



## Pasari Spinning Mills Limited

Date: 29<sup>th</sup> May, 2026

To,  
Mr. Jeevan Noronha,  
Manager,  
Department of Corporate Services,  
Bombay Stock Exchange, Floor 25, P J Towers,  
Dalal Street, Mumbai - 400 001

Dear Sir,

Sub: Updating the Outcome of the Board Meeting held on 29<sup>th</sup> May, 2026.

Ref: BSE code: 521080 - Pasari Spinning Mills Limited

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We wish to inform you that the Board of Directors of Pasari Spinning Mills Limited at its meeting held on Friday, 29<sup>th</sup> May, 2026 at No 18, III Floor, Anjaneya Temple Road, Yedyur, Jayanagar, 6th Block, Bangalore-560082, the Registered Office of the Company at 03:00 PM, inter alia has considered and approved the following-

1. Audited Standalone Financial results along with Independent Audit Report for the quarter ended and Year ended 31<sup>st</sup> March, 2026 in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

We enclose herewith a copy of the Audited Standalone Financial results of the Company for the quarter ended and Year ended 31<sup>st</sup> March, 2026 accompanied by Independent Audit report thereon by the statutory auditors of the Company for your records.

No 18 III Floor, Anjaneya Temple Road, Yedyur, Jayanagar 6th Block, Bangalore – 560082

CIN: L85110KA1991PLC012537  
Web: <http://www.pasariexports.com/>

Phone No: 91-80-2676-0125  
Email: [admin@pasariexports.com](mailto:admin@pasariexports.com)



## **Pasari Spinning Mills Limited**

The meeting of Board of Directors commenced at 03:00 PM and concluded at 04:05 PM

The above is for your information and dissemination to the public at large.

Thanking you

Yours faithfully,

**For Pasari Spinning Mills Limited**

KRISHNA  
KUMAR  
GUPTA

Digitally signed  
by KRISHNA  
KUMAR GUPTA

**Krishna Kumar Gupta**

Managing Director

DIN: 00003880

No 18 III Floor, Anjaneya Temple Road, Yediur, Jayanagar 6th Block, Bangalore – 560082

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**M/S. PASARI SPINNING MILLS LIMITED**

**CIN: L85110KA1991PLC012537**

Date: 29.05.2026

**Regd Office: NO 18 IIIRD FLOOR, ANJANEYA TEMPLE ROAD, YEDIYUR, JAYANAGAR 6TH BLOCK, BANGALORE - 560 082**

**Statement of Standalone Financial Results for the Quarter and Year Ended 31st March 2026**

(Lakhs)

