sriaindia.com/alang-info/role-in-steel-economy/)

RISK MANAGEMENT

The Company is exposed to the risk from the market fluctuations of foreign exchange as well as the fluctuation in the price of iron and steel. The Company's raw material is old ship, which is purchased from the international market on credit ranging upto 180 days to 360 days. Though the Company is not hedging or covering the foreign exchange requirement, the Company is regularly monitoring the foreign exchange movement and suitable remedial measures are taken as and when felt necessary. Though the Company is employing such measures, the Company is still exposed to the risk of any foreign exchange fluctuation.

Likewise, the Company's finished products are mainly re-rollable scrap generated from Ship Recycling and the price of the same is linked to the market rate for iron and steel. Any ups and downs in the price of the iron and steel will affect the profitability of the Company. The Company keeps a watch on the movement of scrap prices and accordingly decides its policy regarding purchase of ships and sale of scrap

FUTURE PROSPECTUS

The business activity of Ship-Recycling industry at Alang Ship Breaking Yard is likely to increase substantially in view of favourable availability of second-hand ships and demand of ship-recycled material. Your Company is also optimistic that with the stabilization in price for the old

ship in the international markets and in the sale price of recycled products in the domestic market, the Company will be able to improve the turnover and the profitability ratios in the coming years.

CERTIFICATES AND ACHIEVEMENTS

- The company marked its presence at the award ceremony of "Financial Times" by being one of the High-Growth Companies Asia-Pacific 2020.
- The company is certified with ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 and ISO 30000:2009 from BUREAU OF VERITAS CERTIFICATION for Ship Relying Activities & Sale of Recyclable Material such as Steel, Equipment, Machinery and Sales of Other Materials obtained from Ship.
- The Company is Certified with ISO 30000:2009 and Statement of Compliance" for engaging in ship recycling at the facility in accordance of IMO Resolution MPEC. 210(63) -2012 guidelines for Safe and environmentally sound ship recycling by the independent verifier RINA INDIA PVT LTD.
- The Company is also certified from NIPPON KAIJI KYOKAI (Class NK) for Statement of Compliance for Firm Engaged in Ship Recycling.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes human resources as its biggest strength which has resulted in getting acknowledgement that the Company is the right destination where with the growth of the organization, value addition of individual employees is assured. The total number of employees as on 31st March, 2026 is 185.

INTERNAL CONTROL

The Company has an adequate internal control system for safeguarding the assets financial transactions of the Company. The strong internal control system has been designed in such a way that, not only it prevents fraud and misuse of the Company's resources but also protect shareholders interest.

DISCLOSURE OF ACCOUNTING TREATMENT:

The Company does follow all the treatment in the financial statement as per the prescribed Accounting standards.

KEY FINANCIAL RATIOS:

Disclosure of Financial Ratios:

Sr. No.	Particulars	Numerator	Denominator	As At/For The Year Ended		% Change Compared to Last Year
				31/03/2026	31/03/2025	
i.	Current Ratio (times)	Current Assets	Current Liabilities	2.46	2.77	(11.32%)
ii.	Debt-Equity Ratio (times)	Total Debt	Total Equity	0.67	0.56	(19.00%)
iii.	Debt Service Coverage Ratio (times)@-1	Earnings available for debt Service	Debt Service	0.17	0.69	(75.66%)
iv.	Return on Equity Ratio (%) @-2	Profit for the year	Average Total Equity	1.51%	8.50%	(82.19%)
v.	Inventory Turnover Ratio (times)	Cost of Materials Consumed + Purchase of Stock in Trade + Employee Benefit Expenses+ Other Direct Expenses	Average Inventory	5.24	6.49	(19.28%)
vi.	Trade Receivables Turnover Ratio (times) @-3	Revenue from Operations	Average Trade Receivable	3.60	10.11	(64.42%)
vii.	Trade Payables Turnover Ratio (times)	Purchases during the year	Average Trade Payables	3.94	4.64	(15.01%)
viii.	Net Capital Turnover Ratio (times) @-4	Revenue from Operations	Average Working Capital	1.74	3.83	(54.56%)
ix.	Net Profit Ratio (%) @-5	Net Profit After Tax	Revenue from Operations	0.93%	2.36%	(60.59%)
x.	Return on Capital Employed (%) @-6	EBIT	Capital Employed	3.74%	8.04%	(53.50%)
xi.	Return on Investments (%) @-7	Net Profit After Tax	Average Total Equity	1.51%	8.50%	(82.19%)

@-1 Current ratio improved during the current year on account of reduction in outstanding balance of trade payables and short-term borrowings out of funds raised through proceeds of right issue and application of funds raised from operational activities.

@-2 Debt-Equity Ratio improved during the year on account of proceeds from right issue, increase in accumulated balances of profits on account of profits generated during the year from operational activities and decrease in outstanding balance of trade payables and short-term borrowings being part of total liabilities as at the end of the current year compared to the previous year.

@-3 Debt-Service Coverage Ratio improved on account of increase in operational activities which has increasing effect on profits of the company and also on account of settlement of short-term borrowings.

@-4 Inventory Turnover deteriorated during the year on account of margin increase in inventory holding period during the current financial year compared to the preceding financial year.

@-5 Increase in higher average balance of trade payables vis-à-vis purchases made resulted into having reducing effect on the trade payable turnover ratio.

@-6 Increase in operational activities and marginal decline in cost of purchase and cost of material consumed has positive impact on net profit margin during the year. Further proceeds from issue share capital and reduction in total liabilities have positive impact on capital employed. Improvement in factors resulted into improvement in return on capital employed.

@-7 Increase in operational activities and better resource management has positive impact on return of investment during the current year.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein.

On behalf of the Board of Directors of
VMS Industries limited

Manojkumar Jain
Managing Director
(DIN: 02190018)

Sangeeta Jain
Whole Time Director
(DIN: 00125273)

Date: 27.08.2026
Place: Ahmedabad

TO BOARD'S REPORT

Information as per Section 134 (3) (m) read with the Companies Act, 2013 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended on 31st March 2026.

A. CONSERVATION OF ENERGY

a)	Energy conservation measure taken	In the ship breaking carried out by the Company, the energy consumption is Negligible, and does not require any specific energy conservation measures
b)	Additional investment and proposal if any being Implemented for reduction in consumption of energy.	No material consideration looking to the business of the Company.
c)	Impact of the measures at (a) & (b) on energy consumption& consequent impact on the cost of production	N.A.
d)	Total energy consumption and energy consumption per unit of production	Nil

B. TECHNOLOGY ABSORPTION:-

The Company is engaged in the business of breaking of old and used ships segment. No material Research & Development is carried out in any specific area and therefore no details are furnished on matters related to Technology Absorption.

C. FOREIGN EXCHANGE EARNING & OUTGO

1. Activities relating to export initiatives taken to increase exports, development of new markets for products and services and export plans : NIL
2. During the year, the Company earned / spent foreign exchange as under : Earnings : NIL
   Outgo: ₹NIL

On behalf of the Board of Directors

Manojkumar Jain
Managing Director
(DIN: 02190018)

Sangeeta Jain
Whole Time Director
(DIN: 00125273)

Date: 27.08.2026
Place: Ahmedabad

Annexure-V

PARTICULARS OF EMPLOYEE

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31ST March, 2026

Sr. No.	Name of Director	Remuneration per annum (₹ In Lakhs)	Median Remuneration per annum (₹ In Lakhs)	Ratio
1.	Mr. Manojkumar Jain	84.00	1.50	N. A
2.	Mrs. Sangeeta Jain	48.00	1.50	23.49

2. There was increase in the remuneration of the Directors

3. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; 10%

4. Percentage increase in median remuneration of employees in the financial year 5%

5. The number of permanent employees on the rolls of the company as on 31 March, 2026 is 22.

6. The explanation on the relationship between average increase in remuneration and company performance

(₹ In Lakhs)

Particulars	2025-26	2025-26
Total Revenue	16449.28	29330.30
EBIDTA	674.83	1266.80
EBIDTA as a % of total Income	4.10	4.31
Profit before tax	211.87	912.86
PBT as a % of total Income	1.29	3.11

7. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration is as per the remuneration policy of the Company.

8. None of employee received highest remuneration than that of Director

On behalf of the Board of Directors

Manojkumar Jain
Managing Director
(DIN: 02190018)

Sangeeta Jain
Whole Time Director
(DIN: 00125273)

Date: 27.08.2026
Place: Ahmedabad

Annexure – VI to the Directors' Report

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

(As per SEBI (LODR) Regulation, 2015)

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015).

1. COMPANY'S PHILOSOPHY

VMS Industries Limited is committed to achieve the best standards of Corporate Governance through complete transparency in its dealings with the management, associate companies/ firms or other third parties. The Company's policy on Corporate Governance is to make it a way of life by, inter alia, adopting superior standard of Corporate Governance practices through continual improvement of internal systems and satisfaction of employees, customers, stakeholders and society.

Corporate Governance aims at fairness, transparency, accountability and responsibility in the functioning of the Company with the ultimate objective of realizing and enhancing shareholders' values. The Company had adopted Corporate Governance and disclosure practices even before these were mandated legislations. +

2. BOARD OF DIRECTORS

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board is totally committed to the best practices for effective Corporate Governance. The Board regularly reviews and updates Corporate Governance practices to accommodate developments within the market place in general and the business in particular.

The Board of the Company has an optimum combination of Executive Directors and Non-Executive Directors – Independent Directors, which is in conformity with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015).

a) Composition of Board

The present strength of the Board is five (5) Directors, comprising of One Managing Director, One Whole Time Director, and three Independent & Non-Executive Directors. The Board Members possess the skills, expertise & experience necessary to guide the Company.

The Board comprises of the following:

Sr. No.	Name Of Director	Designation and Category of Director	Number Of Directorship(s) in other Public Limited Company	Number of committee positions held in other public limited companies
1.	MANOJKUMAR JAIN	Designation: Managing director Category: Promoter	1	2
2.	SANGEETA JAIN	Designation: Whole Time Director Category: Promoter	NIL	NIL
3.	MURARI AGARWAL	Designation: Director Category: Independent	1	0
4.	KHYATI SHAH	Designation: Director Category: Independent	4	6
5.	VINOD RANA	Designation: Director Category: Independent	4	0
6.	DHWANI NAGAR	Designation: Director Category: Independent	1	0

*Ms. Dhwani Nagar being appointed by board of directors w.e.f 16th July, 2025 and Mr. Murari resigned from his position w.e.f same date.

b) Board Meetings and Attendance of Directors

During the year under review, 9 (Nine) Board meetings were held, the details of date on which board meeting were held along with attendance of each director are as follows:

Date of Board Meeting	MANOJKUMAR JAIN	SANGEETA JAIN	MURARI AGARWAL	VINOD RANA	KHYATI SHAH	DHWANI NAGAR
08-04-2025	YES	YES	YES	YES	YES	NA
22-05-2025	YES	YES	YES	YES	YES	NA
25-06-2025	YES	YES	YES	YES	YES	NA

Date of Board Meeting	MANOJKUMAR JAIN	SANGEETA JAIN	MURARI AGARWAL	VINOD RANA	KHYATI SHAH	DHWANI NAGAR
16-07-2025	YES	YES	NA	YES	YES	YES
12-08-2025	YES	YES	NA	YES	YES	YES
13-11-2025	YES	YES	NA	YES	YES	YES
11-12-2025	YES	YES	NA	YES	YES	YES
13-02-2026	YES	YES	NA	YES	YES	YES
10-03-2026	YES	YES	NA	YES	YES	YES
TOTAL ATTENDED	9	9	3	9	9	6

LOA- Leave of Absence

During the year under review, the Board elected Mr. Manojkumar Jain as Chairman for each of the above meetings of the Board.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as part of Agenda Papers, the same are tabled at the meeting or / and the presentations are made by the concerned managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

Attendance of Annual General Meeting of Last year

Date of AGM	Name of Directors				
	Mr. Manojkumar Jain	Mrs. Sangeeta Jain	Ms Dhwani Nagar	Ms. Khyati Shah	Mr. Vinod Rana
September 18, 2025	Yes	Yes	Yes	Yes	Yes

c) Relationships between Directors and Shares/Convertible Instruments held by Independent Directors:

There is no relationship between Directors and Independent Directors. Except Executive director ManojKumar Jain Managing Director and Mrs. Sangeeta Jain Whole Time Director are husband and wife.

d) Number of Shares held by Independent & Non- Executive directors

No shares hold by Independent & Non-Executive Directors

e) Skills/expertise/competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills, nationality and geography.

Given the Company's size, scale and diversified nature of its businesses, the Directors should possess one or more of the following skills, expertise and competencies:

1. Finance and Taxation

Our directors have 360-degree experience in the industry and are capable of running giant co-operation. Their insight over taxations and finance are impeccable. Our directors are ready to face the new challenges and are risk takers.

Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.

2. Organisational Purpose

Ability to comprehend the socio-economic, political, regulatory and competitive environment, both domestic and global, in which the Company is operating and insight to identify opportunities and threats for the Company's businesses.

Ability to contribute towards creating an inspiring Vision for the Company with superordinate societal goals and appreciate the Company's triple bottom line philosophy of building synergy between serving the society and creating economic value for the Company.

3. Culture Building

Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct.

4. Safety and Corporate Social Responsibility

Directors have relevant experience and knowledge in the matters of Safety and Corporate Social Responsibility including Environment, Sustainability, Community and Values as well as Experience in Human Resources and Communication.

5. Technology/Digital

Board has expertise in the field of technology given the Company's focus on Research and Innovation as well as knowledge in the field of Information Technology and Digitalisation

6. Organisational Capacity Building

Ability to understand the talent market and the Company's talent quotient so as to help fine-tune strategies to attract retain and nurture competitively superior talent.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualific+ation or skills:

Name of Directors	Area of Expertise					
	Finance and Taxation	Organisational Purpose	Culture Building	Safety and Corporate Social Responsibility	Technology/ Digital	Organisational Capacity Building
Mr. Manojkumar Jain	✓	✓	✓	✓	✓	✓
Mrs. Sangeeta Jain		✓	✓	✓	✓	✓
Mr. Murari Agarwal		✓	✓	✓	✓	✓
Mr. Vinod Rana	✓	✓	✓	✓	✓	✓
Ms. Khyati Shah		✓	✓	✓	✓	✓
Ms Dhwani Nagar	✓	✓	✓	✓	✓	✓

c) Information of Directors' Re-appointment: -

The profiles of Directors who are seeking re-appointment at the Annual General Meeting are furnished below: -

Name of Director	Sangeeta Jain
Date of Birth	22-01-1968
Nationality	Indian
Date of Appointment on the Board	02-12-1991
Qualification	M.A
Experience of functional area	Business
Shareholding in the Company	22,92,264
List of Directorship held in other Companies	1
Committee Membership	1

Committee of Board of Directors of the Company

3. AUDIT COMMITTEE

The Audit Committee's role is to assist the Board fulfill its corporate governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions.

Meeting Held

During financial year 2025-26, five (5) meetings of the Audit Committee were held on 22.05.2025, 16.07.2025, 12.08.2025, 13.11.2025, 13.02.2026

The gap between two meetings did not exceed one hundred and twenty days.

a) Composition & Attendance: -

The Audit Committee comprises of experts specializing in accounting / financial management. The Chairman of the Audit Committee is a Non-executive and Independent Director. The composition and attendance of Audit Committee as on 31st March, 2026 is as follows:-

Name of the Members	Position	Category	No. of meetings attended
Mr. Vinod Rana From 02.09.2024	Chairman	Independent & Non-Executive Director	5/5
Mr. Manojkumar Jain	Member	Managing Director	5/5
Mr. Murari Agarwal	Chairman	Independent & Non-Executive Director	1/1
Mr. Khyati Shah From 02.09.2024	Member	Independent & Non-Executive Director	5/5
Ms Dhwani Nagar	Member	Independent & Non-Executive Director	4/4

The Company Secretary acts as a Secretary to the Committee.

The Audit Committee is constituted in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18(3) read with Part-C of Schedule 2 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. All the members of Audit Committee possess knowledge of corporate finance, accounts and company law.

b) Powers & Terms of Reference:

The Power and terms of reference of the Audit Committee are as mentioned in SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 and includes overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issue and issues related to risk management and compliances. The CFO and the Statutory Auditors are invited to the meeting.

Mr. Vinod Rana, Chairman of the Audit Committee, was present at the last AGM held on September 18, 2025.

4. NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

Meeting Held

During financial year 2025-26, Five (5) meetings of the Audit Committee were held on 08.04.2025, 16.07.2025, 05.08.2025, 11.12.2025, 24.01.2026.

a) Composition & Attendance: -

The Nomination and Remuneration Committee as on 31st March 2026 comprises of three members who are Independent & Non-Executive Directors. The composition of Remuneration Committee as on 31ST March, 2026 is as follows:

Name of Members	Position	Category	No. of meetings attended
Mr. Murari Agarwal	Chairman 02.10.2024	Independent & Non-Executive Director	1/4
Mr. Vinod Rana	Member	Independent & Non-Executive Director	5/5
Ms. Khayti Shah	Member	Independent & Non-Executive Director	5/5
Ms Dhwani Nagar	Member	Independent & Non-Executive Director	4/4

The Company Secretary acts as the Secretary to the Committee.

b) Terms of Reference: -

The broad terms of reference of the committee are to appraise the performance of Managing Director and Whole Time Directors to determine and recommend to the Board compensation payable to Managing Director and Whole Time Directors. The Remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

c) Board and Director Evaluation

In terms of the requirement of the Act and the Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of

its Committees. The exercise was led by the Chairperson of the NRC along with the Chairperson elected for each Meeting of the Board.

d) Criteria for Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, its committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Listing Regulations. The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India and pursuant to amendments to the Listing Regulations.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation was based on the Guidance Note issued by SEBI which, inter alia, included questions on the following:

e) Remuneration Policy:-

Subject to approval of the Board of Directors and subsequent approval by the members at the Annual General Meeting and such authorities as the case may be, remuneration of Managing Director and Whole Time Directors is fixed by the Remuneration Committee. The remuneration is decided by the Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries, financial position of the company etc. The remuneration structure may comprises of basic salary, perquisites, allowances (fixed component), and contribution to provident fund, in accordance with the provisions of the Companies Act, 2013 and as fixed by Remuneration Committee.

i. Board Evaluation

- Board Diversity and Board Structure - qualifications, experience and competencies
- Meetings – regularity, frequency, agenda, discussion and recording of minutes
- Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest, review of TBEM findings and monitoring action plans
- Independence of management from the Board, access of Board and management to each other
- Succession plan and professional development

ii. Evaluation of Individual Directors

- Professional qualifications and their experience
- Knowledge, skills and competencies of Director
- Fulfilment of functions, ability to function as a team
- Attendance and regularity
- Commitment, contribution, integrity and independence

iii. Committee Evaluation

- Mandate and composition
- Effectiveness of the Committee
- Structure of the Committee
- Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes
- Independence of the Committee from the Board and contribution to decisions of the Board

5. REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors during the year are given below: -

Name of Director	Designation	Remuneration/Salary (₹ In Lakhs)
Mr. Manojkumar Jain	Managing Director	84.00
Mrs. Sangeeta Jain	Whole Time Director	48.00

a) Pecuniary relationship or transaction of Non-executive Director

Not applicable

b) Payments to Non-Executive Directors

Not applicable

6. STAKEHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE:

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders and debenture holders. During the year under review, the terms of reference of the SRC were amended to align the role of the Committee with amendments to the Listing Regulations

Meeting Held

During financial year 2025-26, Four (4) meetings of the Committee were held on 29.05.2025, 15.09.2025, 10.12.2025, 26.02.2026

a) Composition and attendance: -

The Board has delegated the powers to approve transfer of shares etc. to this Committee of Four (4) Directors. The composition of Shareholders' / Investors' Grievance Committee as on 31st March, 2026 is as follows:-

Name of Members	Position	Category	No. of meetings attended
Ms. Khyati Shah	Chairman	Independent and Non-Executive Director	4/4
Mrs. Sangeeta Jain	Member	Whole Time Director	4/4
Mr. Vinod Rana	Member	Independent and Non-Executive Director	4/4

b) Terms of Reference

The terms of reference of the SRC are as under:

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares / debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Reviewing details of transfer of unclaimed dividend/securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialisation of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants /annual reports / statutory notices by the shareholders of the Company.
- To approve issue of duplicate certificates.

The share department of the Company and Registrar and transfer agents, M/s Cameo Corporate Services Limited attends expeditiously to all grievances / correspondences of the shareholders and investors, received directly or through SEBI, Stock Exchanges, Department of Corporate Affairs, and Registrar of Companies etc. The complaints are generally resolved within 30 days of receipt of letter, except in the cases that are constrained by disputes or legal impediment.

c) Status of Investor Complaints

The status of Investor Complaints as on March 31, 2026 as reported under Regulation 13(3) of the Listing Regulations is as under:

Complaints as on April 1, 2025	0
Received during the year	0
Resolved during the year	0
Pending as on March 31, 2026	0

d) Name, designation and address of the Compliance Officer

Mr. Hemal Patel

Company Secretary cum Compliance officer

808/C Pinnacle Business Park, Corporate Road,

Prahladnagar, Ahmedabad-380015

Tel. No. 079-40320484

Email: info@vmsil.in

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Company has formed Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder. The Corporate Social Responsibility Committee was reconstituted vide Board Resolution dated December 18, 2024. The Corporate Social Responsibility Committee comprises the following:

Meeting Held

During financial year 2025-26, four (4) meetings of the Committee were held on 14.06.2025, 16.09.2025, 24.12.2025, 15.03.2026, The composition of committee as on 31.03.2025 is as follows:-

Name of Members	Position	Category	No. of meetings attended
Mr. Manojkumar Jain	Chairman	Managing Director	4/4
Mrs. Sangeeta Jain	Chairman Till 30.09.2024	Independent and Non-Executive Director	4/4
Mr. Murari Agarwal	Member	Independent and Non-Executive Director	1/1
Ms Dhwani Nagar	Member	Independent and Non-Executive Director	3/3

The primary objective of the committee is to develop and implement the company's CSR strategy, ensuring that it aligns with the company's values, goals, and business objectives. The committee sets priorities for CSR initiatives and decide on the areas of focus, such as environmental sustainability, social equity, or community development. It is also responsible for creating and updating CSR policies and guidelines. This includes defining the principles and standards the company will follow to ensure ethical behavior and positive social impact.

Further, the committee monitors the execution of CSR programs and projects to ensure they meet the defined objectives. They assess the effectiveness of these initiatives and provide recommendations for improvement.

8. RISK MANAGEMENT COMMITTEE:

The Company is not mandatorily required to constitute a Risk Management Committee as per Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. SENIOR MANAGEMENT:

Pursuant to SEBI LODR, 2015 "senior management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

Following individuals are forming part of the senior management of the company:

1. Mr. Amit Mandalia – CFO
2. Mr. Hemal Patel – Company Secretary and Compliance Officer

There is no chang in Senior Management :

10. INDEPENDENTDIRECTORS:

As per the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in the year without attendance of the Non-Independent Directors. Independent Directors at their meeting held on 15-03-2026 has reviewed the performance of the Non-Independent Directors (Including the Chairman of the Company) and assessed the quality, quantity and timeliness of the flow of information between the Company and the Management. All the independent Directors have attended the meeting.

All the Independent Directors meet the criteria of Independence as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The board of directors in their board meeting held on 16th July, 2025, had took note of resignation of Mr. Murari Agarwal (DIN: 10433524) independent director of the company from his position due to other professional commitment. Pursuant to same, Ms. Dhwani Nagar (DIN: 10874632) consented to act as independent director of the company.

Ms. Dhwani Nagar was appointed as Additional director (Non-Executive, Independent) in meeting of board held on 16.07.2025, for a term of 5 years subject to approval of shareholders at ensuing annual general meeting.

11. Vigil Mechanism Policy:

In accordance with the provisions of the Companies Act, 2013 and the Rules made there under read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism Policy (Whistle Blower Policy) for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, which also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism Policy is devised in such a manner that would enable the stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. The Board of Directors also affirm that the personnel of the Company have not been denied the access to the Audit Committee to report the genuine concern or grievance.

The Vigil Mechanism Policy is made available on the website of the Company www.vmsil.in.

12. Code of Fair Disclosure:

The Board of Directors has laid down a Code of fair Disclosure as required under SEBI (Prohibition of Insider Trading Regulations), 2015. This code is applicable to all the Promoters, Directors, and Connected persons (as mentioned in the Code).

The Code of Conduct is made available on the website of the Company www.vmsil.in.

13. General Body Meetings

Day, date , time and location where AGMs were held during the last 3 years and Special Resolutions passed are given as below:

Financial Year	Day and Date	Time	Venue	No. Of Special Resolution Passed
2022-23	September, 30 2023	03.00 PM	808/C Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad-380015 AND VC	2
2023-24	September 30, 2024	03.00 PM	808/C Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad-380015 AND VC	6
2024-25	September 18, 2025	03.00 PM	808/C Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad-380015 AND VC	6

Details of Special Resolutions Passed in the respective Financial Year are as under:

Financial Year	Special Resolution Passed
2022-23	1. Approval of Transaction u/s 188 of the Companies Act, 2013 with related party M/s Aditya Ultra Steel Limited 2. Approval of Transaction u/s 188 of the Companies Act, 2013 with related party M/s VMS TMT PRIVATE LIMITED
2023-24 AGM	1. Approval of Transaction u/s 188 of the Companies Act, 2013 with related party M/s Aditya Ultra Steel Limited 2. Approval of Transaction u/s 188 of the Companies Act, 2013 with related party M/s VMS TMT PRIVATE LIMITED 3. Approval of limit not exceeding 500 Crore under section 180(1)(c) of Companies Act,2013 4. Approval of Limit not exceeding 500 Crore under section 180(1)(a) of Companies Act, 2013. 5. Appointment of Mr. Vinod Kanubhai Rana (DIN:08160972) Independent Non-Executive Director of the Company for 5 years 6. Appointment of Ms. Khyati Shah (DIN:09430457), Non-Executive Director of the Company for term of 5 years.
2024-25	1. Approval of transaction u/s. 188 of the Companies Act, 2013 with M/s. Aditya Ultra Steel Limited 2. Approval of transaction u/s. 188 of the Companies Act, 2013 with M/s. VMS TMT LTD 3. Rectification of remuneration of Cost Accountant appointment 4. Approval of Transaction limit u/s. 185 of Companies Act 2013 5. Appointment of Secretarial Auditor Umesh Ved & Associates tor terms of 5 Years 6. Appointment of Ms. Dhwani Nagar (DIN:10874632) as an Independent Director for terms of 5 Five Years

All the resolutions including special resolutions set out in the respective notices were passed unanimously by the shareholders except for agenda items number 1 & 2 (mentioned above) set out during financial year 2023-24.

None of the businesses proposed to be transacted requires the passing of a Special Resolution by way of Postal Ballot.

14. SUBSIDIARY COMPANY(IES):-

The Company does not have any material subsidiary as on March 31, 2026.

VMS TMT Private Limited ceased to be subsidiary company of VMS Industries Limited on August 30, 2019 in term of SEBI (Listing obligation & Disclosure Requirements) Regulation, 2015.

15. MEANS OF COMMUNICATION: -

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance.

- Audited Annual Result for the year ended and Unaudited Quarterly results will be published in English & Gujarati newspaper. The Company is not making any official releases and not sending half- yearly or quarterly results to the shareholders, as it is not a mandatory requirement.
- Annual Result / Quarter ended results are also posted on our website - www.vmsil.in
- The company's website www.vmsil.in contains a separate dedicated Section Investor Relation' where shareholder information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.
- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement of Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

The Management Discussion and Analysis report is attached with the Directors' Report in this Annual Report.

16. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74140GJ1991PLC016714.

a) 34th Annual General Meeting: -

Date	28th September 2026
Day & Time	Monday, 03.00 PM
Venue	In accordance with the General Circular issued by the MCA on 19/09/2024, the AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') only
Financial Year	April 1 to March 31

b) Dividend- No Dividend has been declared by the Company.

c) Listing:-

The Company's Ordinary Shares are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

b) Listing Fees to Stock Exchange:-

The Company has paid the Listing Fees for the year 2026-27 to BSE.

c) Stock Code / Symbol:-

BSE Limited	533427
International Securities Identification Number (ISIN)	INE932K01015

d) In case the securities are suspended from trading, the directors report shall explain the reason thereof; Not Applicable

e) Registrar and Share Transfer Agents:-

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. M/s Cameo Corporate Services Limited.

Cameo Corporate Services Limited

'Subramanian Building', No. 1 Club House Road, Chennai- 600 002 Phone: (O) 91-44-28460390/2846 0425, Fax: 91-44-28460129
Email: vmsipo@cameoindia.com

f) Share Transfer Process

Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. This will, inter alia, bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will lead to ease, convenience and safety of transactions for investors.

The Company has stopped accepting any transfer requests for securities held in physical form with effect from the said date. During the year, the Company accepted those transfer requests pertaining to securities held in physical form which were lodged for transfer before April 1, 2019 and were returned due to discrepancies.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

g) Distribution of Shareholding as on March 31, 2026

HOLDING	NUMBER	% OF TOTAL	SHARES	% OF STOTAL
1-100	11417	52.2709	426819	1.7440
101-500	6368	29.1548	1720969	7.0320
501-1000	1944	8.9003	1573102	6.4278
1001-2000	1072	4.9080	1614135	6.5955
2001-3000	355	1.6253	909911	3.7180
3001-4000	149	0.6822	537352	2.1957
4001-5000	157	0.7188	749077	3.0608
5001-10000	214	0.9798	1579548	6.4541
10001- and above	166	0.7600	15362478	62.7722
	21842	**100.0000**	**24473391**	**100.0000**

Category	No. of Shares held	% of Shares held	No. of Shareholder	% of Shareholder
Promoters and Promoter Group	93,25,164	38.10%	4	0.02%
Public Shareholding	62,30,342	25.46%	21400	99.76%
Bodies Corporate	86,96,528	35.53%	45	0.21%
Alternative Inv.Fund-Category II	1,25,000	0.51%	1	0.00%
FPI-(Corporate) Category I	96,357	0.39%	1	0.00%
TOTAL	**2,44,73,391**	**100**	**21451**	**100**

h) Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, viz. NSDL and CDSL.

No. Of Shares

Shares held in	2025-26	2024-25
Physical form	126	126
Electronic form with NSDL	12531495	11922704
Electronic form with CDSL	11941770	12550561
Total	**24473391**	**24473391**

The Company's Ordinary Shares are regularly traded on the BSE.

i) Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

-Not Applicable

j) commodity price risk or foreign exchange risk and hedging activities;

The Company is exposed to the risk from the market fluctuations of foreign exchange as well as the fluctuation in the price of iron and steel. The Company's raw material is old ship, which is purchased from the International market on credit ranging upto 180 days to 360 days. Though the Company is hedging or covering the foreign exchange requirement, the Company is regularly monitoring the foreign exchange movement and suitable remedial measures are taken as and when felt necessary. Though the Company is employing such measures, the Company is still exposed to the risk of any foreign exchange fluctuation.

Likewise, the Company's finished products are mainly re-rollable scrap generated from ship breaking and the price of the same is linked to the market rate for iron and steel. Any ups and downs in the price of the iron and steel will affect the profitability of the Company. The Company keeps a watch on the movement of scraps price and accordingly decides its policy regarding purchase of ships and sale of scrap.

k) Plant Location/Workshop:-

Ship Recycling Yard

160-M, Alang- Sosiya Ship Breaking Yard, Alang-364081, Dist. Bhavnagar, Gujarat (India)

l) Address for Correspondence

VMS Industries Limited
808/c Pinnacle Business Park,
Corporate Road, Prahladnagar,
Ahmedabad-380015, Gujarat
Tel No. 079-40320484
Email- info@vmsil.in
Website- www.vmsil.in

m) Credit Ratings

Company has obtained the credit rating from CARE are as follow

Facilities	Amount (₹ In Crore)	Ratings	Rating Action
Long Term/Short Term Bank Facilities	138.00	CARE BBB-; Stable / CARE A3 (Triple B Minus; Outlook: Stable/ A Three	Reaffirmed
Short Term Bank Facilities	5.50	CARE A3 (A Three)	Reaffirmed
Total	**143.50**		

17. OTHER DISCLOSURES

a) Related Party Transactions

All related party transactions that were entered into during FY 2025-26 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large.

b) Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities. None of the Company's listed securities is suspended from trading.

c) Whistle blower Policy and Vigil Mechanism

The Company has adopted a Whistle blower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee.

No personnel of the Company has been denied access to the Audit Committee. The Whistle blower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistle blower. The Company, as a Policy, condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistle blowers.

Mode of communication

Communication may be made in writing through a letter or through email. Employees of VIL may send their communications to any one of the following members:

Name	**Mr. Manoj Kumar Jain**
Designation	Managing Director
Address	VMS Industries Ltd, 808/c Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad-380015
Email	vmsind@gmail.com

Name	**Mrs. Sangeeta Jain**
Designation	Whole Time Director
Address	VMS Industries Ltd, 808/c Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad-380015
Email	info@vmsil.in

The Whistle blower Policy as adopted by the Company is available on the Company's website at http://www.vmsil.in/uploads/2/8/8/8/28880383/whistle-blower-policy-.pdf

d) Mandatory Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

Non-Mandatory Requirements

The Company has complied with the following non mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

e) web link where policy for determining 'material' subsidiaries is disclosed;

the web link of policy for determining "material" subsidiaries is disclosure on web sit of company link of which is : https://www.vmsil.in/uploads/2/8/8/8/28880383/material_subsidiary_policy_vms.pdf

f) web link where policy on dealing with related party transactions;

The Company have a policy dealing with related party transaction policy and it available at web site at: https://www.vmsil.in/uploads/2/8/8/8/28880383/rpt_policy_vms.pdf

g) Details of utilisation of funds raised through preferential allotment or qualified institutions placement:

Not Applicable

h) Certificate from Practising Company Secretary

Mr. Umesh Ved of M/s. Umesh Ved and Associates., Practicing Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority.

i) Acceptance of recommendations of Committees by the Board of Directors

In terms of the Listing Regulations, there have been no instances during the year when the recommendations of any of the Committees were not accepted by the Board.

j) Fees paid to S N SHAH & Associates, Statutory Auditors

During FY 2025-26, a total fee of Rs 85,000- was paid by the Company for all services to S.N. SHAH &Associates, Statutory Auditors.

k) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'

There is no subsidiaries of Company. Therefor not given.

l) Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable. During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

m) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There was no case of sexual harassment reported during the year under review.