| SI No | PARTICULARS                                                                                                                 | Quarter Ended                     |                                      |                                   | Year Ended                 |                            |
|-------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|----------------------------|----------------------------|
|       |                                                                                                                             | 3 Months Ended on 31st March 2026 | 3 Months Ended on 31st December 2025 | 3 Months Ended on 31st March 2025 | Year Ended 31st March 2026 | Year Ended 31st March 2025 |
|       |                                                                                                                             | Audited                           | Unaudited                            | Audited                           | Audited                    | Audited                    |
| 1     | Income                                                                                                                      |                                   |                                      |                                   |                            |                            |
|       | (a) Net Sales/Income from operations                                                                                        | -                                 | -                                    | -                                 | -                          | -                          |
|       | (b) Other operating Income                                                                                                  | 5.52                              | 15.41                                | 17.06                             | 53.25                      | 68.66                      |
|       | <b>Total income (a+b)</b>                                                                                                   | <b>5.52</b>                       | <b>15.41</b>                         | <b>17.06</b>                      | <b>53.25</b>               | <b>68.66</b>               |
| 2     | Expenses                                                                                                                    |                                   |                                      |                                   |                            |                            |
|       | (a) Consumption of Raw Materials                                                                                            | -                                 | -                                    | -                                 | -                          | -                          |
|       | (b) Purchase of Traded Goods                                                                                                | -                                 | -                                    | -                                 | -                          | -                          |
|       | (c) Employee benefit Expenses                                                                                               | -                                 | -                                    | -                                 | -                          | -                          |
|       | (d) Finance Costs                                                                                                           | -                                 | -                                    | 0.06                              | -                          | 0.65                       |
|       | (e) Depreciation and Amortisation Expenses                                                                                  | -                                 | 1.92                                 | 1.93                              | 1.02                       | 7.71                       |
|       | (f) Other Expenses                                                                                                          | 11.04                             | 4.99                                 | 5.86                              | 24.29                      | 25.93                      |
|       | <b>(g) Total Expenses</b>                                                                                                   | <b>11.04</b>                      | <b>6.91</b>                          | <b>7.85</b>                       | <b>25.31</b>               | <b>34.29</b>               |
| 3     | <b>Profit / Loss (-) from operations before Exceptional Items (1-2)</b>                                                     | <b>-5.52</b>                      | <b>8.50</b>                          | <b>9.21</b>                       | <b>27.94</b>               | <b>34.37</b>               |
| 4     | Exceptional Items -Reversal of Depreciation                                                                                 | -                                 | -                                    | -                                 | -                          | -                          |
| 5     | <b>Profit / Loss (-) before Extraordinary Items (3-4)</b>                                                                   | <b>-5.52</b>                      | <b>8.50</b>                          | <b>9.21</b>                       | <b>27.94</b>               | <b>34.37</b>               |
| 6     | Extraordinary Items                                                                                                         | -                                 | -                                    | -                                 | -                          | -                          |
| 7     | <b>Profit / Loss (-) before Tax (5-6)</b>                                                                                   | <b>-5.52</b>                      | <b>8.50</b>                          | <b>9.21</b>                       | <b>27.94</b>               | <b>34.37</b>               |
| 8     | Tax Expenses                                                                                                                |                                   |                                      |                                   |                            |                            |
|       | a) Current Tax                                                                                                              | -                                 | -                                    | -                                 | -                          | -                          |
|       | b) Tax Relating to Earlier Years                                                                                            | -                                 | -                                    | -                                 | -                          | -                          |
|       | c) Deferred Tax                                                                                                             | -                                 | -                                    | -                                 | 0.022                      | 1.68                       |
| 9     | <b>Profit / Loss (-) for the period from Continuing Operations (7-8)</b>                                                    | <b>-5.52</b>                      | <b>8.50</b>                          | <b>9.21</b>                       | <b>27.96</b>               | <b>36.05</b>               |
| 10    | Profit / Loss (-) for the period from Discontinuing Operations                                                              | -                                 | -                                    | -                                 | -                          | -                          |
| 11    | Tax Expenses for Discontinued Operations                                                                                    | -                                 | -                                    | -                                 | -                          | -                          |
| 12    | <b>Profit / Loss (-) from Discontinued operation (after Tax) (10-11)</b>                                                    | <b>-</b>                          | <b>-</b>                             | <b>-</b>                          | <b>-</b>                   | <b>-</b>                   |
| 13    | <b>Net Profit / Loss (-) for the period (9+12)</b>                                                                          | <b>-5.52</b>                      | <b>8.50</b>                          | <b>9.21</b>                       | <b>27.96</b>               | <b>36.05</b>               |
| 14    | Other Comprehensive Income                                                                                                  |                                   |                                      |                                   |                            |                            |
|       | a) Items that will not be reclassified to Profit or Loss (-)                                                                | -                                 | -                                    | -                                 | -                          | -                          |
|       | b) Tax impacts on above                                                                                                     | -                                 | -                                    | -                                 | -                          | -                          |
|       | Total Other Comprehensive Income                                                                                            | -                                 | -                                    | -                                 | -                          | -                          |
| 15    | Total Comprehensive Income (Comprising Profit / Loss (-) after Tax and other Comprehensive Income after Tax for the period) | -                                 | -                                    | -                                 | -                          | -                          |
| 16    | Reserve excluding Revaluation Reserves                                                                                      | -                                 | -                                    | -                                 | (1,346.63)                 | (1,374.58)                 |
| 17    | Paid up Equity Share Capital (Face Value per Share Rs. 10)                                                                  | 1,380.00                          | 1,380.00                             | 1,380.00                          | 1,380.00                   | 1,380.00                   |
| 18    | Earning per Share (for Continuing operation)(Rs.) (Nominal Value Rs. 10 per Share                                           |                                   |                                      |                                   |                            |                            |
|       | Basic                                                                                                                       | (0.04)                            | 0.06                                 | 0.07                              | 0.20                       | 0.26                       |
|       | Diluted                                                                                                                     |                                   |                                      |                                   |                            |                            |
| 19    | Earning per Share (for Discontinuing operation)(Rs.) (Nominal Value Rs. 10 per Share                                        |                                   |                                      |                                   |                            |                            |
|       | Basic                                                                                                                       | -                                 | -                                    | -                                 | -                          | -                          |
|       | Diluted                                                                                                                     |                                   |                                      |                                   |                            |                            |
| 20    | Earning per Share (for Discontinuing & Continuing operation)(Rs.) (Nominal Value Rs. 10 per Share                           |                                   |                                      |                                   |                            |                            |
|       | Basic                                                                                                                       | (0.04)                            | 0.06                                 | 0.07                              | 0.20                       | 0.26                       |
|       | Diluted                                                                                                                     |                                   |                                      |                                   | -                          | -                          |

**By order of the Board  
For Pasari Spinning Mills Limited**

KRISHNA  
KUMAR  
GUPTA

Digitally signed  
by KRISHNA  
KUMAR GUPTA

**K K Gupta**  
**Managing Director**  
DIN : 00003880

## Notes to Results

- 1) The Financial Results were Reviewed by the Audit Committee and Approved by the Board of Directors at their Meeting held on 29-05-2026.
- 2) The Company does not have more than one reportable segment in Terms of IAS-108 hence segment wise reporting is not applicable.
- 3) The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), as prescribed under section 133 of the Companies Act 2013, and other recognized accounting practices and the policies to the extent applicable.
- 4) The significant decrease in net profit during the year is primarily attributable to a reduction in rental income. Rental income has been earned and recognized only up to January 2026, consequent to the vacation of the premises pursuant to the order of the Hon'ble Commercial Court, Mysuru, in connection with the proclamation of sale arising from the ongoing court proceedings involving the Cotton Corporation of India (refer Note 11).
- 5) The figures for the previous periods have been regrouped / rearranged / restated, wherever necessary.
- 6) The figures for the last quarter ended 31st March, 2026 and are the balancing figures between audited figures in respect of the year ended 31st March, 2026 and published year to date figures upto 31st December, 2025.
- 7) There were no extraordinary items during the quarter ended on 31st March, 2026.
- 8) TDS receivable balances and GST balances under other financials assets are subject to reconciliation
- 9) Investment Properties of the Financial Statements, wherein the Company has not carried out any revaluation of the Investment Properties during the current financial year. The last revaluation was conducted on 31 March, 2022.
- 10) The Company has not paid property tax since FY 2019–20. However, an estimated provision of Rs.18.87 lakhs has been made in the financial statements towards the said liability, of which Rs.3.00 lakhs pertains to the current year.
- 11) There are ongoing dispute between the Company and Cotton Corporation of India Limited ("CCI") in respect of cotton purchases and related claims. Arbitration proceedings and subsequent legal appeals arising out of the said dispute are presently pending before the Hon'ble High Court of Karnataka. During the year, execution proceedings were initiated against the Company before the Hon'ble Commercial Court, Mysuru and a Proclamation of Sale under Order XXI Rule 66 of the Code of Civil Procedure, 1908 was issued in respect of an immovable property of the Company for recovery of alleged dues amounting to Rs. 703.12 lakhs.  
  
The Hon'ble High Court of Karnataka has granted stay on the execution proceedings vide order dated January 06, 2026 and the matter is pending adjudication. Further, security deposits amounting to Rs. 63.90 lakhs given to Cotton Corporation of India Limited have been fully provided for by the Company in earlier years considering uncertainty associated with the matter. The balance disputed amount of Rs. 639.23 lakhs has been disclosed as contingent liability pending final outcome of the legal proceedings.
- 12) During the year, the Company settled a portion of its outstanding liability towards Pasari Exports Limited, a related party, amounting to Rs. 50.00 lakhs. Consequently, the balance payable to Pasari Exports Limited as at March 31, 2026 stands at Rs. 121.45 lakhs (March 31, 2025: Rs. 171.45 lakhs).

**By order of the Board  
For Pasari Spinning Mills Limited**

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KUMAR  
GUPTA

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by KRISHNA  
KUMAR GUPTA

**K K Gupta**  
**Managing Director**  
DIN : 00003880

Pasari Spinning Mills Limited

Reg Off : # 18 (Old No 16) Anjaneya Temple Road, Yediyur, Jayanagar, Bangalore 560 082 INDIA | Phone / Fax # 91 80 2676 0125

Mail # admin@pasariexports.com | www.pasariexports.com | CIN L85110KA1991PLC012537