1. The disclosures in relation to the Sexual harrasement of women at work place (Prevention, Prohibition & Redressal) Act, 2013 are as follows

Sr	Particulars	Remarks
1	No. complaint filed during financial year 2025-26	0
2	No. Compliant Disposed off during financial year 2025-26	0
3	No. Complaint Pending as on Financial year 2025-26	0

n) Secretarial Audit

Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Mr. Umesh Ved of M/s. Umesh Ved and Associates., Practicing Company Secretaries, has conducted a Secretarial Audit of the Company for FY 2025-26. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

18. CODE OF CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management Personnel of the Company.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given below:-

I, Manojkumar Jain, Managing Director of VMS Industries Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended March 31, 2026.

19. Declaration signed by the chief Financial officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

20. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

For VMS Industries Limited

Manojkumar Jain
Managing Director
(DIN 02190018)

Date: 27-08-2026
Place: Ahmedabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
VMS Industries Limited
808/Pinnacle Business Park
Corporate Road, Prahlad Nagar,
Ahmedabad, Guharat-380015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VMS Industries Limited** having CIN: L74140GJ1991PLC016714 and having registered office at 808/pinnacle business park, Corporate Road, Prahlad Nagar, Ahmedabad, Gujarat-380015 (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, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

No.	Name of Director	DIN	Date of appointment in Company
1.	Sangeeta Jain	00125273	01/04/2010
2.	Manojkumar Jain	02190018	01/04/2008
3.	Vinod Kanubhai Rana	08160972	02/09/2024
4.	Khyati Bhavya Shah	09430457	02/09/2024
5.	Dhwani Nagar	10874632	16/07/2025

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.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer review No.: 6564/2025
UDIN No.: F004411H001255971

Date: 27-08-2026
Place: Ahmedabad

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANICAL YEAR ENDED ON 31ST MARCH, 2026

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

To,
The Members,
VMS INDUSTRIES LIMITED,
808/ pinnacle business park corporate road,
Prahladnagar, Ahmedabad,
Ahmedabad, Gujarat, India, 380015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VMS Industries Limited** (hereinafter referred as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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, we hereby report that in our opinion, the company has, during the audit covering the year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(vi) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head / groups of Acts, Laws and Regulations as applicable to the Company is as under:

- **Factories Act, 1948 / Occupational Safety, Health and Working Conditions Code, 2020**, as applicable, and applicable labour and employment laws relating to wages, social security, EPF, ESI, gratuity, bonus, contract labour, maternity benefits, child labour and POSH;

- **Environment (Protection) Act, 1986**, Water Act, 1974, Air Act, 1981 and applicable rules relating to environmental protection, pollution control and hazardous waste;
- **Electricity Act, 2003** and applicable electrical safety regulations;
- **Bureau of Indian Standards Act, 2016** and applicable BIS standards, rules and Quality Control Orders relating to TMT/steel products;
- **Explosives Act, 1884** and applicable laws relating to hazardous substances, gases and flammable materials;
- **Public Liability Insurance Act, 1991**, to the extent applicable;
- **Legal Metrology Act, 2009** and rules made thereunder, to the extent applicable;
- **Information Technology Act, 2000** and applicable rules;
- **Income-tax Act, 1961**, GST Laws and applicable tax regulations;
- **Customs Act, 1962**, to the extent applicable;
- **Consumer Protection Act, 2019**, to the extent applicable; and
- Other applicable **Central and State laws, rules, regulations, notifications and directions** governing the Company's business and manufacturing operations.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (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.

We report that:

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The reconstitution in the management that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance following due procedures prescribed under applicable provisions/standards 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.

We 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.

We further report that:

a) During the year under SEBI (Prohibition of Insider Trading) Regulations, entry pertaining to the Quarterly Financial Results for the quarter ended 30 September 2025 could not be located in the SDD Software.

b) Could not find the publications for compliance of SEBI Circular No. SEBI/HO/MIRSD/MIRSD-POD/P/CIR/ 2025/97 Dated 02nd July, 2025.

c) Declaration required under Sub-Regulation 31(4) of SEBI (SAST) Regulations, 2011 filed delayed. To be filed on or before 07th April, 2025, complied on 31st May, 2025. Further, erroneously the fact about the encumbrance in place was left out to be mentioned, However, the encumbrance for the same was released on 3rd December, 2025

UMESH VED
UMESH VED & ASSOCIATES
COMPANY SECRETARIES
FCS NO.: 4411
COP NO.: 2924
PEER REVIEW NO.: 6564/2025
UDIN: F004411H001255837

Date: 27-08-2026
Place: Ahmedabad

To,
The Members,
VMS INDUSTRIES LIMITED,
808/ pinnacle business park corporate road,
Prahladnagar, Ahmedabad,
Ahmedabad, Gujarat, India, 380015

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

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

4. Wherever required, we 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, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

UMESH VED
UMESH VED & ASSOCIATES
COMPANY SECRETARIES
FCS NO.: 4411
COP NO.: 2924
PEER REVIEW NO.: 6564/2025
UDIN: F004411H001255837

Date: 27-08-2026
Place: Ahmedabad

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
VMS Industries Limited
808/Pinnacle Business Park
Corporate Road, Prahlad Nagar,
Ahmedabad, Guharat-380015

In accordance with Chapter IV of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, we have examined all relevant records of the VMS Industries Limited relating to its compliance of condition of Corporate Governance as stipulated in said Listing Regulations for the financial year ended 31st March, 2026.

It is responsibility of the Company to prepare and maintain the relevant necessary record under the SEBI guidelines, Listing Agreement and other application Laws. Our responsibility is to carry out an examination on the basis of our professional judgment so as to award a reasonable assurance of the correctness and completeness of the records for the purpose of this certificate.

We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of this certificate and have been provided with such records document's certificates etc. as had been required by us.

We certify that from the records produced and the explanation given to us by the Company for the purpose of this certificate and to the best of our information, the Company has complied with all the mandatory requirement of the Chapter IV of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

UMESH VED
UMESH VED & ASSOCIATES
COMPANY SECRETARIES
FCS NO.: 4411
COP NO.: 2924
PEER REVIEW NO.: 6564/2025
UDIN No.: F004411H001256046

Date: 27-08-2026
Place: Ahmedabad

INDEPENDENT AUDITOR'S REPORT

To the Members of

VMS INDUSTRIES LIMITED

REPORT ON THE FINANCIAL STATEMENTS:

OPINION

We have audited the financial statements of VMS INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2026, 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 then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as " Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements "except for non-provision for gratuity and other long term employee benefits as per Ind-As-19 "Employee Benefits" give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2026, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER:

We draw attention to the following matters in the Notes to the Financial Statements:

I. Note No. 1(g) 2.2 regarding management contention that none of the employees of the company were eligible in respect of which the company was required to make contribution as per the provisions relating to the Payment of Gratuity and accordingly no provision for gratuity was not required to be made.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

The Key Audit Matter	How the matter was addressed in our audit
1. Litigations and Claims (Refer to Note No. 29 Relating to Contingent Liabilities)	
The Company is/was subject to different Laws and Regulations which are subject to different implications and interpretations thereof. In such regulatory environment, the Company is subject to some legal and tax related claims which have been disclosed as contingent liabilities in the financial statements based on the facts and circumstances of each case. Taxation and litigations have been identified as a key audit matter due to the status of legal proceedings, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, such tax litigations involve significant management judgment in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.	• Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. • Obtained the summary of Company's legal and tax cases and critically assessed management's position through discussions with the Legal Counsel, appropriate senior management and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Assessed management's estimate of the possible outcome of the litigations, the relevant disclosures made within the financial statements to address whether they appropriately reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS), accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management 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 Management and Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS:

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 issued by The Central Government Of India in term of section 143 (11) of The Companies Act, 2013, we enclose in the Annexure-A hereto a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.

2. As required by section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity & the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, aforesaid Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity & the Statement of Cash Flows except for effect of Ind-As-19 "Employee Benefits" relating to Employee Gratuity [Refer to Emphasis Para of this report], comply with the Indian Accounting Standards prescribed under section 133 of the Act;

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

   f) With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B to this report;

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

   i. The Company had the following litigations pending as at the end of the financial year which may impact its financial position on final disposal of the respective matters.

Sr. No.	Name of The Party/Department	Brief Facts of the Case	Financial Impact
1.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2019-20 Order U/s. 69C of Income Tax Act, 1961	Disputed Income Tax Demand for A.Y. 2019-20	99.48 Lacs
2.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2014-15 Order U/s. 147 of Income Tax Act, 1961	Disputed Income Tax Demand for A.Y. 2014-15	12.26 Lacs

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

iii. As at 31st March, 2026 there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. Management Representation:

a. The Management of the Company has represented to us that to the best of it's 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The management of the Company has represented, that, to the best of it's knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("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 audit procedures which we 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) Companies (Audit and Auditors) Rules, 2014 (as amended) and provided in clauses (a) and (b) above contain any material mis-statement.

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

vi. Based on our examination of books of account which included test checks, the company has used an accounting software for maintaining its book of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has been operational for the financial year 2025-26 for all relevant transactions recorded in the software. Further based on test check basis of transactions during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Further during the course of our audit which included test check of transactions for verifying whether audit trail has been preserved, we are of the opinion that the audit trail has been preserved by the Company as per the statutory requirements for record retention.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Companies Act, 2013. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act read with Schedule V to the Companies Act, 2013 and special resolution passed in this regard. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

FOR AND ON BEHALF OF

S N SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

FIROJ G. BODLA
PARTNER
M. No. 126770
UDIN: 26126770NTEMBD4081

PLACE: AHMEDABAD
DATED: 28TH MAY, 2026

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under "Report On Other Legal And Regulatory Requirements' section of our report of even date to the members of VMS INDUSTRIES LIMITED on the financial statements of the company for the year ended 31st March, 2026:

On the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit and to the best of our knowledge and belief, we further report that:

i. In respect of its Property, Plant & Equipment:

a) According to the information and explanations given to us, the company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

b) As explained to us, the management in accordance with a phased programme of verification adopted by the company has physically verified the property, plant and equipment. To the best of our knowledge, no material discrepancies have been noticed on such verification or have been reported to us.

c) According to the information and explanations given to us and on the basis of the examination of the records of the company, the title deeds of immovable properties disclosed in the financial statements as part of property, plant & equipment are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its property, plant and equipment during the year.

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

ii. In respect of its Inventories:

a) As explained to us, the inventories have been physically verified by the management of the company during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management of the company is appropriate having regard to the size of the Company and the nature of its operations. According to the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the original/revised quarterly returns and statements comprising of stock statements filed by the company with such banks for quarter ended 30th June, 2025, 30th September, 2025 and 31st December, 2025 are generally in agreement with unaudited books of accounts of the Company of respective quarters and no material variance observed. In our opinion and according to the information and explanations given to us, the quarterly returns and revised statements comprising of stock statements filed by the company with such banks for quarter ended 31st March, 2026 are generally in agreement with audited books of accounts of the Company of the quarter ended 31st March, 2026 and no material variance observed.

iii. Investments/Guarantee/Security/Loans/Advances Granted:

As informed to us, during the year the company has granted unsecured loans to companies re-payable on demand, the details of which are given below.

a) As informed to us, during the year the Company has granted unsecured loans to companies re-payable on demand, the details of which are given below:

(Amount ₹ In Crores)

Sr. No.	Particulars	Investments	Loans	Guarantee
A.	**Aggregate Amount Granted/Provided during the year:**			
-	Related Parties	NIL	64.47	NIL
-	Others	NIL	81.87	NIL
B.	**Balance Outstanding As At Balance Sheet Date in Respect of Above Cases (Including Outstanding Against Opening Balances):**			
-	Related Parties	NIL	NIL	NIL
-	Others	NIL	55.68	NIL

According to the information and explanations given to us, the company has not made any investment and has not provided any guarantee or security to companies, firms, limited liability partnerships or other parties during the year.

b) According to the information and explanations given to us, the company has not stipulated any specific terms or conditions as to the loans granted to the above parties. According to the information and explanations given to us and in our opinion the terms and conditions of grant of loans given during the year, are prima facie, not prejudicial to the interest of the Company.

c) According to the information and explanations given to us, the company has not stipulated any schedule for repayment of the loans. As informed to us, the repayments of loans were received as and when demands were raised. According to the information and explanations given to us, the payment of interest has been regular where loans and advance in the nature of loans have been given on interest. As informed to us, there is no default in repayment of loan and payment of interest by the party.

d) According to the information and explanations given to us, in respect of loans granted and advances in the nature of loans provided by the Company, there was no overdue amount remaining outstanding as at the balance sheet date.

e) According to the information and explanations given to us, the company has not stipulated any schedule for repayment of the loans. However, as explained to us, no loan or advances in the nature of loan granted by the Company against which demand was made from any party, has been renewed or extended or fresh loans were granted to settle the amounts against which demands were made from the same party.

f) According to the information and explanations given to us, the company has not stipulated any specific terms or conditions and stipulated any schedule for repayment of the loans as to the loans granted to the above parties. The aggregate amount of such loans or advances in the nature of loans granted during the year to other parties was ₹ 81.87 crores and ₹ 64.47 crores to related parties referred as defined in clause (76) of section 2 of the Companies Act, 2013.

iv. According to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of The Companies Act, 2013 in respect of grant of any loans, investments, guarantees and securities, as applicable.

v. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73,74,75 & 76 of the Act and Rules framed thereunder during the year and therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to rules made by the Central Government under section 148 (1). We are of the opinion that prima facie the prescribed accounts and records have been maintained and made. We have however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory Dues:

a) As per the information & explanations furnished to us, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues of Custom Duty, T.D.S., GST, Employee Provident Fund, ESIC, Professional Tax, Cess and other material statutory dues as applicable to it. According to the information and explanations given to us, no undisputed statutory liabilities were outstanding for more than six months as at 31st March, 2026 from the date they were due for payment.

b) According to information and explanations given to us and so far, as appears from our examination of books of account, there were no statutory dues outstanding for more than six months as at 31st March, 2026 which have not been deposited on account of any dispute except the following disputed dues**.**

Sr. No.	Name of the Act	Nature of Dues	Amount (₹)	Period to Which Amount Relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax Demand	99.48 Lacs	A.Y. 2019-20	CIT-(Appeals), NFAC, Income Tax Department
2.	Income Tax Act, 1961	Income Tax Demand	12.26 Lacs	A.Y. 2014-15	CIT-(Appeals), NFAC, Income Tax Department

viii. According to the information and explanations given to us and so far as appears from our examination of books of account and other records as applicable, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. In respect of Loans & Other Borrowings:

a) According to the information and explanations given to us, the company has repaid the principal amount and made payment of interest on loans or borrowings taken by it from banks and financial institution.

b) According to the information and explanations given to us so far as appears from our examination of relevant records, we are of the opinion that the company has not been declared willful defaulter by any bank or financial institution or any other lender.

c) The company has not raised any new term loan during the year and hence reporting as per clause 3(ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company for the year, we are of the opinion that funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds during the year from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if any and hence reporting under clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to us and audit procedures performed by us, we report that the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if any and hence reporting under clause 3(ix)(f) of the Order is not applicable.

x. In respect of moneys raised by issue of securities:

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 raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) 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 preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. In respect of Frauds and Whistle Blower Complaints:

a) According to the information and explanations given to us and to the best of our knowledge, no material fraud by the Company or on the Company has been noticed or reported to us by the management during the year.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints from any party during the year.

xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.

xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013, where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with the applicable Ind AS.

xiv. In respect of Internal Audit:

a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have held discussions with the internal auditor of the Company for the year under audit and considered their opinion in determining the nature, timing and extent of our audit procedure.

xv. According to the information and explanations given to us, the company has not entered into any non-cash transaction with directors or persons connected with them and hence clause (xv) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it during the year.

xvi. In respect of Registration Under Section 45-IA of the Reserve Bank of India Act, 1934/CIC

a) As the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), clause (xvi)(a) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.

b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and clause (xvi)(b) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.

c) As the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, clause (xvi)(c) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.

d) According to the information and explanations given to us, the company has no Core Investment Company (CIC) as part of its group, clause (xvi)(c) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.

xvii. The Company has not incurred cash losses in the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause (xviii) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

viii. In respect of CSR Activities:

a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring transfer of such unspent amounts to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

b) There are no ongoing projects under CSR where amount remaining unspent under sub-section (5) of section 135 of the Companies Act, 2013, is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

FOR AND ON BEHALF OF

S N SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

FIROJ G. BODLA
PARTNER
M. No. 126770
UDIN: 26126770NTEMBD4081

PLACE: AHMEDABAD
DATED: 28TH MAY, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

[REFERRED TO IN PARAGRAPH 2(f) UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS SECTION OF OUR REPORT OF EVEN DATE] FINANCIAL YEAR ENDED 31ST MARCH 2026

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 **VMS INDUSTRIES LIMITED ("the Company")** as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the information and explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were commensurate with the nature of the business of the company and operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR AND ON BEHALF OF

S N SHAH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
FIRM REG. NO. 109782W

FIROJ G. BODLA
PARTNER
M. No. 126770
UDIN: 26126770NTEMBD4081

PLACE: AHMEDABAD
DATED: 28TH MAY, 2026

BALANCE SHEET AS AT MARCH 31, 2026

(₹ in Lacs)