(Lakhs)

| Standalone Statement of Assets and Liabilities |                                           |                  |                  |
|------------------------------------------------|-------------------------------------------|------------------|------------------|
| PARTICULARS                                    |                                           | 31st March, 2026 | 31st March, 2025 |
|                                                |                                           | Rs.              | Rs.              |
|                                                |                                           | Audited          | Audited          |
| <b>A</b>                                       | <b>Assets</b>                             |                  |                  |
| 1                                              | <b>Non-current assets</b>                 |                  |                  |
|                                                | Property, plant and equipment             | -                | -                |
|                                                | Investment properties                     | 25.57            | 26.60            |
|                                                | Financial assets                          | -                | -                |
|                                                | (i) Loans                                 | -                | -                |
|                                                | (ii) Other financial assets               | 64.17            | 74.17            |
|                                                | Deferred tax assets                       | 132.85           | 132.83           |
|                                                | Other non-current assets                  | -                | -                |
|                                                | <b>Total non-current assets</b>           | <b>222.59</b>    | <b>233.59</b>    |
| 2                                              | <b>Current assets</b>                     |                  |                  |
|                                                | Inventories                               | -                | -                |
|                                                | Financial assets                          |                  |                  |
|                                                | (i) Investments                           | 0.69             | 0.80             |
|                                                | (ii) Trade receivables                    | 11.08            | 12.16            |
|                                                | (iii) Cash and cash equivalents           | 14.47            | 21.04            |
|                                                | (iv) Loans                                | -                | -                |
|                                                | (v) Other Financial Assets                | 9.44             | 10.98            |
|                                                | <b>Total current assets</b>               | <b>35.67</b>     | <b>44.97</b>     |
|                                                | <b>Total assets (1+2)</b>                 | <b>258.26</b>    | <b>278.57</b>    |
| <b>B</b>                                       | <b>Equity and Liabilities</b>             |                  |                  |
| 1                                              | <b>Equity</b>                             |                  |                  |
|                                                | Equity share capital                      | 1,380.00         | 1,380.00         |
|                                                | Other equity                              | -                | -                |
|                                                | (i) Reserves and surplus                  | (1,346.63)       | (1,374.59)       |
|                                                | (ii) Other reserves                       | -                | -                |
|                                                | <b>Total equity</b>                       | <b>33.37</b>     | <b>5.41</b>      |
| 2                                              | <b>Liabilities</b>                        |                  |                  |
|                                                | <b>Non-current liabilities</b>            |                  |                  |
|                                                | Financial liabilities                     |                  |                  |
|                                                | (i) Borrowings                            | 128.14           | 178.14           |
|                                                | (ii) Other financial liabilities          | -                | -                |
|                                                | Other non-current liabilities             | -                | -                |
|                                                | Provisions                                | 63.90            | 63.90            |
|                                                | <b>Total non-current liabilities</b>      | <b>192.04</b>    | <b>242.04</b>    |
|                                                | <b>Current liabilities</b>                |                  |                  |
|                                                | Financial liabilities                     |                  |                  |
|                                                | (i) Trade payables                        | 0.30             | 0.16             |
|                                                | (ii) Borrowings                           | -                | -                |
|                                                | (ii) Other financial liabilities          | 12.74            | 12.71            |
|                                                | Provisions                                | 20.05            | 16.62            |
|                                                | Current tax liabilities                   | -                | -                |
|                                                | Other current liabilities                 | (0.24)           | 1.63             |
|                                                | <b>Total current liabilities</b>          | <b>32.85</b>     | <b>31.12</b>     |
|                                                | <b>Total liabilities</b>                  | <b>224.89</b>    | <b>273.16</b>    |
|                                                | <b>Total equity and liabilities (1+2)</b> | <b>258.26</b>    | <b>278.57</b>    |

By order of the Board  
For Pasari Spinning Mills Limited

KRISHNA  
KUMAR  
GUPTA

Digitally signed  
by KRISHNA  
KUMAR GUPTA

K K Gupta  
Managing Director  
DIN : 00003880

**M/S. PASARI SPINNING MILLS LIMITED**

**CIN: L85110KA1991PLC012537**

**Regd Office: NO 18 IIIRD FLOOR, ANJANEYA TEMPLE ROAD, YEDIYUR, JAYANAGAR 6TH BLOCK, BANGALORE - 560 082**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2026**