NO.	PARTICULARS	NO.	31-Mar-26		31-Mar-25	
			AMOUNT	AMOUNT	AMOUNT	AMOUNT
A.	**ASSETS:**					
	I. NON-CURRENT ASSETS					
	1 Property, Plant and Equipment	2	654.47		720.39	
				654.47		720.39
	2 FINANCIAL ASSETS					
	(i) Other Financial Assets	3	9.80		7.80	
				9.80		**7.80**
	3 OTHER NON-CURRENT ASSETS	4		211.08		3.60
	TOTAL .... [I]			**822.35**		**939.27**
	II. CURRENT ASSETS					
	1 INVENTORIES	5	1,469.04		4,497.05	
	2 FINANCIAL ASSETS					
	(i) Trade Receivables	6	6,383.87		2,370.37	
	(ii) Cash & Cash Equivalents	7	1,597.06		2,964.58	
	(iii) Loans & Advances	8	5,658.08		4,102.77	
	(iv) Other Financial Assets	9	118.94		70.88	
			13,757.94		**9,508.60**	
	3 CURRENT TAX ASSETS [NET]	10	61.65		-	
	4 OTHER CURRENT ASSETS	11	52.04		21.12	
	TOTAL .... [II]			**15,340.67**		**14,026.77**
	TOTAL ASSETS			**16,163.03**		**14,966.04**
B.	**EQUITY AND LIABILITIES:**					
	I. EQUITY					
	1 Equity Share Capital	12	2,447.34		2,447.34	
	2 Other Equity		7,268.49		7,175.19	
	TOTAL .... [I]			**9,715.83**		**9,622.53**
	II. NON-CURRENT LIABILITIES					
	1 FINANCIAL LIABILITIES					
	(i) Borrowings	13	148.85		226.98	
			148.85		**226.98**	
	2 DEFERRED TAX LIABILITIES [NET]	14	63.74		61.39	
	TOTAL .... [II]			**212.58**		**288.37**
	III. CURRENT LIABILITIES					
	1 FINANCIAL LIABILITIES					
	(i) Borrowings	15	2,795.84		1,262.94	
	(ii) Trade Payables	16				
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-		0.19	
	- Total Outstanding Dues of Creditors Other Than Above		3,402.54		3,648.25	
			6,198.38		**4,911.38**	
	2 OTHER CURRENT LIABILITIES	17	36.24		39.92	
	3 PROVISIONS	18	-		9.20	
	4 CURRENT TAX LIABILITIES [NET]	19	-		94.65	
	TOTAL .... [III]			**6,234.62**		**5,055.14**
	TOTAL EQUITY AND LIABILITIES			**16,163.03**		**14,966.04**
C.	**MATERIAL ACCOUNTING POLICIES**	1				
D.	**CONTINGENT LIABILITIES**	29				

The accompanying notes 1 to 35 are an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, S N SHAH & ASSOCIATES,
Chartered Accountants
FRN: 109782W

FIROJ G. BODLA
Partner
M. NO. : 126770

Place : Ahmedabad
Date : 28th May, 2026

For and on behalf of the Board

Mr. Manoj Kumar Jain
Managing Director
DIN: 02190018

Mrs. Sangeeta Jain
Whole-Time Director
DIN: 00125273

Mr. Amit Mandaliya
Chief Financial Officer

Mr. Hemal Patel
Company Secretary

Place : Ahmedabad
Date : 28th May, 2026

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2026

(₹ in Lacs)

NO.	PARTICULARS	NO.	FOR THE YEAR ENDED 31-Mar-26		FOR THE YEAR ENDED 31-Mar-25	
			AMOUNT	AMOUNT	AMOUNT	AMOUNT
I.	**INCOME:**					
1	Revenue From Operations	20	15,743.05		28,855.88	
2	Other Income	21	706.23		474.43	
	TOTAL INCOME … … …			**16,449.28**		**29,330.30**
II.	**EXPENSES**					
1	Cost of Raw Materials Consumed	22	4,462.20		15,179.24	
2	Purchase of Stock-in-Trade	23	9,392.40		14,518.28	
3	Changes in Inventories of Finished Goods, Trading Goods & Work-in-Progress	24	1,246.98		(2,670.60)	
4	Employee Benefit Expense	25	323.11		365.39	
5	Finance Costs	26	392.23		289.98	
6	Depreciation and Amortisation Expense	27	70.73		62.96	
7	Other Expenses	28	349.77		672.18	
	TOTAL EXPENSES … … …			**16,237.41**		**28,417.94**
III.	**PROFIT BEFORE TAX[I-II]**			**211.87**		**912.86**
IV.	**TAX EXPENSES**					
	Current Tax		63.23		231.28	
	Deferred Tax		2.34		1.13	
				65.58		**232.41**
V.	**PROFIT(LOSS) AFTER TAX FOR THE YEAR [III-IV]**			**146.29**		**680.45**
VI.	**OTHER COMPREHENSIVE INCOME (OCI)**					
	(A) (i) Items that will not be reclassified to Profit or Loss:					
	- Remeasurements of the defined benefit plans		-		-	
	- Equity instruments through other comprehensive income		-		-	
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-		-	
			-		-	
	(B) (i) Items that will be reclassified to Profit or Loss:					
	- Effective portion of Gains/(Losses) on designated portion of hedging instruments in a cash flow hedge		-		-	
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-		-	
			-		-	
VII.	**TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX) [A+B]**			**-**		**-**
VIII.	**TOTAL COMPREHENSIVE INCOME (NET OF TAX) [V+VII]**			**146.29**		**680.45**
IX.	**EARNING PER EQUITY SHARE: (FACE VALUE OF ₹ 10 EACH)**					
	Basic			0.60		2.91
	Diluted			0.60		2.91

The accompanying notes 1 to 35 are an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, S N SHAH & ASSOCIATES,
Chartered Accountants
FRN: 109782W

FIROJ G. BODLA
Partner
M. NO. : 126770

Place : Ahmedabad
Date : 28th May, 2026

For and on behalf of the Board

Mr. Manoj Kumar Jain
Managing Director
DIN: 02190018

Mrs. Sangeeta Jain
Whole-Time Director
DIN: 00125273

Mr. Amit Mandaliya
Chief Financial Officer

Mr. Hemal Patel
Company Secretary

Place : Ahmedabad
Date : 28th May, 2026

EQUITY SHARE CAPITAL AND OTHER EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2026+ **(₹ in Lakhs)**

SR. NO.	PARTICULARS	RESERVES & SURPLUS				OCI
		EQUITY SHARE CAPITAL	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	RETAINED EARNINGS	RESERVE FOR EQUITY INSTRUMENTS THROUGH OCI
I.	**Balance As At 1st April, 2025**	**2,447.34**	**4,420.81**	**45.39**	**2,708.99**	**-**
II.	**ADDITIONS**					
	Proceeds from Issue Of Shares During The Year	-	**-**			
	Profit For The Year				**146.29**	**-**
III.	**Total Comprehensive Income For The Year [I+II]**	**2,447.34**	**4,420.81**	**45.39**	**2,855.28**	**-**
IV.	**DEDUCTIONS**					
	1/5th of Authorised Capital Issue/Right Issue Expenses Written Off		(53.00)	-	-	-
	Short Provision for Income Tax of Earlier Years				-	-
	Dividend Declared During the Year				-	-
	Deduction/Adjusments to Total Comprehensive Income For the Year	-	(53.00)	-	-	-
V.	**Balance As At 31st March, 2026 [III-IV]**	**2,447.34**	**4,367.82**	**45.39**	**2,855.28**	**-**

FOR THE YEAR ENDED 31ST MARCH, 2025 **(₹ in Lakhs)**

SR. NO.	PARTICULARS	RESERVES & SURPLUS				OCI
		EQUITY SHARE CAPITAL	SECURITIES PREMIUM RESERVE	GENERAL RESERVE	RETAINED EARNINGS	RESERVE FOR EQUITY INSTRUMENTS THROUGH OCI
I.	**Balance As At 1st April, 2024**	**1,647.34**	**2,473.81**	**46.29**	**2,226.80**	**-**
II.	**ADDITIONS**					
	Profit For The Year				680.45	
	Proceeds from Issue of Share Capital	800.00	2,000.00			-
	Excess Depreciation Written Back				12.93	-
III.	**Total Comprehensive Income For The Year [I+II]**	**2,447.34**	**4,473.81**	**46.29**	**2,920.17**	**-**
IV.	**DEDUCTIONS**					
	1/5th of Authorised Capital Issue Expenses Written Off		(53.00)	(0.90)	-	-
	Short Provision for Income Tax of Earlier Years				(88.82)	-
	Dividend Declared During the Year		-		(122.37)	-
	Deduction/Adjusments to Total Comprehensive Income For the Year	-	(53.00)	(0.90)	(211.19)	-
V.	**Balance As At 31st March, 2025 [III-IV]**	**2,447.34**	**4,420.81**	**45.39**	**2,708.99**	**-**

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, S N SHAH & ASSOCIATES,
Chartered Accountants
FRN: 109782W

FIROJ G. BODLA
Partner
M. NO. : 126770

Place : Ahmedabad
Date : 28th May, 2026

For and on behalf of the Board

Mr. Manoj Kumar Jain
Managing Director
DIN: 02190018

Mrs. Sangeeta Jain
Whole-Time Director
DIN: 00125273

Mr. Amit Mandaliya
Chief Financial Officer

Mr. Hemal Patel
Company Secretary

Place : Ahmedabad
Date : 28th May, 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26		FOR THE YEAR ENDED 31-Mar-25	
		AMOUNT	AMOUNT	AMOUNT	AMOUNT
I.	**PROFIT BEFORE TAX**		**211.87**		**912.86**
	ADJUSTMENTS FOR:				
	Depreciation and Amortization Expense	70.73		62.96	
	Finance Cost	392.23		289.98	
	Interest Income	(698.43)		(460.60)	
	Rent Income	(6.60)		(7.74)	
	Profit on Sale of PPE	-		(3.69)	
			(242.07)		**(119.09)**
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**(30.20)**		**793.77**
	ADJUSTMENTS FOR CHANGES IN WORKING CAPITAL:				
	Inventories	3,028.01		(407.14)	
	Trade Receivables	(4,013.50)		968.96	
	Non-Current Loans & Advances	(2.00)		-	
	Other Current Assets, Current Loans & Advances	(1,634.28)		(1,066.19)	
	Trade Payables	(245.90)		(4,627.41)	
	Other Current Liabilities	(98.33)		(81.31)	
	Current Provisions	(9.20)		9.20	
			(2,975.20)		**(5,203.89)**
	CASH GENERATED FROM OPERATIONS		**(3,005.40)**		**(4,410.12)**
	Income Tax Paid		(124.88)		(236.58)
	NET CASH FROM OPERATING ACTIVITIES		**(3,130.28)**		**(4,646.71)**
II.	**CASHFLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment	(4.81)		(175.09)	
	Proceeds of Property, Plant and Equipment	-		14.01	
	Rent Received	6.60		7.74	
	Interest Received	698.43		460.60	
	NET CASH FROM/(USED) IN INVESTING ACTIVITIES		**700.22**		**307.26**
III.	**CASHFLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Issue of Share Capital [Face Value]	-		800.00	
	Proceeds from Issue of Share Capital [Securities Premium]	-		2,000.00	
	Share Issue Expenses	-		(260.48)	
	Dividend Paid	-		(122.37)	
	Proceeds/(Repayment) Of Non-Current Borrowings [Net]	(100.04)		(60.96)	
	Proceeds/(Repayment) Of Current Borrowings [Net]	1,554.80		(692.23)	
	Finance Cost	(392.23)		(289.98)	
	NET CASH FROM/(USED) FINANCING ACTIVITIES		**1,062.54**		**1,373.99**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [I+II+III]		**(1,367.52)**		**(2,965.46)**
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		2,964.58		5,930.04
	CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR [REFER TO NOTE NO. 1(q)]		1,597.06		2,964.58

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

COMPONENTS OF CASH AND CASH EQUIVALENTS

SR. NO	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26		FOR THE YEAR ENDED 31-Mar-25	
		AMOUNT	AMOUNT	AMOUNT	AMOUNT
I.	Cash on Hand		10.33		26.49
	Balance With Banks				
II.	-In Current Accounts/Debit Balance in CC & OD Accounts	11.87		86.66	
	-Fixed Deposits [Margin Money Against LC For Goods]	1,574.86		2,851.43	
			1,586.73		2,938.09
	Cash and Cash Equivalents in Cash Flow Statement		**1,597.06**		**2,964.58**

Notes:

1 The above Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-AS-7)- Statement of Cash Flows.

2 Direct Taxes Paid are treated as arising from Operating Activities without their bifurcation into Investing and Financing Activities.

3 Figures of the previous year have been regrouped wherever necessary to make them comparable with the figures of the current period.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, S N SHAH & ASSOCIATES,
Chartered Accountants
FRN: 109782W

FIROJ G. BODLA
Partner
M. NO. : 126770

Place : Ahmedabad
Date : 28th May, 2026

For and on behalf of the Board

Mr. Manoj Kumar Jain
Managing Director
DIN: 02190018

Mrs. Sangeeta Jain
Whole-Time Director
DIN: 00125273

Mr. Amit Mandaliya
Chief Financial Officer

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Company Secretary

Place : Ahmedabad
Date : 28th May, 2026

CORPORATE INFORMATION:

VMS Industries Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the company are listed in the Bombay Stock Exchange Limited ('BSE').

The company is engaged in the business of ship breaking as well as trading in Ferrous and Non-Ferrous metals.

NOTE 1: MATERIAL ACCOUNTING POLICIES:

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Statement of Compliance & Accounting Conventions:

The financial statements for the year ended March 31, 2026 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and rules and regulations notified thereunder to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.

The accounting policies are applied consistently over the years since adoption of Ind-AS as basis for preparation and disclosure of the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As made effective from April 01, 2023, the company has adopted the amendments to Ind-AS vide Companies (Indian Accounting Standard) Amendment Rules, 2023 notifying amendment to existing Ind AS. These amendments to the extent relevant to the Company's operation include amendment to Ind AS 1 "Presentation of Financial Statements" which requires the entities to disclose their material accounting policies rather than their significant accounting policies, Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" which has introduced a definition of 'accounting estimates' and includes amendments to help entities distinguish changes in accounting policies from changes in accounting estimates. Further consequential amendments with respect to the concept of material accounting policies have also been made in "Ind AS 107 "Financial Instruments: Disclosures".

Apart from above there are other material amendments to various Ind-AS including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations, Ind AS 109 "Financial Instruments " Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes". These amendments and other amendments have reduced the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The company has reviewed the amendments to Ind-AS as notified vide Companies (Indian Accounting Standard) Amendment Rules, 2023 and ascertained the revision in Ind-AS does not have any material impact on the reported amounts of assets, equity, liabilities, incomes, expenses, profits, losses and earning per share for the year.

The Ministry of Corporate Affairs notified Companies (Indian Accounting Standards) Amendment Rules, 2024 and Companies (Indian Accounting Standards) Second Amendment Rules, 2024 on 12th August, 2024 and 9th September, 2024 notifying the following amendments:

Ind AS 116 – Leases:

The amendments clarify accounting treatment for a seller-lessee involved in sale and leaseback transactions.

Ind AS 117 – Insurance Contracts:

Ind AS 104: Insurance Contracts withdrawn with related changes to other Ind-AS.

The company has also reviewed the amendments to Ind-AS as notified vide Companies (Indian Accounting Standards) Amendment Rules, 2024 and Companies (Indian Accounting Standards) Amendment Rules, 2024 and has ascertained that the revision in Ind-AS does not have any material impact on the reported amounts of assets, equity, liabilities, incomes, expenses, profits, losses and earning per share for the year.

The Financial Statements have been prepared on a historical cost basis except the following assets and liabilities which have been measured at fair values:

- **Certain Financial Assets and Liabilities that are measured at Fair Value**

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

b) Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that are believed to be reasonable under the circumstances and such estimates and assumptions may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements

and the reported amounts of income and expenses and cash flows during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matters/transactions/procedures to which the estimates relate.

All assets and liabilities are classified into current and non-current generally based on the criteria of realisation/settlement within a twelve months period from the balance sheet date.

Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and subsequent periods except for those changes requiring adjustment to prior period as per applicable Ind-AS.

Information about critical judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- estimates of useful lives and residual value of Property, Plant and Equipment, and other Intangible Assets;
- impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on intangible assets;
- recognition of deferred tax assets;
- recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources, if any;
- Financial instruments

c) 1. Property, Plant and Equipment (PPE):

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2017 as the deemed cost under IND AS, regarded thereafter as historical cost.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

The acquisition of property, plant and equipment, directly increasing the future economic benefits of any particular existing item of property, plant and equipment, which are necessary for the Company to obtain the future economic benefits from its other assets, are recognized as assets.

The items of Property, Plant and Equipment are stated at cost of acquisition/construction (less Accumulated Depreciation and Impairment, if any). The cost of Property, Plant and Equipment comprises of their purchase prices including freight, duties, taxes or levies, directly attributable cost of bringing the assets to their working conditions for their intended use. The Company capitalises its Property, Plant and Equipment at a value net of GST/ Other Tax Credits received/receivable during the year in respect of eligible item of Property, Plant and Equipment. Subsequent costs are included in the carrying amount of respective Property, Plant and Equipment or recognized as separate assets as appropriate, only if such costs increase the future benefits from the existing items beyond their previously assessed standard of performance and cost of such items can be measured reliably.

2. Estimated Useful Lives of Items of Property, Plant & Equipment are as follows:

Sr. No.	Class of Items of Property, Plant & Equipment	Estimated Useful Life
a.	Buildings	30 to 60 Years
b.	Plant & Machineries	15 Years
c.	Furniture & Fixtures	10 Years
d.	Vehicles	8 Years
e.	Office Equipments	5 Years
f.	Computers, Printers and Other Peripherals to Computers	3 Years

3. Depreciation & Amortization:

The Depreciation on tangible items of Property, Plant and Equipment is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the fixed assets as per Schedule II of the Companies Act, 2013 and in the manner specified in Schedule II of the Companies Act, 2013.

d) Inventories

The Inventories of Raw Materials-uncut ships have been valued at cost. The Trading Goods have been valued at cost or net realisable value whichever is lower. The cost of Raw Materials and Trading Goods comprises of the purchase price including duties and taxes for which no tax credits are available for set-off against the tax liabilities, freight inwards and other expenditure directly attributable to the acquisition.

Consumable Stores and Spares are considered to have been consumed at the time of purchases.

In ship recycling industry, the weight of ship purchased is accounted in terms of LDT/MT of the ship at the time of its construction. Ascertaining weight of ship at the time of purchase is not possible due to its nature and size. There is loss of weight of ship on account of corrosion and other factors during the usage of ship during its operating years and its voyage for long period cutting loss. The inventory at the balance sheet date is ascertained by the management by reducing the weight of the scrap sold together with the estimated wastage of the material.

e) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable from the customers/parties net of returns, rebates, and discount to the customers and amounts collected on behalf of third parties. The Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Sale of Goods:

The revenue from the sale of goods is recognized at the transaction price when the company had transferred the property in Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched.

Rent Income:

Rental income is recognized in the period to which such income relates.

Interest Income:

Income from investments and deposits, where appropriate, is taken into revenue in full on declaration or accrual on time basis and tax deducted at source thereon is treated as advance tax. The interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount interest income can be measured reliably.

f) Foreign Currency Transactions

The Company's financial statements have been prepared and presented in Indian Rupees (₹) which is also its functional currency.

The transactions in foreign currency initially have been recorded using the rate of exchange prevailing on the date of transactions. The differences arising on the settlement/restatement of the foreign currency denominated Financial Assets/Liabilities into Indian rupees have been recognized as expenses/income (net) of the year and carried to the statement of profit and loss.

The monetary items denominated in foreign currencies outstanding as at the end of the reporting period, are translated at the exchange rates prevailing as at the end of the reporting period.

g) Employee Benefits:

1. Short Term Obligations:

Short term employee benefits of like wages, salaries and other monetary and non-monetary benefits are recognized in the period during which services are rendered by the employees and are recognized at the value at amounts at which liabilities have been settled or are expected to be settled.

2. Post-Employment and Other Long-Term Employee Benefits:

2.1 Contribution to Provident Fund:

The Company's contributions to the Employee Provident Fund and Employee State Insurance are remitted as per the provisions relating to the Employee Provident Fund Scheme and Employee State Insurance Scheme respectively and such contributions are charged to the Statement of Profit & Loss of the period to which contributions relate.

2.2 Gratuity:

The management of the company is of the view that none of the employees were eligible in respect of which the company was required to make contribution as per the provisions relating to the Payment of Gratuity and accordingly provision for gratuity was not required to be made. However, if the company is required to make payment of gratuity on happening of any event/incident

due to which the provisions relating to payment of gratuity becomes applicable to the company, the same will be accounted as and when incurred.

h) Borrowing Costs

The Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. The borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

i) Operating Segment

The Company identifies operating segments on the basis of dominant source, nature of risks and returns and the internal organization. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director/Chief Executive Officer who is Company's chief operating maker in deciding how to allocate resources and in assessing performance.

The dominant source of income of the company is from Manufacturing (Ship Breaking Activities) and Trading of Scrap of Iron and Steel resulting from Ship Breaking which do not differ materially with respect to operational activities, types of customers, operating margins, revenue generations and class of assets held and hence the management of the company has recognized only one reportable segment within the meaning of Ind-AS 108 "Operating Segments".

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

The geographical/regulatory environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area.

j) Taxes On Income:

i. Current Tax:

The provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The current tax liabilities and assets are measured at the amounts expected to be paid or to be recovered from the taxation authorities as at the balance sheet date.

The current tax liabilities and assets are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The current income tax relating to items recognized outside profit or loss is recognized either in the Other Comprehensive Income or in Other Equity Directly.

ii. Deferred Tax:

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities as per the provisions of the Income Tax Act, 1961 and their carrying amounts for financial reporting purposes as at the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for all deductible taxable temporary timing differences, the carry forward of unused tax losses and unused tax credits to the extent to which future taxable profits are expected to be available against which the deductible temporary differences and the carry forward of unused tax losses and unused tax credits can be utilized/set-off.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period. The net deferred tax assets and liabilities are not discounted to the present value as at the end of each period.

Deferred tax assets and deferred tax liabilities are off set when there is a legally enforceable right to set-off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

k) Impairment of Non-Financial Assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable

amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

l) Provisions, Contingent Liabilities and Contingent Assets

The Company recognises a provision when it has a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits at the time of settlement and a reliable estimate can be made of the amount of the obligation. The provisions are measured at the best estimate of the amounts required to settle the present obligation as at the balance sheet date and are not discounted to their present values.

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

When demand notices are issued by the Government Authorities and demand is disputed by the company and it is probable that the company will not be required to settle/pay such demands then these are classified as disputed obligations.

Contingent Assets, if any, are not recognised in the financial statements. If it becomes certain that inflow of economic benefit will arise then such asset and the relative income are recognised in financial statements.

m) Prior Period Errors:

Prior period errors are in the form of omission of certain items in the financial statements of prior periods which were not available when the financial statements were approved for issue and which could reasonably be expected to have been obtained and taken into account in the preparation and presentation of financial statement of prior period.

The Prior period errors have been corrected retrospectively by restating the respective amounts of the prior period presented in which the error occurred. If the errors have occurred before the earliest prior period presented, the errors have been corrected by restating the opening balances of assets, liabilities and equity of the earliest prior period presented.

n) Current/Non-Current Classifications:

The Company presents assets and liabilities in the balance sheet on the basis of their classifications into current and non-current.

Assets:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period
- No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

o) Financial Instruments, Financial Assets, Financial Liabilities, Investments and Equity Instruments

The financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

A. Financial Assets:

Initial Recognition:

Financial Assets include Trade Receivables, Security Deposits, Cash and Cash Equivalents and eligible current and non-current assets. The financial assets are initially recognized at the transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being value at fair value through the Statement of Profit and Loss.

Subsequent Measurement:

The subsequent measurement of financial assets depends upon the initial classification of financial assets. For the purpose of subsequent measurement, financial assets are classified as under:

i. Financial Assets At Amortized Cost where the financial assets are held solely for collection of cash flows and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

ii. fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for realization of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

iii. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade Receivables, Security Deposits, Cash and Cash Equivalents, where reliable data for fair value is not available then such eligible current and non-current assets are classified for measurement at amortized cost.

Impairment:

If the recoverable amount of an asset (or cash-generating unit/Property, Plant & Equipment) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount if any, in which case the impairment loss is treated as a revaluation decrease.

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

The company recognises impairment loss on trade receivables using expected credit loss model.

B. Financial Liabilities:

Financial liabilities include long and short-term loans and borrowings, trade payables, eligible current and non-current liabilities. The borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry of the terms.

p) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

· In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability

· The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

q) Cash and Cash Equivalents-For the Purpose of Cash Flow Statements:

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and short-term deposits, which are subject to an insignificant risk of changes in value.

r) Operating Cycle:

Based on the activities of the company and normal time between incurring of liabilities and their settlement in cash or cash equivalents and acquisition/right to assets and their realization in cash or cash equivalents, the company has considered its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non-current.

s) Significant Influence:

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

If an entity holds, directly or indirectly (e g through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (e g through subsidiaries), less than 20 per cent of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated.

As at the reporting date, the company held less than 20 per cent of voting power of the investees.

The existence of significant influence by an entity is usually evidenced in one or more of the following ways:

(a) representation on the board of directors or equivalent governing body of the investee;

(b) participation in policy-making processes, including participation in decisions about dividends or other distributions

(c) material transactions between the entity and its investee;

(d) interchange of managerial personnel; or

(e) provision of essential technical information.

The company has neither appointed nor has entered into an agreement with any of the investees to appoint any director or representative on the Board of Director or equivalent governing body of the investees as representative of the company. The policy making decisions of company including participation in decisions about dividends or other distributions if any are taken by the board of directors of company irrespective of the policy decisions by the investees. The company did not have material transactions with investees with regard to business operations i.e., sale/purchase of goods or provision of services. There has been no interchange of managerial personnel or provision of essential technical information between the company and its investees during the year. Accordingly, the company has not identified any investee as associate.

t) Events Subsequent to Financial Statements Period:

Events after the reporting period are those events, both favourable and unfavourable that have occurred between the end of the reported financial statements year and the date when financial statements are approved for issue by the Board of Directors of the company.

Events after the reporting period can be identified as those that provide evidence of conditions that existed as at the end of the financial year i.e. adjusting events after the financial year end and those are indicative of conditions that arose after the financial year end i.e. non-adjusting events after the financial year end.

The company adjusts the amounts of assets, liabilities, incomes and expenses recognised in the financial statements of the reporting period to reflect the effects of adjusting events to the respective assets, liabilities, incomes and expenses of the reporting period.

The non-adjusting events are not recognised in the financial statement of the reporting period but the nature of event and an estimate of its financial effect are disclosed in the notes of accounts.

u) Earnings Per Share:

The Company presents basic and diluted earnings per share details for its ordinary shares. Basic earning per share is calculated by dividing the net profit after tax for the year attributable to the ordinary shareholders of the company by weighted number of ordinary shares outstanding for applicable period during the year.

Diluted earning per share is calculated considering the effect of dilution if any to ordinary share during the year.

v) Expected Credit Loss:

The measurement of expected credit loss on financial assets is based on the evaluation of collectability and the management's judgement regarding recoverability. A considerable amount of judgement is required in assessing the ultimate realization of the trade receivables having regard to the past collection history of each party, ongoing dealings with the parties, and assessment of their ability to pay the debts.

w) Materiality

The Management of the company uses judgement in deciding whether individual items or groups of items are material in the financial statements. Materiality is judged by reference to the nature or magnitude or both of the items. The deciding factor is whether omitting or misstating or obscuring an information could individually or in combination with other related information influence decisions that primary users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. Further, the company may also be required to present separately immaterial items when required by law.

x) Non-current assets held for sale:

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale or disposal in its present condition subject only to terms that are usual and customary for sales or disposal of such asset and the sale or disposal is highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

NOTE NO. 2 PROPERTY, PLANT & EQUIPMENTS **(₹ in Lakhs)**

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 1ST APRIL, 2025	ADDITIONS	ADJUSTMENTS/ SALE DURING THE YEAR	AS AT 31ST MARCH, 2026	AS AT 1ST APRIL, 2025	ADDITIONS	ADJUSTMENTS/ SALE DURING THE YEAR	AS AT 31ST MARCH, 2026	AS AT 31ST MARCH, 2026	AS AT 31ST MARCH, 2025
1	Building	104.84	-	-	104.84	7.83	3.46	-	11.29	93.55	97.01
2	Corporate Office	42.01	-	-	42.01	12.54	0.66	-	13.20	28.81	29.48
3	Plant & Machinery	54.48	-	-	54.48	5.76	4.94	-	10.70	43.78	48.72
4	Furniture & Fixtures	42.80	-	-	42.80	39.87	0.13	-	40.00	2.80	2.94
5	Air Conditioner	3.05	-	-	3.05	2.54	0.08	-	2.62	0.43	0.51
6	Weigh Bridge	6.21	-	-	6.21	5.88	-	-	5.88	0.34	0.34
7	Winch	190.90	-	-	190.90	84.19	5.90	-	90.09	100.81	106.71
8	Wire Rope	50.79	-	-	50.79	31.89	3.97	-	35.86	14.93	18.90
9	Crane	289.90	-	-	289.90	159.41	10.17	-	169.58	120.32	130.49
10	Oxygen Cylinders & Tank	124.16	-	-	124.16	79.97	3.33	-	83.30	40.87	44.20
11	DG Sets	1.67	-	-	1.67	1.40	0.11	-	1.51	0.16	0.27
12	Plazma Cutting Machine	5.44	-	-	5.44	1.23	0.34	-	1.58	3.86	4.21
13	Roof Top Solar Power Plant	4.33	-	-	4.33	1.17	0.27	-	1.44	2.89	3.16
14	Air Compressor	0.87	-	-	0.87	0.20	0.05	-	0.25	0.61	0.67
15	Office Equipments	4.78	1.27	-	6.05	1.98	0.77	-	2.75	3.30	2.80
16	C.C.T.V Camera	3.45	-	-	3.45	3.09	0.19	-	3.28	0.17	0.36
17	EPBX	0.58	-	-	0.58	0.55	-	-	0.55	0.03	0.03
18	Water Filter	0.12	-	-	0.12	0.11	-	-	0.11	0.01	0.01
19	Godrege RHINO Safe	0.11	-	-	0.11	0.11	-	-	0.11	0.01	0.01
20	Vehicles	296.65	-	-	296.65	70.36	33.70	-	104.06	192.59	226.29
21	Computers	11.44	2.86	-	14.30	8.33	2.40	-	10.74	3.56	3.10
22	Printers	0.86	0.68	-	1.54	0.64	0.24	-	0.89	0.66	0.22
	TOTAL	**1,239.43**	**4.81**	**-**	**1,244.24**	**519.04**	**70.73**	**-**	**589.78**	**654.47**	**720.39**
	PREVIOUS YEAR	1,172.73	175.53	(108.83)	1,239.43	541.78	62.96	(85.69)	519.04	720.39	630.95

NOTE NO. 3 NON-CURRENT FINANCIAL ASSETS: INVESTMENTS

(₹ in Lakhs)

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
	Unsecured but Considered Good		
I.	**SECURITY DEPOSITS:**		
	SHIP RCECYCLING INDUSTIRES ASSOCIATION (DEPOSIT)	2.00	2.00
	BIOMEDICAL WASTE MANAGEMANT SCHEME	0.20	0.20
	GAS DEPOSIT	2.00	
	SECURITY DEPOSITE (MAKHINGA TEXTILE PARK PRIVATE LIMITED)	0.50	0.50
	SECURITY DEPOSITE (GMB PLOT RENEWAL)	5.00	5.00
	PGVCL DEPOSIT	0.10	0.10
	TOTAL	**9.80**	**7.80**

NOTE NO. 4 OTHER NON-CURRENT ASSETS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
1	Share Issue Expenses	211.08	264.08
	Less: Expenses Written Off During the Year Under Section 52(2)	(53.00)	(53.00)
	TOTAL	**158.09**	**211.08**

NOTE NO. 5 INVENTORIES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I	**-Inventories taken as Physically Verified, Valued and Certified by the management of the company**		
1	Raw Materials-Uncut Ship & Materials	-	1,354.53
2	Stock-in-Trade [Goods Purchased For Resale]	1,469.04	3,142.52
	TOTAL	**1,469.04**	**4,497.05**

- Refer to Note No. 1(I)(d) on Material Accounting Policies for Basis of Valuation of Inventories.
- Refer to Note No. 15 regarding Inventories hypothecated as security for availing working capital loans by the company.

NOTE NO. 6 CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
1	**Unsecured But Considered Good**		
	- Outstanding for a period Exceeding Six Months	-	-
	(From the date from which they became due for payment)		
	- Others	6,383.87	2,370.37
		6,383.87	**2,370.37**
	- Due by Companies in which Directors are Director/Interested	-	-
	- Due by Others	6,383.87	2,370.37
	TOTAL	**6,383.87**	**2,370.37**

- Refer to Note No. 15 regarding Trade Receivables hypothecated as security for availing working capital loans by the company.

NOTE 6[A]: AGEING FOR TRADE RECEIVABLES OUTSTANDING

AS AT MARCH 31, 2026: **[Amount ₹ In Lakhs]**

SR. NO.	PARTICULARS	Outstanding for following periods from due date of payment#					TOTAL
		Less than Six Months	Six Months- One Year	1-2 Years	2-3 Years	More than 3 Years	
I.	Undisputed Trade Receivables- Considered Good	6,383.87	-	-	-	-	6,383.87
II.	Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
III.	Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
IV.	Disputed Trade Receivables-Considered Doubtful	-	-	-	-	-	-
	TOTAL	**6,383.87**	**-**	**-**	**-**	**-**	**6,383.87**
	LESS: Allowance For Bad & Doubtful Debts	-	-	-	-	-	-
	NET TRADE RECEIVABLES	**6,383.87**	**-**	**-**	**-**	**-**	**6,383.87**

AS AT MARCH 31, 2025: **[Amount ₹ In Lakhs]**

SR. NO.	PARTICULARS	Outstanding for following periods from due date of payment#					TOTAL
		Less than Six Months	Six Months- One Year	1-2 Years	2-3 Years	More than 3 Years	
I.	Undisputed Trade Receivables- Considered Good	2,370.37	-	-	-	-	2,370.37
II.	Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
III.	Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
IV.	Disputed Trade Receivables-Considered Doubtful	-	-	-	-	-	-
	TOTAL	**2,370.37**	**-**	**-**	**-**	**-**	**2,370.37**
	LESS: Allowance For Bad & Doubtful Debts	-	-	-	-	-	-
	NET TRADE RECEIVABLES	**2,370.37**	**-**	**-**	**-**	**-**	**2,370.37**

From the Date of bill accounted in the books of account.