| PARTICULARS                                           | 31st MARCH, 2026 | 31st MARCH, 2025 |
|-------------------------------------------------------|------------------|------------------|
|                                                       | Rs. In Lakhs     | Rs. In Lakhs     |
| <b>A. Cash flow from operating activities</b>         |                  |                  |
| Profit before tax from continuing operations          | 27.94            | 34.37            |
| Profit before tax from discontinued operation         | -                | -                |
| Adjustments for :                                     | -                | -                |
| Depreciation and amortisation expense                 | 1.02             | 7.71             |
| Bad debts written off                                 | -                | -                |
| Deposits written off                                  | -                | -                |
| Net (gain)/loss on financial assets measured at FVTPL | 0.12             | 0.25             |
| Net (gain)/loss on sale of Shares                     | -                | -                |
| Dividend received                                     | (0.05)           | (0.03)           |
| Interest received                                     | (0.04)           | (0.72)           |
| Finance cost                                          | -                | 0.65             |
| Operating profit before working capital changes       | <b>29.00</b>     | <b>42.23</b>     |
| Changes in working capital:                           |                  |                  |
| (Increase)/Decrease in inventories                    | -                | -                |
| (Increase)/Decrease in trade receivables              | 1.08             | (6.08)           |
| (Increase)/Decrease in other financial assets         | 10.00            | 4.15             |
| (Increase)/Decrease in other non-current assets       | -                | -                |
| (Increase)/Decrease in other current Asset            | 1.54             | (4.21)           |
| Increase/(Decrease) short term borrowings             | -                | -                |
| Increase/(Decrease) other financial liabilities       | 0.03             | -                |
| Increase/(Decrease) other non-current liabilities     | -                | -                |
| Increase/(Decrease) in other current liabilities      | (1.88)           | 0.09             |
| Increase/(Decrease) in long term provisions           | -                | -                |
| Increase/(Decrease) in short term provisions          | 3.43             | 8.25             |
| Increase/(Decrease) in trade payables                 | 0.15             | (0.51)           |
| Net Cash generated from operations                    | 43.35            | 43.92            |
| Income taxes paid (net of refunds)                    | -                | -                |
| Net cash from/ (used in) operating activities         | <b>43.35</b>     | <b>43.92</b>     |
| <b>B. Cash flow from investing activities</b>         |                  |                  |
| Purchase of investments                               | -                | -                |
| Proceeds from sale of investments                     | -                | -                |
| Dividend received                                     | 0.05             | 0.03             |
| Interest Received                                     | 0.04             | 0.72             |
| Net cash from/ (used in) investing activities         | <b>0.08</b>      | <b>0.76</b>      |
| <b>C. Cash flow from financing activities</b>         |                  |                  |
| Unsecured loan from related parties                   | (50.00)          | (20.02)          |
| Repayment of Secured loans                            | -                | (8.09)           |
| Interest paid                                         | -                | (0.65)           |
| Net cash from/ (used in) financing activities         | (50.00)          | (28.76)          |
| Net cash flows during the year (A+B+C)                | (6.57)           | 15.91            |
| <b>Cash and cash equivalents (Opening balance)</b>    | <b>21.04</b>     | <b>5.12</b>      |
| <b>Cash and cash equivalents (Closing balance)</b>    | <b>14.47</b>     | <b>21.04</b>     |

**Note:**

- Above cash flow statement has been prepared under indirect method in accordance with the Indian Accounting (Ind AS) 7 on "Statement of Cash Flows".
- The Figures in bracket represent the Cash Outflow and the figures having no bracket represents the Cash Inflow.
- The rental income is considered under operational activities since the factory and building is let out, though land and building is considered as Investment Property

**For PASARI SPINNING MILLS LIMITED**

**KRISHNA KUMAR GUPTA** Digitally signed by KRISHNA KUMAR GUPTA

**Krishna Kumar Gupta**  
Managing Director  
DIN: 00003880

**Poonam Gupta** Digitally signed by Poonam Gupta

**Poonam Gupta**  
Director  
DIN:08447607

Place: Bengaluru  
Date: May 29, 2026

**INDEPENDENT AUDITORS' REPORT ON AUDIT OF QUARTERLY AND ANNUAL  
STANDALONE FINANCIAL RESULTS PURSUANT TO THE REGULATION OF 33 OF  
THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS  
REGULATIONS 2015, AS AMENDED)**

**TO THE BOARD OF DIRECTORS  
PASARI SPINNING MILLS LIMITED**

**Opinion**

We have audited the accompanying Standalone Financial Results of **PASARI SPINNING MILLS LIMITED** (the "Company") for the quarter and year ended March 31, 2026 ("the Statement"), attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these Standalone Financial Results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued there under and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2026.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Results 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note No. 11 to the financial statements regarding the ongoing legal dispute with Cotton Corporation of India Limited in respect of cotton purchase transactions. Execution proceedings were initiated against the Company before the Hon'ble Commercial Court, Mysuru and a Proclamation of Sale was issued in respect of immovable properties of the Company. The matter is presently pending before the Hon'ble High Court of Karnataka, which has granted an interim stay on the execution proceedings pending further adjudication.