NOTE NO. 7 CURRENT FINANCIAL ASSETS: CASH & BANK BALANCES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I	**Balance with Banks**		
A.	In Current Accounts/Debit Balance in CC & OD Accounts	11.87	86.66
B.	Fixed Deposits [Margin Money Against LC For Goods]	1,574.86	2,851.43
		1,586.73	**2,938.09**
II	**Cash on Hand**	10.33	26.49
	TOTAL	**1,597.06**	**2,964.58**

NOTE NO. 8 CURRENT FINANCIAL ASSETS: LOANS & ADVANCES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I.	**Unsecured but Considered Good**		
	Sundry Advances to Staff	6.36	6.56
	Loans and Advances to Related Parties & Others	5,567.69	4,045.59
		5,574.05	**4,052.16**
II.	Interest Accrued On Bank FDR/Parties	84.03	50.62
	TOTAL	**5,658.08**	**4,102.77**

NOTE NO. 9 CURRENT FINANCIAL ASSETS: OTHER RECEIVABLES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I.	**Unsecured but Considered Good**		
A.	**DEPOSITS**	28.00	-
	BSE Limited [1% of Share Issue Proceeds]	-	28.00
	[To be Released on Payment of Dues to Intermediaries to Issue]		
	Deposits to Suppliers Against Supply of Goods	50.00	-
B.	Sundry Debit Balances & Other Receivables	44.07	0.72
C.	Balance With Government Authorities		
	GST Balances	24.86	42.16
	TOTAL	**118.94**	**70.88**

NOTE NO. 10 CURRENT TAX ASSETS [NET] **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I.	**CURRENT TAX ASSETS**		
	TDS/TCS Receivable For The A.Y. 2026-27	124.88	-
	Less: Provision For Income Tax [Current]	(63.23)	-
	TOTAL	**61.65**	**-**

Income tax has been provided for as per the provisions of section 115BAA of the Income-tax Act, 1961.

NOTE NO. 11 OTHER CURRENT ASSETS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26		AS AT 31-Mar-25	
I.	**ADVANCES**				
1	Advances for Expenses & Other Debit Balances	32.75		6.39	
			32.75		**6.39**
II.	Prepaid Expenses		19.29		14.73
	TOTAL		**52.04**		**21.12**

NOTE NO. 12 EQUITY SHARE CAPITAL **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26		AS AT 31-Mar-25	
		NO. OF SHARES	AMOUNT ₹	NO. OF SHARES	AMOUNT ₹
I.	**EQUITY SHARES**				
	AUTHORISED				
	Equity Shares of ₹ 10/= Each At Par	2,60,00,000	2,600.00	2,60,00,000	2,600.00
	Issued, Subscribed and Paid Up Capital				
	Equity Shares of ₹ 10/= Each At Par Fully Paid Up	2,44,73,391	2,447.34	2,44,73,391	2,447.34
	TOTAL	**2,44,73,391**	**2,447.34**	**2,44,73,391**	**2,447.34**

II Reconciliation of Number Shares Outstanding **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26		AS AT 31-Mar-25	
		NO. OF SHARES	AMOUNT ₹	NO. OF SHARES	AMOUNT ₹
1	Outstanding As At The Beginning Of The Year	2,44,73,391	2,447.34	1,64,73,391	1,647.34
	Add: Issue of Shares (Face Value)	-	-	80,00,000	800.00
	Outstanding As At The End Of The Year	**2,44,73,391**	**2,447.34**	**2,44,73,391**	**2,447.34**

III Rights, preferences and restrictions attached to shares:

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held.

IV Details of Shareholder Holding 5% or More Shares in the Company

SR. NO.	PARTICULARS	As At 31st March, 2026		As At 31st March, 2025	
		No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
1	Manoj Kumar Jain	61,68,100	25.20%	**61,68,100**	**25.20%**
2	Sangeeta Jain	22,92,264	9.37%	22,92,264	9.37%

V Details of Shareholding by Promoters and Promoter Group in the Company

A.

SR. NO.	Name of the Promoter	Class of Shares	As At 31st March, 2026		% Change During the Financial Year 2025-26
			No. of Shares	% of Total Shares	
1	Manoj Kumar Jain	Equity Shares	61,68,100	25.20%	-
2	Sangeeta Jain	Equity Shares	22,92,264	9.37%	-
3	Varun Manojkumar Jain	Equity Shares	6,24,800	2.55%	-
4	Vaibhav Manojkumar Jain	Equity Shares	2,40,000	0.98%	-
	TOTAL		**93,25,164**	**38.10%**	

B.

SR. NO.	Name of the Promoter	Class of Shares	As At 31st March, 2025		% Change During the Financial Year 2024-25
			No. of Shares	% of Total Shares	
1	Manoj Kumar Jain	Equity Shares	61,68,100	25.20%	-
2	Sangeeta Jain	Equity Shares	22,92,264	9.37%	-
3	Varun Manojkumar Jain	Equity Shares	6,24,800	2.55%	-
4	Vaibhav Manojkumar Jain	Equity Shares	2,40,000	0.98%	-
	TOTAL		**93,25,164**	**38.10%**	

NOTE NO. 13 NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I.	**SECURED**		
1	**TERM LOANS**		
	From Bank of Baroda		
	AWCTL Term Loan A/c. No. 73280600000017	-	46.00
	(Nature of Security)*	-	46.00
	(Guaranteed by Directors & Others)		
	Guaranteed by Others)		
	(Terms of repayment of term loans) **		
	(Also Refer to Note No. 15 on Balance due in next twelve months classified as current maturities of long term debts)		
2	**VEHICLE LOANS**		
	HDFC Car Loan-Vellfire Toyota [$]	**83.21**	**101.74**
	HDFC Car Loan- Fortuner [$$]	**22.98**	**32.60**
	Mercedes-Benz Financial Services [$$$]	**42.66**	**46.64**
		148.85	**180.98**
	TOTAL	**148.85**	**180.98**

DETAILS OF SECUTIRIES & TERMS OF REPAYMENT

A. Working Capital Term Loans

* The loans are in the form of additional working capital term loans to build up current assets, working capital requirements, liquidity mismatch and for other business requirements. The charge over the existing primary as well as collateral securities extended to cover these loans.

** The loans are repayable in 48 equal monthly instalments with one year moratorium (12 months) in payment of principal amount.

B. Vehicle Loans

$ HDFC Car Loan-Vellfire Toyota

Secured by Hypothecation of Vehicle.

Repayable by 84 Monthly Instalment of ₹ 2,20,962 each including interest.

$$ HDFC Car Loan-Fortuner

Secured by Hypothecation of Vehicle.

Repayable by 20 Monthly Instalment of ₹ 1,11,951 each, 20 Monthly Instalment of ₹ 93,293 and 20 Monthly Instalment of ₹ 68,180 including interest commencing from January-2025.

$$$ Mercedes-Benz Financial Services

Secured by Hypothecation of Vehicle.

Repayable by Monthly Instalment of ₹ 70,514 each including interest.

NOTE NO. 14 DEFERRED TAX LIABILITIES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26		AS AT 31-Mar-25	
I.	**OPENING BALANCE**	**61.39**		**60.26**	
	DEFERRED TAX LIABILITIES/(ASSETS) RELATING TO				
	Property, Plant and Equipments, Intangible Assets	2.34		1.13	
			63.74		61.39
	TOTAL		**63.74**		**61.39**

NOTE NO. 15 CURRENT FINANCIAL LIABILITIES: SHORT TERM BORROWINGS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26		AS AT 31-Mar-25	
I.	**SECURED**				
	Loans Repayable on Demand				
	Working Capital				
	From Banks				
A	**CASH CREDIT***				
1	**From Bank of Baroda**				
	Bank of Baroda-CC Account No.-05/137	2,718.13		485.38	
2	**From Axis Bank**				
	Axis Bank Limited-CC Account No.-924030039778020	-		677.94	
II.	**Current Maturities of Long Term Debts** [$]				
A.	**SECURED***				
1	**TERM LOANS**				
	From Bank of Baroda				
	AWCTL Term Loan A/c. No. 73280600000017	45.61		69.00	
			45.61		**69.00**
2	**VEHICLE LOANS** [$]				
	HDFC Car Loan-Vellfire Toyota	18.53		17.02	
	HDFC Car Loan-Vellfire Fortuner	9.62		10.02	
	Mercedes-Benz Financial Services	3.95		3.57	
			32.10		**30.62**
	TOTAL		**2,795.84**		**1,262.94**

*

I NATURE OF SECURITY:

A Primary Security

Bank of Baroda

Working Capital Loans secured by way of First Exclusive Charge by way of Hypothecation of entire Raw Materials, Stock-in-Process, Stores and Spares, Packing Materials, Finished Goods and Book-Debts of the Company both present and future.

B Collateral Security

1 Hyothecation of Plant & Machinery-Plant & Machinery Includes Weigh Bridge, Winch, Wire Rope, Crane, Oxygen Cylinder, Tank & D.G. Sets

2 Pledge of 44,42,017 Shares of the Company VMS Industries Limited [20,00,000 Shares held by Mrs. Sangeeta Jain and 24,42,017 held by Mr. Manoj Kumar Jain].

3 Additional Collateral securities by way of FDR/LIC/Government Securities.

4 Equitable Mortgage of Commercial Property situated at Plot No. B-3A, City Survey No. 5684, CS Ward No. 7, Street No. 202, Second Floor, Jain House, Central Point Complex, Opp. Vithalwadi GIDC, Near White Rose Hotel, Bhavnagar Rajkot Road, Bhavnagar admeasuring 1342 Sq. Mtr. in the name of Smt. Sangeeta Jain.

5 Equitable Mortgage of Commercial Property situated at Plot No. B-3A, City Survey No. 5684, CS Ward No. 7, Street No. 202, Third Floor, Jain House, Central Point Complex, Opp. Vithalwadi GIDC, Near White Rose Hotel, Bhavnagar Rajkot Road, Bhavnagar admeasuring 1342 Sq. Mtr. in the name of Shri Manoj Kumar Jain.

6 Equitable Mortgage of Commercial Property situated at Survey No. 241p, City Survey No. 3027p, Ward-7, Office No. A/104 at Lilla Efcee, Waghawadi Road, Nr, Aksharwadi, Bhavnagar admeasuring 404.50 Sq. Ft. in the name of Shri Manoj Kumar Jain.

7 Equitable Mortgage of Commercial Property situated at Survey No. 241p, City Survey No. 3027p, Ward-7, Office No. A/105 at Lilla Efcee, Waghawadi Road, Nr, Aksharwadi, Bhavnagar admeasuring 404.50 Sq. Ft. in the name of Shri Manoj Kumar Jain.

8 Equitable Mortgage of Commercial Property situated at 808-C, Pinnacle Business Park, Prahladnagar Corporate Road, Prahladnagar, Ahmedabad admeasuring 1556 Sq. Ft. in the name of M/s. VMS Industries Limited.

9 Equitable Mortgage of Residential Flat situated at B-404, Asaveri Tower, Satellite, Ahmedabad in the joint name of Manoj Kumar Jain and Smt. Sangeeta Jain.

10 Equitable Mortgage of Plot No. D-8, D-9, Gallops Industrial Park-1, Sarkhej-Bavla Road, At-Rajoda, Taluka-Bavla, District-Ahmedabad in the name of M/s. Entrepot B Developers.

11 Equitable Mortgage of Plot No. D-8 & D-9, Gallops Industrial Park-1, Jasdan-Ahmedabad Highway, At-Rajoda, Taluka-Bavla, District-Ahmedabad in the name of M/s. Entrepot B Developers.

II GUARANTEE:

Outstanding balances of working capital secured by personal/corporate guarantees of the following:

1 Mr. Manoj Kumar Jain-Director

2 Mrs. Sangeeta Jain-Director

3 Mr. Varun Manoj Jain

4 M/s. Entrepot B Developers

III REPAYMENT TERMS:

Working capital loans repayable on demand.

**** Letter of Credit**

I NATURE OF SECURITY:

1 Cash Margin by way of Bank Fixed Deposits at stipulated at the time of opening of LC.

2 Goods Purchased Under LC

$ For Nature of Security, Terms of Repayment, Gurantee Offered and Nature of Defaults Refer to Note No. 12.

NOTE NO. 16 CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I	**Sundry Creditors for Goods**		
	- Micro & Small Enterprises	-	-
	- Others	3,387.06	3,627.90
II	**Sundry Creditors for Other Expenses**		
	- Micro & Small Enterprises	-	0.19
	- Others	15.48	20.35
	TOTAL	**3,402.54**	**3,648.44**

NOTE: DUES TO MICRO AND SMALL ENTERPRISES

The Company has dues outstanding as at the reporting date to certain suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act, 2006 are as follows:

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I	The principal amount remaining unpaid to any supplier at the end of the year.	**-**	**0.19**
II	Interest due as claimed remaining unpaid to any supplier at the end of the year.	**-**	**-**
III	The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year.	**-**	**-**
IV	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	**-**	**-**
V	The amount of interest accrued and remaining unpaid at the end of accounting year.	**-**	**-**
VI	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	**-**	**-**
	TOTAL	**-**	**0.19**

NOTE 16[A]: AGEING FOR TRADE PAYABLES OUTSTANDING

AS AT MARCH 31, 2026: **[Amount ₹ In Lakhs]**

SR. NO.	PARTICULARS	Outstanding for following periods from due date of payment#				TOTAL
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
I.	**Trade Payable for Goods:**					
	- MSME-Others	-	-	-	-	-
	- MSME-Disputed	-	-	-	-	-
	- Other than MSME-Others	3,387.06	-	-	-	3,387.06
	- Other than MSME-Disputed	-	-	-	-	-
II.	**Trade Payable for Expenses:**					
	- MSME-Others	-	-	-	-	-
	- MSME-Disputed	-	-	-	-	-
	- Other than MSME-Others	15.48	-	-	-	15.48
	- Other than MSME-Disputed	-	-	-	-	-
	TOTAL	**3,402.54**	**-**	**-**	**-**	**3,402.54**

AS AT MARCH 31, 2025: **[Amount ₹ In Lakhs]**

SR. NO.	PARTICULARS	Outstanding for following periods from due date of payment#				TOTAL
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
I.	**Trade Payable for Goods:**					
	- MSME-Others	-	-	-	-	-
	- MSME-Disputed	-	-	-	-	-
	- Other than MSME-Others	3,627.90	-	-	-	3,627.90
	- Other than MSME-Disputed	-	-	-	-	-
II.	**Trade Payable for Expenses:**					
	- MSME-Others	0.19	-	-	-	0.19
	- MSME-Disputed	-	-	-	-	-
	- Other than MSME-Others	20.35	-	-	-	20.35
	- Other than MSME-Disputed	-	-	-	-	-
	TOTAL	**3,648.44**	**-**	**-**	**-**	**3,648.44**

From the Date of bill accounted in the books of account.

NOTE NO. 17 OTHER CURRENT LIABILITIES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I	Advances from Customers/Sundry Credit Balances	5.47	0.31
II	Other Payables	16.28	16.10
III	**Other Payables-Statutory Liabilities**		
	Provident Fund	0.57	1.33
	Employee State Insurance Fund	0.07	0.03
	Professional Tax	0.43	0.13
	T.D.S./T.C.S. Payable	7.77	9.18
	GST TDS Payable	5.64	-
	GST Payable	-	12.85
		14.49	23.51
	TOTAL	**36.24**	**39.92**

NOTE NO. 18 CURRENT: PROVISIONS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
	Provision For Expenses	-	9.20
	TOTAL	**-**	**9.20**

NOTE NO. 19 CURRENT TAX LIABILITIES [NET] **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
	Current Income Tax Liabilities		
	Provision for Current Year	-	231.28
	Less: Advance Tax Paid	-	-
	Less: TDS/TCS Receivable	-	(136.63)
	TOTAL	**-**	**94.65**

Income tax has been provided for as per the provisions of section 115BAA of the Income-tax Act, 1961.

NOTE NO. 20 REVENUE FROM OPERATIONS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
A.	**SALE OF PRODUCTS**		
	Sales Of Manufacturing Goods-Ship Breaking (Inclusive of GST Collected On Sales)	4,147.25	17,041.17
	Sales Of Trading Goods (Inclusive of GST Collected On Sales)	11,595.80	11,814.70
		15,743.05	**28,855.88**
	TOTAL	**15,743.05**	**28,855.88**

NOTE NO. 21 OTHER INCOME **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
1	**INTEREST INCOME**		
	From Current Investments/Advances/Others		
	Interest on Fixed Deposits With Banks	163.82	221.40
	Interest on Loans & Advances [Net]	534.61	239.20
		698.43	**460.60**
2	**Other Non-Operating Income (Net of Related Expenses)**		
	Rent Income	6.60	7.74
	Profit on Sale of PPE	-	3.69
	Round Off	-	0.00
	Other Income	1.20	2.40
		7.80	**13.83**
	TOTAL	**706.23**	**474.43**

NOTE NO. 22 COST OF MATERIALS CONSUMED **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
I.	**RAW MATERIALS CONSUMED:**		
A.	Opening Stock	1,354.53	3,617.98
	Add : Purchases (Inclusive of GST On Purchases)	3,107.67	12,915.79
	Less : Closing Stocks	-	(1,354.53)
		4,462.20	**15,179.24**
	TOTAL	**4,462.20**	**15,179.24**

NOTE NO. 23 PURCHASE STOCK IN TRADE **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
-	Purchases Stock in Trade (Inclusive of LC Charges) (Inclusive of GST On Purchases in Previous Year)	9,392.40	14,518.28
	TOTAL	**9,392.40**	**14,518.28**

NOTE NO. 24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
1	**OPENING INVENTORIES**		
	- Stock-in-Trade [Goods Purchased For Resale]	3,142.52	471.93
	Less: GST Credit	(426.50)	
		2,716.02	**471.93**
	LESS:		
	CLOSING INVENTORIES		
	- Stock-in-Trade [Goods Purchased For Resale]		(3,142.52)
		(1,469.04)	**(3,142.52)**
	CHANGES IN INVENTORIES	**1,246.98**	**(2,670.60)**

NOTE NO. 25 EMPLOYEE BENEFIT EXPENSES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
1	Salaries, Wages & Labour Charges		
	-To Directors-Remuneration	132.00	24.00
	-To Others	148.18	266.83
		280.18	290.83
2	Company Contribution to Provident Fund	10.19	25.21
3	Company Contribution to ESIC	0.71	0.58
4	Directors' Sitting Fees	1.87	2.92
5	Professional Tax of Employees	1.19	2.53
6	Bonus & Exgratia	19.69	30.57
7	Staff Welfare Expenses [Net]	9.29	12.76
	TOTAL	**323.11**	**365.39**

NOTE NO. 26 FINANCE COST **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
1	Bank Charges, LC Charges & Other Financial Charges	129.44	75.44
2	Interest		
	To Bank	202.76	147.78
	On Vehicle Loans	17.77	12.30
	On Income Tax	12.28	-
	On Late Payment to Supplier	20.00	-
	To Others	0.44	0.38
	On TDS	0.02	0.08
		253.26	**160.54**
	TOTAL	**392.23**	**289.98**

NOTE NO. 27 DEPRECIATION AND AMORTISATION EXPENSES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
1	Depreciation on Property, Plant & Equipments	70.73	62.96
	TOTAL	**70.73**	**62.96**

NOTE NO. 28 OTHER EXPENSES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
I.	**MANUFACTURING EXPENSES**		
1	Stores & Spares Consumed:	9.78	12.74
2	Power, Fuel & Utilities :		
	Electricity, Diesel, Gases & Carbide	98.99	305.09
3	Repairs & Maintenance to Plant & Other Items of PPE	0.22	4.02
4	Transportation Inward	58.64	111.67
5	GMB Plot Rent/Development & Other Charges	15.50	16.60
6	Labour Charges	8.50	4.72
7	Other Direct & Manufacturing Expenses	2.81	3.27
		194.44	**458.12**
II.	**ADMINISTRATIVE, SELLING AND OTHER EXPENSES**		
1	Postage & Telephone/Communications	0.71	0.74
2	Stationery & Printing	0.46	0.99
3	Travelling,Conveyance & Vehical Expenses		
	Travelling & Conveyance	2.26	9.51
	Vehicle Expenses (Including Repairs & Fuel)	4.92	3.17
		7.19	**12.68**
4	Legal & Professional Charges	87.41	83.36
5	Rent, Rates & Taxes	23.23	66.09
6	Auditor's Remuneration		
	Statutory Audit Fees	0.70	0.70
	Tax Audit Fees	0.15	0.15
		0.85	**0.85**
7	Insurance	6.66	12.61
8	Selling & Distribution Expenses		
	Advertisement Expenses	0.91	7.74
	Commission on Sales	4.99	16.82
		5.90	**24.56**
9	CSR Expenses	12.50	7.50
10	Other Expenses	10.43	4.68
	TOTAL	**349.77**	**672.18**

NOTE NO. 29 CONTINGENET LIABILITIES **(₹ in Lakhs)**

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
I.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2014-15 Order U/s. 143(3) of Income Tax Act, 1961. [As per Demad Noticec Under Section 156 issued at the time of assessment order]	-	8.28
II.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2019-20 Order U/s. 69C of Income Tax Act, 1961. [As per Demad Noticec Under Section 156 issued at the time of assessment order]	99.48	0.00
III.	Commissioner of Income Tax, National Faceless Appeal Centre (NFAC), Income Tax Department for A.Y. 2014-15 Order U/s. 147 of Income Tax Act, 1961. [As per Demad Noticec Under Section 156 issued at the time of assessment order]	12.26	12.26

SR. NO.	PARTICULARS	AS AT 31-Mar-26	AS AT 31-Mar-25
IV.	Bank Guaratee issued by Bank of Baroda in favour of Welspun Corporation Limited for cutting and segregation of scrap ship-lift sale of the items resulting from such activities	-	400.00
V.	Appellate Authority [Appeal Filing Pending As On the Date of Authorisation of Financial Statements by the Board of Directors] against the order passed by Joint Commissioner of Central Goods & Service Tax (CGST), Bhavnagar Demand Order Dated 31/03/2026 on the Ground of Denial Of ITC Credit including Penalty levied for the financial years 2019-20 to 2024-25.	1,988.21	-
	TOTAL	**2,099.95**	**420.54**

NOTE NO. 30 FINANCIAL INSTRUMENTS-FAIR VALUES AND RISK MANAGEMENT

The carrying value and fair value of financial instruments by categories are as follows:

FINANCIAL ASSETS:

SR. NO.	PARTICULARS	AS AT 31-Mar-26							
		Carrying Amount (In INR)				Fair Value (In INR)			
		FVTPL	FVTOCI	Amortized Cost	TOTAL	Level 1	Level 2	Level 3	TOTAL
A.	**NON-CURRENT FINANCIAL ASSETS:**								
	I Investments in Equity and Other Instruments								
	- Quoted Equity Investments	-	-	-	-	-	-	-	-
	- Unquoted Equity Shares	-	-	-	-	-	-	-	-
	- Investment in Capital Of Partnership Firm	-	-	-	-	-	-	-	-
	II Loans & Advances	-	-	-	-	-	-	-	-
	III Advances for Capital Expenses	-	-	-	-	-	-	-	-
	IV Security Deposits	-	-	9.80	9.80	-	-	-	-
B.	**CURRENT FINANCIAL ASSETS:**								
	I Trade Receivables	-	-	6,383.87	6,383.87	-	-	-	-
	II Cash & Cash Equivalents	-	-	1,597.06	1,597.06	-	-	-	-
	III Loans & Advances	-	-	5,567.69	5,567.69	-	-	-	-
	IV Sundry Balances Recoverable	-	-	90.39	90.39	-	-	-	-
	V Balances with Government Authorities	-	-	24.86	24.86	-	-	-	-
	VI Other Financial Assets	-	-	94.07	94.07	-	-	-	-
	TOTAL	**-**	**-**	**13,767.74**	**13,767.74**	**-**	**-**	**-**	**-**

SR. NO.	PARTICULARS	AS AT 31-Mar-25							
		Carrying Amount (In INR)				Fair Value (In INR)			
		FVTPL	FVTOCI	Amortized Cost	TOTAL	Level 1	Level 2	Level 3	TOTAL
A.	**NON-CURRENT FINANCIAL ASSETS:**								
	I Investments in Equity and Other Instruments								
	- Quoted Equity Investments	-	-	-	-	-	-	-	-
	- Unquoted Equity Shares	-	-	-	-	-	-	-	-
	- Investment in Capital Of Partnership Firm	-	-	-	-	-	-	-	-
	II Loans & Advances	-	-	-	-	-	-	-	-
	III Advances for Capital Expenses	-	-	-	-	-	-	-	-
	IV Security Deposits	-	-	7.80	7.80	-	-	-	-
B.	**CURRENT FINANCIAL ASSETS:**								
	I Trade Receivables	-	-	2,370.37	2,370.37	-	-	-	-
	II Cash & Cash Equivalents			2,964.58	2,964.58	-	-	-	-
	III Loans & Advances			4,045.59	4,045.59	-	-	-	-
	IV Sundry Balances Recoverable			57.18	57.18	-	-	-	-
	V Balances with Government Authorities			42.16	42.16	-	-	-	-
	VI Other Financial Assets			0.90	0.90	-	-	-	-
	TOTAL	**-**	**-**	**9,516.40**	**9,516.40**	**-**	**-**	**-**	**-**

FINANCIAL LIABILITIES:

SR. NO.	PARTICULARS	AS AT 31-Mar-26							
		Carrying Amount (In INR)				Fair Value (In INR)			
		FVTPL	FVTOCI	Amortized Cost	TOTAL	Level 1	Level 2	Level 3	TOTAL
A.	**NON-CURRENT FINANCIAL ASSETS:**								
	I BORROWINGS								
	Term Loans & Vehicle Loans From Banks & Financial Institutions	-	-	148.85	148.85				
B.	**CURRENT FINANCIAL ASSETS:**								
	I Working Capital Loans From Banks	-	-	2,718.13	2,718.13				
	II Intercorporate Loans			-					
	III Current Maturities of Term Loans	-	-	77.71	77.71				
	IV Trade Payables-Raw Materials, Goods and Expenses	-	-	3,402.54	3,402.54				
	V Trade Payables-Capital Goods	-	-	-	-				
	VI Interest Payable (Net)	-	-	-	-				
	VII Advances from Customers/ Sundry Credit Balances	-	-	-	-				
	VIII Other Payables	-	-	-	-				
	IX Statutory Liabilities	-	-	-	-				
	TOTAL	**-**	**-**	**6,347.23**	**6,347.23**	**-**	**-**	**-**	**-**

SR. NO.	PARTICULARS	AS AT 31-Mar-25							
		Carrying Amount (In INR)				Fair Value (In INR)			
		FVTPL	FVTOCI	Amortized Cost	TOTAL	Level 1	Level 2	Level 3	TOTAL
A.	**NON-CURRENT FINANCIAL ASSETS:**								
	I BORROWINGS								
	Term Loans & Vehicle Loans From Banks & Financial Institutions	-	-	226.98	226.98				
B.	**CURRENT FINANCIAL ASSETS:**								
	I Working Capital Loans From Banks	-	-	1,163.32	1,163.32				
	II Intercorporate Loans			-					
	III Current Maturities of Term Loans	-	-	99.62	99.62				
	IV Trade Payables-Raw Materials, Goods and Expenses	-	-	3,648.44	3,648.44				
	V Trade Payables-Capital Goods	-	-	-	-				
	VI Interest Payable (Net)	-	-	-	-				
	VII Advances from Customers/ Sundry Credit Balances	-	-	-	-				
	VIII Other Payables	-	-	-	-				
	IX Statutory Liabilities	-	-	-	-				
	TOTAL	**-**	**-**	**5,138.35**	**5,138.35**	**-**	**-**	**-**	**-**

NOTE NO. 31 FINANCIAL INSTRUMENTS-FAIR VALUES AND RISK MANAGEMENT

LIQUIDITY RISK

SR. NO.	PARTICULARS	AS AT 31-Mar-26				
		Contractual Cash Flows (Amount in INR)				
		Carrying Amount	Less Than One Year	One-Two Years	Two-Five Years	More Than Five Years
A.	**NON-CURRENT FINANCIAL ASSETS:**					
	I BORROWINGS					
	- Term Loans From Banks	-	-	-	-	-
	- Vehicle Loans From Banks	106.19	-	29.70	76.48	-
	- Vehicle Loans From Financial Institutions	42.66	-	4.36	38.30	-
B.	**CURRENT FINANCIAL ASSETS:**					
	I Working Capital Loans From Banks	2,718.13	2,718.13	-	-	-
	II Intercorporate Loans	-	-	-	-	-
	III Current Maturities of Term Loans & Vehicle Loans	77.71	77.71	-	-	-
	IV Trade Payables-Raw Materials, Goods and Expenses	3,402.54	3,402.54	-	-	-
	V Trade Payables-Capital Goods	-	-	-	-	-
	VI Interest Payable on Working Capital Loans	-	-	-	-	-
	VII Advances from Customers/Sundry Credit Balances	5.47	5.47	-	-	-
	VIII Other Payables	16.28	16.28	-	-	-
	IX Statutory Liabilities	14.49	14.49	-	-	-
	TOTAL	**6,383.47**	**6,234.62**	**34.06**	**114.78**	**-**

SR. NO.	PARTICULARS	AS AT 31-Mar-25				
		Contractual Cash Flows (Amount in INR)				
		Carrying Amount	Less Than One Year	One-Two Years	Two-Five Years	More Than Five Years
A.	**NON-CURRENT FINANCIAL ASSETS:**					
	I BORROWINGS					
	- Term Loans From Banks	46.00	-	46.00	-	-
	- Vehicle Loans From Banks	134.34	-	28.15	89.06	17.12
	- Vehicle Loans From Financial Institutions	46.64	-	3.95	42.69	-
B.	**CURRENT FINANCIAL ASSETS:**					
	I Working Capital Loans From Banks	1,163.32	1,163.32	-	-	-
	II Intercorporate Loans	-	-	-	-	-
	III Current Maturities of Term Loans & Vehicle Loans	99.62	99.62	-	-	-
	IV Trade Payables-Raw Materials, Goods and Expenses	3,648.44	3,648.44	-	-	-
	V Trade Payables-Capital Goods	-	-	-	-	-
	VI Interest Payable on Working Capital Loans	-	-	-	-	-
	VII Advances from Customers/Sundry Credit Balances	0.31	0.31	-	-	-
	VIII Other Payables	16.10	16.10	-	-	-
	IX Statutory Liabilities	23.51	23.51	-	-	-
	TOTAL	**5,178.28**	**4,951.30**	**78.10**	**131.75**	**17.12**

NOTE NO. 32 FINANCIAL INSTRUMENTS-FAIR VALUES AND RISK MANAGEMENT

CURRENCY EXPOSURE RISK (FOREIGN CURRENCY) **[Amount ₹ In Lakhs]**

SR. NO.	PARTICULARS	AS AT 31-Mar-26			
		Contractual Cash Flows (Amount in INR)			
		USD	GBP	JPY	TOTAL
A.	**CURRENT FINANCIAL ASSETS:**				
	Trade Receivables	-	-	-	-
	Cash & Cash Equivalents	-	-	-	-
	Other Receivables	-	-	-	-
	TOTAL	**-**	**-**	**-**	**-**
B.	**CURRENT FINANCIAL ASSETS:**				
	Trade Payables-Raw Materials and Expenses	-	-	-	-
	TOTAL	**-**	**-**	**-**	**-**

SR. NO.	PARTICULARS	AS AT 31-Mar-25			
		Contractual Cash Flows (Amount in INR)			
		USD	GBP	JPY	TOTAL
A.	**CURRENT FINANCIAL ASSETS:**				
	Trade Receivables	-	-	-	-
	Cash & Cash Equivalents	-	-	-	-
	Other Receivables	-	-	-	-
	TOTAL	**-**	**-**	**-**	**-**
B.	**CURRENT FINANCIAL ASSETS:**				
	Trade Payables-Raw Materials and Expenses	-	-	-	-
	TOTAL	**-**	**-**	**-**	**-**

NOTE 33 :

A) Amounts Recognised in Profit and Loss **(₹ in Lakhs)**

PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
Current Tax Expenses		
Current Period	63.23	231.28
Current Tax Pertaining to Prior Periods	-	-
Total Current Tax Expenses (A)	**63.23**	**231.28**
Deferred Tax Expenses/ (Credit)		
Obligation and Reversal During The Year	2.34	1.13
Deferred Tax Expenses/ (Credit) (B)	**2.34**	**1.13**
Tax Expenses For The Year (A+B)	**65.58**	**232.41**

b) Amounts recognised in OCI

PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
Items That Will Not Be Reclassified To Profit Or Loss		
Remeasurement Of Defined Benefit Liability (Asset)	-	-
Items That Will Be Reclassified To Profit Or Loss	**-**	**-**
Total	**-**	**-**

B) Reconciliation Of Tax Expenses And The Accounting Profit Multiplied By Tax Rate **(₹ in Lakhs)**

PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
Profit Before Tax	211.87	912.86
Statutory Tax Rate (%)	25.17%	25.17%
Tax At Statutory Tax Rate	53.33	229.77
Tax Effect Of Non-Taxable Income		
Tax Effect Of Variance of Allowance/Disallowance	10.41	2.11
Tax Effect Of Income Chargeable Under Other Head of Income	(0.50)	(0.58)
Tax Effect Timing Difference	2.34	1.13
Tax Effect Of Change In Deferred Tax Rate	-	-
Tax Effect Of Income Chargeable At Special Rate	-	-
Effect Of Tax Under MAT	-	-
Others	(0.01)	(0.02)
Income Tax Expense For the Year	65.58	232.41
Effective Tax Rate	30.95%	25.46%

C) Movement In Deferred Tax Balances **[Amount ₹ In Lakhs]**

PARTICULARS	AS AT 31-Mar-26			
	Net Opening	Recognised in Profit or Loss	Recognised in OCI	Net Closing
(A) Deferred Tax Asset				
On Property, Plant and Equipments	-	-	-	-
Interest Accrued on Debentures/Bonds	-	-	-	-
Fair Value loss on Security Deposits	-	-	-	-
Fair Value loss on Investment	-	-	-	-
Employee Benefits Available As Deduction on Payment	-	-	-	-
Total (A)	**-**	**-**	**-**	**-**
(B) Deferred Tax Liabilities				
Impact of Adoption of Ind AS 116	-	-	-	-
On Depreciation, Impairment and Amortisation	61.39	2.34	-	63.74
Interest Accrued on Debentures/Bonds	-	-	-	-
Fair Value Gain on Investment	-	-	-	-
Employee Benefits Available As Deduction on Payment	-	-	-	-
Remeasurement of Defined Benefits	-	-	-	-
Total (B)	**61.39**	**2.34**	**-**	**63.74**
Total DTA / (DTL) (A)	**(61.39)**	**(2.34)**	**-**	**(63.74)**

PARTICULARS	AS AT 31-Mar-25			
	Net Opening	Recognised in Profit or Loss	Recognised in OCI	Net Closing
(A) Deferred Tax Asset				
On Property, Plant and Equipments	-	-	-	-
Interest Accrued on Debentures/Bonds	-	-	-	-
Fair Value loss on Security Deposits	-	-	-	-
Fair Value loss on Investment	-	-	-	-
Employee Benefits Available As Deduction on Payment	-	-	-	-
Total (A)	**-**	**-**	**-**	**-**
(B) Deferred Tax Liabilities				
Impact of Adoption of Ind AS 116	-	-	-	-
On Depreciation, Impairment and Amortisation	60.26	1.13	-	61.39
Interest Accrued on Debentures/Bonds	-	-	-	-
Fair Value Gain on Investment	-	-	-	-
Employee Benefits Available As Deduction on Payment	-	-	-	-
Remeasurement of Defined Benefits	-	-	-	-
Total (B)	**60.26**	**1.13**	**-**	**61.39**
Total DTA / (DTL) (A)	**(60.26)**	**(1.13)**	**-**	**(61.39)**

Note : The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same Tax Authority

Significant management judgment is required in determining provision for Income Tax, Deferred Income Tax Assets and Liabilities and recoverability of Deferred Income Tax Assets against future sufficient taxable income. The recoverability of deferred income tax assets is based on estimates of future taxable income which the company may generate and the period over which deferred income tax assets will be recovered and applicability or modifications of relevant tax provisions.