These events and conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis based on management's assessment of future business operations and expected cash flows.

Our opinion is not modified in respect of this matter.

**Emphasis of Matter Paragraph**

Emphasis of matter paragraphs are those matters that is of such importance that it is fundamental to users' understanding of the financial statements or as appropriate any other matter that is relevant to users' understanding of the audit, the auditor's responsibilities or the auditor's report.

1. We draw attention to Note No. 9 – Investment Properties of the Financial Statements, wherein the Company has not carried out any revaluation of the Investment Properties during the current financial year. The last revaluation was conducted on 31 March, 2022.
2. We draw attention to Note No. 10 – The Company has not paid property tax since FY 2019-20. However, an estimated provision of Rs.18.87 lakhs has been made in the financial statements towards the said liability, of which Rs.3.00 lakhs pertains to the current year.
3. We We draw attention to Note No. 11 to the financial statements regarding the ongoing dispute between the Company and Cotton Corporation of India Limited ("CCI") in respect of cotton purchases and related claims. Arbitration proceedings and subsequent legal appeals arising out of the said dispute are presently pending before the Hon'ble High Court of Karnataka. During the year, execution proceedings were initiated against the Company before the Hon'ble Commercial Court, Mysuru and a Proclamation of Sale under Order XXI Rule 66 of the Code of Civil Procedure, 1908 was issued in respect of certain immovable properties of the Company for recovery of alleged dues amounting to Rs. 703.12 lakhs.



The Hon'ble High Court of Karnataka has granted an interim stay on the execution proceedings vide order dated January 06, 2026 and the matter is pending adjudication. Further, security deposits amounting to Rs. 63.90 lakhs given to Cotton Corporation of

India Limited have been fully provided for by the Company in earlier years considering uncertainty associated with the matter. The balance disputed amount of Rs. 6,39.23 lakhs has been disclosed as contingent liability pending final outcome of the legal proceedings.

4. We draw attention to note 3 to cash flow statement, the rental income is considered under operational activities since the factory and building is let out, though land and building is considered as Investment Property.

Our Opinion is not qualified in respect of the above matters.

#### **Board of Director's Responsibilities for the Standalone Financial Results**

The Company's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



**Auditors' Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance-about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the board of directors in terms of requirements specified under regulation 33 of LODR regulations.
- Conclude on the appropriateness of the Board of Directors, use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Auditors' report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the branches or business activities within the Company to express an opinion on the Standalone Financial Results.
- We are responsible for the direction, supervision and performance of the audit of the financial information of such branches included in the Standalone Financial Results of which we are the independent auditors. For the other branches included in the Standalone Financial Results, which have been audited by other auditors, such other

auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matter' in this audit report.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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.



**Other Matters**

- a) The quarterly Standalone Financial Results for the period ended March 31, 2026 are the derived figures between the audited figures in respect of the year ended March 31, 2026 and the published year-to-date figures up to December 31, 2025, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Listing Regulations.
- b) Pursuant to Section 134 of the Companies Act, 2013 the Financial Statements of the Company must be signed by any two directors (one of whom shall be the Managing Director), the Chief Executive Officer, the Chief Financial Officer and the Company Secretary of the Company, wherever they are appointed. However, it is observed that the Chief Financial Officer has not signed the Financial Statements of the Company

Our opinion on the Standalone Financial Results is not modified in respect of the above matters.

**For Rao & Emmar**  
**Chartered Accountants**

Firm Registration Number: 003084S

**B J Praveen**  
**Partner**

Membership No: 215713

UDIN: 26215713IXJVSQ1666

Date: May 29, 2026

Place: Bengaluru



### Declaration

We based on the audit report submitted by Auditors of the company M/s. Rao and Emmar, Chartered Accountants, Bangalore on Audited Financial results of the Company for the year ended 31t March, 2026 certify that Audit report is with unmodified observations.

Date: 29.05.2026  
Place: Bangalore

for Pasari Spinning Mills Limited

KRISHNA  
KUMAR  
GUPTA

Digitally  
signed by  
KRISHNA  
KUMAR GUPTA

Krishna Kumar Gupta  
Managing Director  
DIN: 00003880

Address: A-21 Silver palm, Bldg 3,  
Basavanagar Main  
Vibhuthipura Extn Marathalli  
Bangalore - 560067