NOTE NO. 34

FINANCIAL RISK AND CAPITAL MANAGEMENT

A FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Company's principal financial liabilities generally comprises of borrowings from banks and financial institutions, trade payables and other financial liabilities. The Company's principal financial assets generally include loans, trade receivables cash and cash equivalents, balances other than bank balances and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in financial instruments for speculative purposes may be undertaken.

1 Market Risk

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk and Interest risks. These risks may affect the Company's income and expenses, or the value of its financial instruments.

The Company's exposure to and management of these risks are explained below:

i Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's financial assets are at fixed rate. Summary of financial assets and financial liabilities has been provided below:

Exposure to interest rate risk

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Fixed - Rate Instruments		
Financial Assets		
Loans & Advavnces to Corporates	5,567.69	4,045.59
Effect on Profit Before Tax		
0.50+ In Rate of Interest	27.84	20.23
0.50- In Rate of Interest	(27.84)	(20.23)
Fixed Deposits with Banks	1,574.86	2,851.43
Effect on Profit Before Tax		
0.50+ In Rate of Interest	7.87	14.26
0.50- In Rate of Interest	(7.87)	(14.26)
Financial Liabilities		
Borrowings	2,944.68	1,489.92
Effect on Profit Before Tax		
0.50+ In Rate of Interest	14.72	7.45
0.50- In Rate of Interest	(14.72)	(7.45)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

2 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and financial institutions.

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to whom the Corporation grants credit terms in the normal course of business.

Expected credit loss assessment for Trade and other receivables from customers as at March 31, 2026 and March 31, 2025 have been given as under:

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Maximum Exposure To Credit Risk Related To Trade And Other Receivables-Gross Carrying Amount	6,383.87	2,370.37
Average Rate of Expected Credit Loss	0.00%	0.00%
Expected Credit Loss Allowance For The Financial Year	-	-

B CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's capital management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Debt-Equity ratio and Debt Service Coverage Ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

NOTE 35: OTHER NOTES

a) Earnings Per Share (EPS):

The Basic and Diluted Earnings Per Share (EPS) has been computed on the basis of profit for the year attributable to equity holders divided by the weighted average number of shares outstanding during the year.

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31-Mar-26	FOR THE YEAR ENDED 31-Mar-25
Profit/(Loss) After Tax For the Financial Year (A)	146.29	680.45
Weighted Average Number of Shares (B)		
I. Opening Balance of Share Outstanding	2,44,73,391	1,64,73,391
No. of Days for which Shares Outstanding	365	365
Weighted Number of Equity Shares [I]	2,44,73,391	1,64,73,391
II. Equity Shares Issued during the year	--	80,00,000
Date on which shares issued	--	22-May-2024
No. of Days for which Shares Outstanding	--	314
Weighted Number of Equity Shares [II]	--	68,82,192
Total No. of Weighted Average Shares [I+II]	2,44,73,391	2,33,55,583
Basic and Diluted Earnings per Share (C) (A/B)	**0.60**	**2.91**

b) Related Party Disclosures:

The Related Party Disclosures in compliance with Ind AS-24 "Related Party Disclosures"

A. List of Related Parties

Sr. No.	Name of the Related Party	Nature of Relationship	Transactions Entered During The Year (Yes/No)
i.	VMS TMT Limited	Company in which Key Managing Director is Director and His Relatives are Shareholders	Yes
ii.	VMS Autolink Private Limited	Company in which Key Managing Director and Whole-time Director are Directors	No
iii.	Luxierge Media Private Limited	Company in which Managing Director has been appointed as Director in Casual Vacancy	No
iv.	Eternal Automobiles	Partnership Firm in which the Managing Director & Whole Time Director are Partners	No
v.	Yohaan Enterprises	Partnership Firm in which the Managing Director & Whole Time Director are Partners	No

Sr. No.	Name of the Related Party	Nature of Relationship	Transactions Entered During The Year (Yes/No)
vi.	Entrepot Developers	Partnership Firm in which the Whole Time Director is Partner	No
vii.	Entrepot B Developers	Partnership Firm in which the Managing Director is Partner	No
viii.	Mr. Manoj Kumar Jain	Key Management Personnel- Managing Director	No
ix.	Mrs. Sangeeta Jain	Whole Time Director	Yes
x.	Mr. Vinod Kanubhai Rana	Director-Appointed with Effect from 02.09.2024	No
xi.	Mrs. Khyati Bhavya Shah	Director-Appointed with Effect from 02.09.2024	No
xii.	Mr. Bakul Kishanlal Mehta	Director-Resigned with Effect from 30.09.2024	No
xiii.	Mr. Pranavkumar Vinaykant Parikh	Director-Resigned with Effect from 30.09.2024	No
xiv.	Mr. Murari Agarwal	Director	No
xv.	Mr. Amit Mandaliya	CFO	Yes
xvi.	Mr. Hemal Pankajkumar Patel	Company Secretary	Yes
xvii.	Mr. Varun Manoj Jain	Son of Managing Director	No
xviii.	Mr. Vaibhav Manoj Jain	Son of Managing Director	No
xix.	Agricon Nutritech Limited	Company in which Director is Director	No
xx.	GCCL Infrastructure and Projects Limited	Company in which Director is Director	No
xxi.	Axita Cotton Limited	Company in which Director is Director	No
xxii.	Yuranus Infrastructure Limited	Company in which Director is Director	No
xxiii.	Prime Fresh Limited	Company in which Director is Director	No
xxiv.	Sakar Healthcare Limited	Company in which Director is Director	No
xxv.	Vrundavan Plantation Limited	Company in which Director is Director	No
xxvi.	Aditya Ultra Steel Limited	Company in Which Relative of Directors is Director and have substantial shareholding	No

B. Transaction with Related Parties

(₹ in Lakhs)

Nature of Transaction	Name of the Party	2025-26	2024-25
Advances Given	VMS TMT Limited	6,447.10	11,970.96
Advances Received Back (Including Against Opening Outstanding Balances)	VMS TMT Limited	9,878.40	11,450.46
Loans/Advances Taken	VMS TMT Limited	1,498.20	NIL
Loans/Advances Repaid	VMS TMT Limited	1,498.20	NIL
Rent Income	VMS TMT Limited	6.60	7.79
Interest Received	VMS TMT Limited	232.40	130.40
Salary Advances Given	Mr. Hemal Pankajkumar Patel	0.20	0.53
Salary Advances Received Back	Mr. Hemal Pankajkumar Patel	0.40	NIL
	Mr. Amit Mandaliya	NIL	0.09
Director/Key Managerial Personnel /CFO/Company Secretary Remuneration	Mr. Manoj Kumar Jain	84.00	NIL
	Mrs. Sangeeta Jain	48.00	24.00
	Mr. Amit Mandaliya	5.02	4.48
	Mr. Hemal Pankajkumar Patel	9.00	7.37
Outstanding Balances as at the year-end- Loans & Advances Given	VMS TMT Limited	NIL	3,431.30 (Dr.)
Outstanding Balances as at the year-end- Rent Recoverable	VMS TMT Limited	NIL	0.59 (Dr.)

(₹ in Lakhs)

Nature of Transaction	Name of the Party	2025-26	2024-25
Outstanding Balances as at the year-end- Salary Payable	Mr. Hemal Pankajkumar Patel	0.73 (Cr.)	0.60 (Cr.)
	Mr. Amit Mandaliya	0.40 (Cr.)	0.35 (Cr.)
Outstanding Balances as at the year-end- Salary Advances Given	Mr. Hemal Pankajkumar Patel	6.36 (Dr.)	6.56 (Dr.)

c) Financial Instruments and Related Disclosures:

Financial Risk Management:

The company activities are exposed various financial risks: credit risk, liquidity risk and foreign exchange fluctuation risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

I. Credit Risk:

Trade Receivables:

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss to the Company. The maximum exposure to the credit risk as at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers from sale of goods. Trade receivables generally are impaired after three years when recoverability is considered doubtful based on general trend. The Company considers that trade receivables stated in the financial statements are not impaired and past due for each reporting dates under review are of good credit quality subject to outcome of the litigations where the company has initiated legal proceedings for recovery.

Other Financial Assets:

Credit risk relating to cash and cash equivalents is considered negligible since the counterparties are banks which are majorly owned by Government of India and are have oversight of Reserve Bank of India. The Company considers the credit quality of term deposits with banks to be good and the company reviews these banking relationships on an ongoing basis.

The Company considers all other financial assets as at the balance sheet dates to be of good credit quality.

II. Liquidity Risk:

The company's principal sources of liquidity are from Short Term Bank Borrowings, Cash and Cash Equivalents and Cash generated from operations.

The Short-term liquidity requirements consist mainly of Trade Payables, Expense Payables, Employee Dues, Servicing of Interest on Short Term and Long-Term Borrowings and payment of instalments of vehicle loans and other payments arising during the normal course of business.

III. Foreign Exchange Rate Risk:

The Company undertakes transactions denominated in foreign currency mainly for purchase of Ships which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency are also subject to reinstatement risks. Hedging is regularly carried out to mitigate the risks of exchange rate fluctuations.

d) In the opinion of the Board of Directors, Current Assets & Loans and Advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, claims receivable against property/goods are realizable as per the terms of the agreement and/or other applicable relevant factors and have been stated in the financial statements at the value which is most probably expected to be realized.

e) Disclosure related to Corporate Social Responsibility (CSR):

i. Details of Corporate Social Responsibility Expenditure:

Sr. No.	Particulars	Financial Year	
		2025-26	2024-25
1.	Amount required to be spent during the year	12.30	7.39
2.	Excess Surplus of Previous Years Carried Forward	0.11	NIL
3.	Amount of Expenditure Required to Expended during the year (After Set off Surplus Spend and Carried Forward from Previous Years)	12.19	7.39
4.	Amount of Expenditure incurred on CSR during the year	12.50	7.50

Sr. No.	Particulars	Financial Year	
		2025-26	2024-25
5.	(Shortfall)/Surplus at the end of the year	0.31	0.11
6.	Total of previous years shortfall	NIL	NIL
7.	Excess spends shown as asset in previous year charged to Statement of Profit and Loss on its utilisation	NIL	NIL
8.	Total amount shown in Statement of Profit and Loss	12.50	7.50
9.	Reason for Shortfall	NA	NA
10.	Detail of Related Party transactions in relation to CSR expenditure as per relevant Accounting Standard	--	--

The company had incurred following expenditures in terms of section 135 of the Companies Act, 2013 on Corporate Social Responsibility:

Sr. No.	Particulars	Amount of Expenditure For The Year Ended 31st March, 2026	Amount of Expenditure For The Year Ended 31st March, 2025
1.	Shree Umiya Education and Charitable Trust, Ahmedabad	12.50	7.50
	TOTAL …. …. ….	**12.50**	**7.50**

f) The company has obtained balance confirmation from some of the parties for Sundry Creditors, Sundry Debtors and parties to whom loans/advance have been granted. All other balances of debtors and creditors and loans and advances are subject to confirmation and subsequent reconciliation, if any.

g) The Financial Statements were authorised for issue by the Board of Directors on 28th May, 2026.

h) Disclosure of Financial Ratios:

Sr. No.	Particulars	Numerator	Denominator	As At/For The Year Ended		% Change Compared to Last Year
				31/03/2026	31/03/2025	
i.	Current Ratio (times)	Current Assets	Current Liabilities	2.46	2.77	(11.32%)
ii.	Debt-Equity Ratio (times)	Total Debt	Total Equity	0.67	0.56	(19.00%)
iii.	Debt Service Coverage Ratio (times)@-1	Earnings available for debt Service	Debt Service	0.17	0.69	(75.66%)
iv.	Return on Equity Ratio (%) @-2	Profit for the year	Average Total Equity	1.51%	8.50%	(82.19%)
v.	Inventory Turnover Ratio (times)	Cost of Materials Consumed + Purchase of Stock in Trade + Employee Benefit Expenses+ Other Direct Expenses	Average Inventory	5.24	6.49	(19.28%)
vi.	Trade Receivables Turnover Ratio (times) @-3	Revenue from Operations	Average Trade Receivable	3.60	10.11	(64.42%)
vii.	Trade Payables Turnover Ratio (times)	Purchases during the year	Average Trade Payables	3.94	4.64	(15.01%)
viii.	Net Capital Turnover Ratio (times) @-4	Revenue from Operations	Average Working Capital	1.74	3.83	(54.56%)
ix.	Net Profit Ratio (%) @-5	Net Profit After Tax	Revenue from Operations	0.93%	2.36%	(60.59%)
x.	Return on Capital Employed (%) @-6	EBIT	Capital Employed	3.74%	8.04%	(53.50%)
xi.	Return on Investments (%) @-7	Net Profit After Tax	Average Total Equity	1.51%	8.50%	(82.19%)

@-1 Debt-Service Coverage Ratio declined on account of lower operational activities resulting into lower operational profits of the company available to serve interest on debts.

@-2 Lower Operational activities resulted into lower operational margins during the current financial year compared to the preceding financial year. Lower Operational Profits vis-à-vis average total equity employed in the company has lowering impact on Return on Equity.

@-3 Trade Receivable Turnover Ratio deteriorated during the year on account of lower operational turnover during the current financial year vis-à-vis average outstanding balances of trade receivables compared to the preceding financial year.

@-4 Higher average capital employed in the business during the current financial year resulting from higher outstanding balances of trade receivables and short-term loans & advances as at the end of the current financial year. On the other hand, operational turnover declined which resulted into lower Net Capital Turnover Ratio during the current financial year.

@-5 Higher Proportion of Trading Activities as compared to Ship Breaking Activities resulted into lower operational margins during the current financial year.

@-6 Lower Operational activities resulted into lower operational margins during the current financial year compared to the preceding financial year. Lower Operational Profits vis-à-vis average total capital employed in the company has lowering impact on Return on Capital Employed.

@-7 Lower Operational activities resulted into lower operational margins during the current financial year compared to the preceding financial year. Lower Operational Profits vis-à-vis average total equity employed in the company has lowering impact on Return on Investments.

i) Relationship with Struck off Companies:

The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

j) Expenses in foreign currency:

CIF Value of Imports:

Raw Materials ₹ NIL/-

(Previous Year ₹ NIL/-)

Foreign Travelling:

₹ NIL/-

(Previous Year ₹ NIL/-)

Income in Foreign Currency:

FOB Value of Exports:

₹ NIL/-

(Previous Year ₹ NIL/-)

k) The Company has not provided any guarantee or security covered under Section 186 and accordingly, the disclosure requirements to that extent does not apply to the Company.

l) Other information:

I. The company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any benami property.

II. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

A. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

B. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

III. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

A. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

B. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

IV. The Company did not have any such transaction which were not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

V. The Company is not declared wilful defaulter by any bank or financial institutions during the financial year.

VI. The title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment are held in the name of the Company.

VII. 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

VIII. No funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("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.

IX. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

X. The company has used an accounting software for maintaining its book of account for the financial year ended March 31, 2026 as well as for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has been operational for the financial year 2025-26 as well as financial year 2024-25 for all relevant transactions recorded in the software ensuring that the audit trail feature in the software has not been disabled throughout the relevant period as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 read with the Companies (Accounts) Amendment Rules, 2021.

The company has used an accounting software for maintaining its book of account which has the feature of preserving audit trail for the period as required by section 128(5) of the Companies Act, 2013 read with relevant rules in this regard.

XI. The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

XII. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

XIII. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

XIV. The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

m) The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.

The Financial Statements have been presented in Indian Rupee (₹) in Lakhs rounded off to two decimal points as per amendment to Schedule III to the Companies Act, 2013.

The figures wherever shown in bracket represent deductions/negative amount.

SIGNATURES TO NOTES '1' TO '35'

FOR, S N SHAH & ASSOCIATES,
Chartered Accountants
FRN: 109782W

FIROJ G. BODLA
Partner
M. NO. : 126770

Place : Ahmedabad
Date : 28th May, 2026

For and on behalf of the Board

Mr. Manoj Kumar Jain
Managing Director
DIN: 02190018

Mrs. Sangeeta Jain
Whole-Time Director
DIN: 00125273

Mr. Amit Mandaliya
Chief Financial Officer

Mr. Hemal Patel
Company Secretary

Place : Ahmedabad
Date : 28th May, 2026

VMS INDUSTRIES LIMITED

Registered Office: 808-C, Pinnacle Business Park,
Corporate Road, Prahladnagar,
Ahmedabad-380015 Gujarat (India)
CIN NO. : L74140GJ1991PLC016714

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